APPENDIX 4E

For the year ended 30 June 2025

This information should be read in conjunction with Fortescue's Annual Report, for the year ended 30 June 2025.

Name of entity: Fortescue Ltd

ABN: 57 002 594 872

Results for announcement to the market		
		US$ million
Revenue from ordinary activities	decreased 15% to	15,541
Profit from ordinary activities after tax attributable to members	decreased 41% to	3,373
Net profit after tax attributable to members	decreased 41% to	3,373

Dividends	Amount per security	Franked amount per security
Financial year ended 30 June 2025:		
Interim – ordinary	A$0.50	A$0.50
Final – ordinary	A$0.60	A$0.60
Total dividends	**A$1.10**	**A$1.10**
Previous corresponding period:		
Interim – ordinary	A$1.08	A$1.08
Final – ordinary	A$0.89	A$0.89
Total dividends	**A$1.97**	**A$1.97**
Ex-dividend date of final dividend	**1 September 2025**	
Record date of final dividend	**2 September 2025**	
Payment date of final dividend	**26 September 2025**	

Dividend Reinvestment Plan

The Company operates a Dividend Reinvestment Plan (the Plan) which allows eligible shareholders to elect to invest dividends in ordinary shares which rank equally with the ordinary shares of the Company. The allocation of price for shares under the Plan will be calculated as the average of the daily volume weighted average market price of all Fortescue shares traded on the Australian Securities Exchange during the period of five trading days commencing on 4 September 2025.

The last date for receipt of applications to participate in or to cease or vary participation in the Plan is by 5:00pm (WST) on 3 September 2025. The Directors have determined that no discount shall apply to the allocation price and the Plan will not be underwritten. Shares to be allocated under the Plan will be acquired on market and transferred to participants on 26 September 2025. A broker will be engaged to assist in this process.

A copy of the Plan Rules is available at **www.fortescue.com/investors.**

Net tangible asset backing

Net tangible asset backing per ordinary shares: US$6.31 (previous corresponding period: US$6.22).

Previous corresponding period

The previous corresponding period is the 12 months ended 30 June 2024.

Audit

This report is based on financial statements which have been audited.

Commentary on results for the period

A commentary on the results for the period is contained within the Annual Report, including the Financial Report that accompanies this announcement.

Fortescue

ANNUAL REPORT 2025

OUR PURPOSE

AT FORTESCUE, OUR PURPOSE IS CLEAR: TO ACCELERATE DECARBONISATION ON A GLOBAL SCALE, RAPIDLY AND PROFITABLY.

OUR VALUES

FAMILY

EMPOWERMENT

FRUGALITY

STRETCH TARGETS

INTEGRITY

ENTHUSIASM

SAFETY

COURAGE AND DETERMINATION

GENERATING IDEAS

HUMILITY

OUR VALUES ARE AT THE HEART OF EVERYTHING WE DO.

CONTENTS

2025

Acknowledgement of Country

Fortescue acknowledges the First Nations people of the lands upon which we live and work. We acknowledge their rich cultures and their continuing connection to land, waters and community. We are proud to work, partner and engage with First Nations people. We pay our respects to the culture and people, their Elders and leaders, past, present and emerging.

FY25 HIGHLIGHTS

100MW SOLAR FARM COMMISSIONED

Supplying ~25 per cent of our current power requirements at Iron Bridge

SEVEN ELECTRIC EXCAVATORS OPERATIONAL AT OUR PILBARA OPERATIONS

TOTAL IRON ORE SHIPPED

198.4
million tonnes

IRON BRIDGE CONCENTRATE SHIPPED

7.1
million tonnes

TOTAL ECONOMIC CONTRIBUTION FY25

- Employee payments **A$3.3bn**
- Shareholder and investor payments **A$5.2bn**
- Government and native title payments **A$4.2bn**
- Suppliers and operational payments **A$13.2bn**

TOTAL RECORDABLE INJURY FREQUENCY RATE

1.3

CASH ON HAND

US$ 4.3 billion

NET PROFIT AFTER TAX

US$ 3.4 billion

HEMATITE C1 COST

US$ 17.99 /wet metric tonne

REAL ZERO

Fortescue advocates for businesses to adopt a “Real Zero” approach to reducing their emissions instead of “Net Zero”. Put simply, this means eliminating the use of fossil fuels and not relying on offsets (unless required to do so by law), or carbon capture and storage.

OVERVIEW

CHRISTMAS CREEK

MESSAGE FROM THE EXECUTIVE CHAIRMAN

DR ANDREW FORREST AO

The story of the past 12 months is one of trends proven wrong.

We were told the world had moved on from recognising the existential threat of climate change. That the era of investing in green energy was drawing to a close. That ambition was out of fashion.

But here we are, with those with courage staying the course on climate, an Australian Government pushing to host a momentous global climate summit, and the global maritime sector on the brink of committing to an irreversible path to decarbonisation centred around – wait for it – green hydrogen with ammonia as its vector.

Fortescue continues to point the way toward a zero-emissions economic future, and we are supporting global leaders in the shift we so desperately need for the survival of organic life.

I think of the Fortescue Green Pioneer. A single ship, helping to inspire the most ambitious emissions reduction rules ever agreed multilaterally, through the International Maritime Organization. It proved the naysayers wrong.

As my friend and world-renowned marine biologist and oceanographer Sylvia Earle marvelled while onboard the Green Pioneer: "Here we are, with a solution to one of the biggest issues of our time".

As the Green Pioneer has visited the world's ports advocating for shipping's accelerated transition to green fuels, it has embodied the innovative spirit, courage and determination that is taking Fortescue to Real Zero by 2030.

I think of our innovations – in green iron, in solar energy, in batteries. They are showing that those who try to undo global progress are simply choosing to lose the global technology race. Choosing to keep burning sticks and logs while the rest of the world moves forward.

The shift to green iron and to green steel isn't optional – it's a necessity. The global steel industry is responsible for nine per cent of global CO_2 emissions, with iron making responsible for more than 90 per cent of that.

For the future of our planet, this must stop. But green iron also presents an unprecedented opportunity to secure the future of the Pilbara and fuel Australia's economy for decades.

Our 1,500tpa Green Metal Project at Christmas Creek will soon be up and running, marking the first step on a journey that will revolutionise our mining operations.

Moving Western Australia from being a producer of iron ore to a producer of green iron that can be used to make green steel is a legacy we are determined to leave for all Australians.

OVERVIEW
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OUR APPROACH TO SUSTAINABILITY
CLIMATE CHANGE REPORT
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DIRECTORS' REPORT I REMUNERATION REPORT
FINANCIAL REPORT
CORPORATE DIRECTORY

Advancements in renewable energy technologies, such as solar and wind power with battery storage, mean we can convert intermittent renewables to reliable, 24/7 baseload green power.

When Fortescue decarbonises its operations, which will include the installation of more than 4GWh of battery energy storage within an integrated power network, we will set an example for the rest of the world to follow.

We continue to work with some of the world's most innovative companies on battery intelligence systems and battery cell technology that will help us deliver some of the lowest cost energy in the world.

Green hydrogen remains critical to our future. Its day is coming, and we will be able to switch on as much energy as we need without harming the planet and without making despots who invade other countries using energy as a weapon, richer.

Fortescue is in the process of proving 24/7 baseload power as I write. Further, when the cost of producing green hydrogen inevitably reaches parity with fossil fuels, Fortescue will be ready.

Others are joining us on the path to Real Zero. IKEA and Lendlease, two admired global organisations, have been recognised alongside Fortescue for their pioneering, industry-leading climate strategies that phase out fossil fuels without reliance on carbon offsets.

I am optimistic about the future, not just because the world will catch on that continuing to burn anything we can is completely archaic when we can create all the energy we want, control it exactly as we need to with AI and deliver a green, peaceful world through nothing but finally tapping into infinite renewable energy. Confidence in this future comes not from this fact – we will all know this soon enough – but because of the men and women of Fortescue who are continuing to pioneer that future into reality.

Our people have put their hearts and minds into finding solutions.

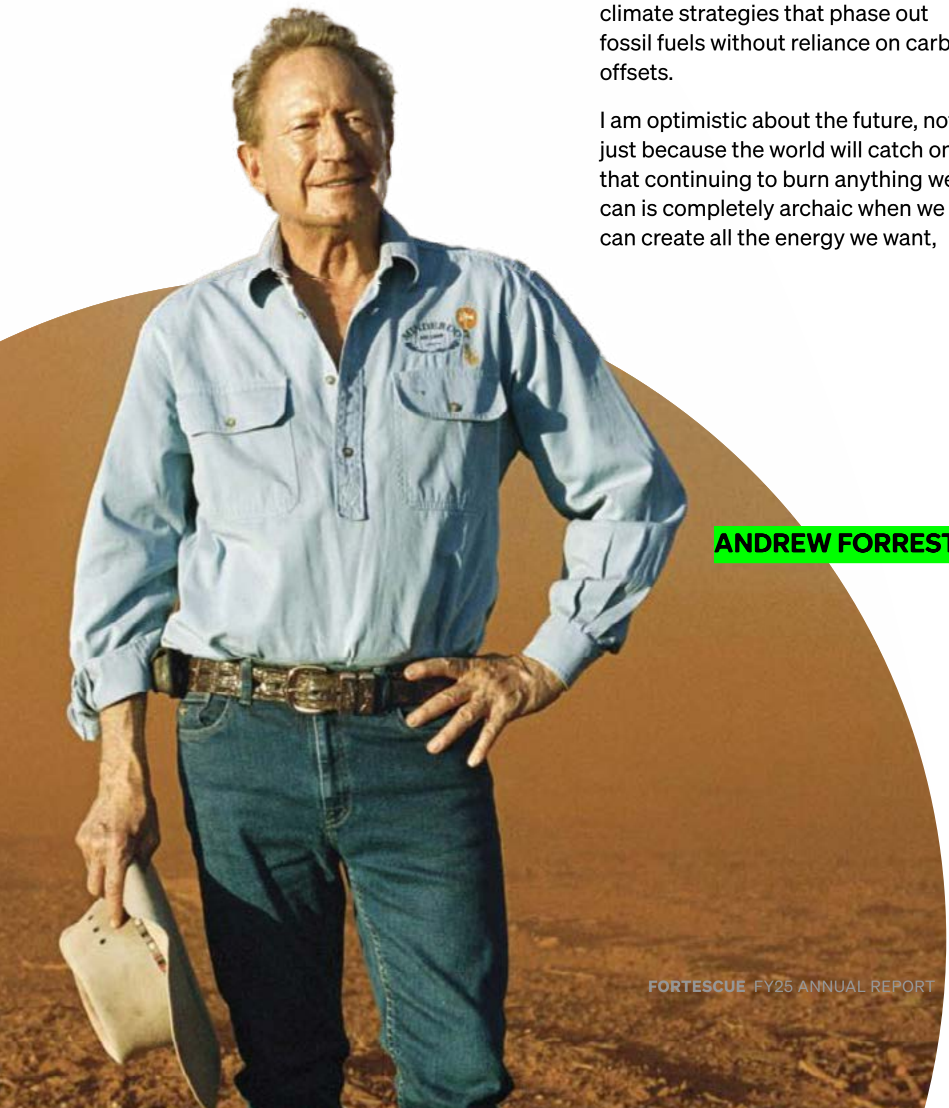
No new industry or transformational shift has ever been linear – or easy. We haven't always got it right, but we learn every day from advances and setbacks.

We are laser focused on leveraging our innovations to ensure operational excellence and we continue to push for solutions and growth in a disciplined manner.

Guided by the Values that have defined this great Company for more than two decades, it is my Fortescue family – the thousands of people who continue to give their all to get the job done – who inspire me.

While it is difficult to escape the sense that we live in an increasingly uncertain world, I remain certain of this: Australia can continue to lead the emissions free industrial capability that every child, woman and man deserves.

ANDREW FORREST



A MESSAGE FROM OUR CEOs

DINO OTRANTO AND GUS PICHOT

Since our first shipment in 2008, Fortescue has never stood still. We have built a world-leading iron ore business by challenging the status quo and showing that ambition - backed by execution - delivers results.

FY25 was no exception. It was a year of operational excellence, big strides on decarbonisation, and a clear focus on keeping our people safe.

Safety is at the heart of everything we do, and this year's results reflect the focus and dedication our people bring to work every day. We recorded a Total Recordable Injury Frequency Rate (TRIFR) of 1.3, a testament to the strength of our safety culture and the commitment of our team.

Our iron ore business continues to be the engine room of Fortescue. In FY25, we shipped a record 198.4Mt, despite facing major challenges like severe weather. That outcome speaks to the resilience of our supply chain and the drive of our operations team. A Hematite C1 cost of US$17.99/wmt underscores our focus on operating excellence. We are delivering results today while setting ourselves up for the future.

With a strong foundation in place, we're now bringing that same determination to the next frontier – leading the green industrial revolution.

GUS PICHOT

CIVIL WORKS COMMENCE ON FORTESCUE'S GREEN METAL PROJECT IN THE PILBARA

DRIVING THE GREEN INDUSTRIAL REVOLUTION

Climate change is not a distant threat. The world is on borrowed time and every delay in cutting fossil fuels pushes us closer to irreversible damage. Fortescue is not waiting for change. We are making it happen.

Our answer is Real Zero – eliminating emissions at the source without carbon offsets. Across our Australian terrestrial iron ore operations, we are tuning off diesel, replacing it with renewable energy and green technology. Fortescue Zero is powering that journey, developing innovative green technologies to help us decarbonise at speed and scale.

Already, we have seven electric excavators in operation and our first electric drill is up and running.

We're also building the backbone of our renewable energy future with 460km of high voltage transmission lines constructed to date, linking our operations with renewable generation.

At Cloudbreak, a 190MW solar farm is under construction, while our 100MW solar installation at North Star Junction is already supplying around 25 per cent of Iron Bridge's power demand.

Technology is driving every aspect of our transition. Elysia, our advanced battery intelligence platform, is giving us deeper insights into battery performance and optimisation. We also see enormous opportunity in artificial intelligence to supercharge innovation, support smarter decision making and streamline operations across the business.

GREEN IRON: THE FUTURE OF THE PILBARA

As we decarbonise how we operate, we're equally focused on transforming what we produce. And nowhere is that transformation more critical than in the steel supply chain.

The Pilbara is not just where we operate. It's our home, our legacy and the heart of everything we've built. Its future depends on innovation and we see green iron as key to ensuring the region remains globally competitive for generations to come.

We are investing with conviction and our Green Metal Project at Christmas Creek is proof of that. It marks a major step forward in our ambition to produce green metal commercially in Western Australia.

We are also deepening our R&D efforts in green ironmaking technologies, knowing that breakthroughs here could unlock significant emissions reductions across the global supply chain.

EVOLVING OUR GREEN ENERGY PORTFOLIO

This year, we refined our global energy portfolio, sharpening our focus on projects that are economically viable and strategically aligned. Financial discipline remains a cornerstone of our approach.

We remain confident in the long-term opportunity in green hydrogen, and see it as a key enabler for green iron in the near term. While the market is still forming, we are building the capability and technology now, so we're ready to lead when demand scales.

Our decisions today are focused on long-term value creation for shareholders, ensuring we invest where Fortescue's expertise and innovation can deliver commercial returns.

DINO OTRANTO

POSITIONED FOR GROWTH

Fortescue is in excellent shape – strong, agile and future-focused. Amid geopolitical uncertainty, we remain focused on what we can control: safety, innovation, financial strength and leading the transition to Real Zero.

This year has shown that when ambition meets action, extraordinary things are possible.

At the heart of our success are our people. To our 16,000-strong Fortescue Family around the world – thank you. Your commitment, resilience and grit are what keep us pushing forward, breaking barriers and redefining what is possible.

To our partners, communities and supporters – we cannot do this alone. Thank you for walking beside us on this journey.

The future is ours to shape, and at Fortescue, we're just getting started.

GUS PICHOT (CENTRE)

OUR BOARD

Fortescue has a talented and diverse Board committed to enhancing and protecting the interests of shareholders and other stakeholders and fulfilling a strong governance role.

As at 30 June 2025, the Board has nine non-executive directors and two executive directors, being Dr Andrew Forrest AO, Fortescue's Executive Chairman, and Elizabeth Gaines. Additionally, the Board appointed Yasmin Broughton as a non-executive director on 1 July 2025.

Dr Andrew Forrest AO

Executive Chairman and Founder of Fortescue, Founder of Minderoo Foundation and Tattarang

Mark Barnaba AM CitWA

Deputy Chairman, Non-Executive Director

Dr Larry Marshall

Non-Executive Director and Lead Independent Director

Dr Jean Baderschneider

Non-Executive Director

Penny Bingham-Hall

Non-Executive Director

Yasmin Broughton

Non-Executive Director

Lord Sebastian Coe CH, KBE

Non-Executive Director

Elizabeth Gaines

Executive Director

Yifei Li

Non-Executive Director

Noel Pearson

Non-Executive Director

Noel Quinn

Non-Executive Director

Usha Rao-Monari

Non-Executive Director

OUR BOARD

Dr Andrew Forrest AO

Executive Chairman and Founder of Fortescue, Founder of Minderoo Foundation and Tattarang

Dr Andrew Forrest AO is a global business and philanthropic leader committed to ending fossil fuel use, accelerating green energy, and addressing urgent global challenges, including climate change, humanitarian crises, modern slavery, ocean degradation, plastic pollution, and the safe governance of emerging technologies.

He is the founder and Executive Chairman of Fortescue, Australia's most successful company for shareholder returns and one of the world's leading miners and infrastructure operators. With a market capitalisation of A$60 billion, Fortescue is consistently ranked among the country's largest taxpayers.

Fortescue has built the world's lowest-cost, most efficient mining operations through a relentless focus on technology and innovation.

Dr Forrest also established Minderoo Foundation, Australia's largest philanthropy, underpinned by a mission to improve lives globally. Its focus areas include climate and ocean health, plastic pollution and human health, the democratisation and safety of artificial intelligence, humanitarian relief in conflict zones including Ukraine and the Middle East, the defence of human rights, and gender equality.

Over two decades, Minderoo has invested in world-leading research, programs, and advocacy initiatives that deliver practical, lasting change – including lifesaving humanitarian assistance to civilians in Gaza and Ukraine.

Through Tattarang, one of Australia's largest private investment groups, Dr Forrest invests in sectors critical to national resilience and prosperity. These include renewable energy, battery metals, high-performance shipbuilding, iconic Australian brands, medical technology, agri-food, and property. The group is guided by the principle: using capital only as a force for good.

Dr Forrest holds a PhD in Marine Ecology and was appointed an Officer of the Order of Australia for his distinguished service to philanthropy, mining, employment, and sustainable foreign investment.

Dr Forrest is a board member of Conservation International and Harvard's Salata Institute Advisory Board (SIAB). He is a member of the Giving Pledge and in 2025 was named one of TIME's 100 Most Influential People in the world.

Mark Barnaba AM CitWA

Deputy Chairman, Non-Executive Director

Mr Barnaba has had an international career as an entrepreneur, corporate advisor and independent director for organisations across the finance, technology, infrastructure, natural resources, sports administration and education sectors. He has extensive and particularly diverse experience at board level in both the for-profit and non-profit sectors.

He is Chairman of Greatland Resources (ASX:GGP LSE:GGP) and is also Chairman of AirTrunk (a cloud-based data centre company operating in Asia-Pacific and Japan). Mr Barnaba is Chairman of the University of Western Australia's Investment Committee and co-chairs the University of Western Australia's Business School Board.

He was previously on the Board of Australia's central bank, the Reserve Bank of Australia (RBA), for two terms, and is a former Chairman of the Audit Committee of the RBA. He has previously chaired several publicly listed Australian companies within the mining and infrastructure sectors along with chairing non-profit organisations and was a former Chairman of the State Theatre Company of Western Australia, the West Coast Eagles (AFL team), Williams Advanced Engineering (UK based offshoot of the Williams F1 team), and was previously a member of the Board of The Centre for Independent Studies.

In 2009, Mr Barnaba was the recipient of the WA Citizen of the Year Award in Industry and Commerce and in 2015 was named a Member of the General Division of the Order of Australia (AM) for significant service to the investment banking and financial sector, to business education and to sporting and cultural organisations.

In his executive career, Mr Barnaba founded, led and sold two companies - GEM Consulting and Azure Capital (both independent corporate advisory firms which provide financial, corporate and strategic advice to public and private organisations in the Asia Pacific region). He also held several senior executive roles at Macquarie Group (one being the Chairman and Global Head of the Natural Resources Group). He previously worked at McKinsey & Company in their London, Johannesburg and Sydney offices.

Mr Barnaba was the inaugural Chairman of the University of Western Australia Business School Board from 2002 to 2020 and currently serves as an Adjunct Professor in Investment Banking and Finance. He holds a Bachelor of Commerce (First Class Honours and University Medal) from the University of Western Australia, an MBA from Harvard Business School (High Distinction; Baker Scholar) and has an Honorary Doctor of Commerce from the University of Western Australia. He has lived in Australia, the United States, Italy, the United Kingdom and South Africa and is married with two children.

Committee Memberships:

Audit, Finance and Risk Management Committee (Chair)
Safety and Sustainability Committee (Member)

Dr Larry Marshall

Non-Executive Director and Lead Independent Director

Dr Marshall sits on the boards of Fortescue Ltd, Nanosonics Limited, Australian National University and Great Barrier Reef Foundation.

He formerly chaired the American Chamber of Commerce, and is the longest serving Chief Executive of CSIRO, and led a transformation which achieved the first growth in 30 years, doubled the value delivered to stakeholders, and made CSIRO the first Australian entity to be Thompson Reuters rated in the Global Top 20 Innovators.

Dr Marshall worked in the United States for 26 years, was Chief Executive of six companies in Biotech, Telecom, Semi and Venture Capital, and delivered three successful IPOs. He has a PhD in Physics and has been honoured for both his business acumen as a Fellow of the Australian Institute of Company Directors, and his Technology and Engineering acumen as a Federation Fellow, and Fellow of Australian Institute of Physics and the Australian Academy of Technological Sciences and Engineering; and an inaugural Male Champion of Change for science, technology, engineering and mathematics (STEM).

He is the author of the 2023 book, *Invention to Innovation*: *How Scientists Can Drive Our Economy*. He has 100 publications and conference papers, holds 20 patents and has served on 20 boards of high-tech companies operating in the United States, Australia and China.

Committee memberships:

Audit, Finance and Risk Management Committee (Member)

People, Remuneration and Nomination Committee (Member)

Safety and Sustainability Committee (Member)

Innovation Council (Chair)

Dr Jean Baderschneider

Non-Executive Director

A highly regarded leader in both business and civil society, Dr Baderschneider brings 35 years of extensive international experience in supply chain operations and procurement, strategic sourcing and logistics management, along with a deep understanding of high-risk operations and locations and complex partnerships. She also has global experience in safety, security and environmental operations and sustainability stewardship.

Dr Baderschneider retired from ExxonMobil in 2013 where she was Vice-President of Global Procurement. During her 30 year career, she was responsible for operations all over the world, including Africa, South America, the Middle East and Asia.

A past member of the Board of Directors of the Institute for Supply Management and the Executive Board of the National Minority Supplier Development Council, Dr Baderschneider also served on the boards of The Center of Advanced Purchasing Studies and the Procurement Council of both The Conference Board and the Corporate Executive Board.

Dr Baderschneider has served as a member of the International Advisory Committee to the 2024 Conference of the Parties (COP29) to the United Nations Framework Convention on Climate Change (UNFCCC). She is also the President of the Board of Trustees of The President Lincoln's Cottage and a member of the Abraham Lincoln National Council of Ford Theatre. In addition, she is on the Board of Directors of the Nizami Ganjavi International Center, the Board of Directors of the McCain Institute and is a Commissioner on the United Nations and Liechtenstein Financial Sector Commission on Modern Slavery. With nearly 20 years of experience working on anti-human trafficking efforts globally, she served on the Board of Directors of Polaris, Made in a Free World and Verité and is a Founding Board member and Chair of the Global Fund to End Modern Slavery.

Dr Baderschneider was a Presidential appointee to the US Department of Commerce National Advisory Council on Minority Business Enterprises and is a past recipient of Cornell's Jerome Alpern Award and Nomi Network Corporate Social Responsibility Award. She holds a Masters Degree from the University of Michigan and a PhD from Cornell University.

Committee memberships:

Safety and Sustainability Committee (Chair)

Audit, Finance and Risk Management Committee (Member)

People, Remuneration and Nomination Committee (Member)

OUR BOARD

Penny Bingham-Hall

Non-Executive Director

Ms Bingham-Hall has over 30 years' experience in senior executive and non-executive roles in large ASX-listed companies. She is Co-Chair of Supply Nation and is also the Deputy Chair of both the Advisory Council of the Climate Governance Initiative, Australia and the Salaam Foundation.

Ms Bingham-Hall has worked in the construction, infrastructure, mining and property industries across Australia and the Asian region. She has a particular interest in environmental sustainability, workplace safety and indigenous employment. Prior to becoming a company director, Ms Bingham-Hall was Executive General Manager, Strategy at Leighton Holdings (now CIMIC) – Australia's largest construction, mining services and property group. As part of the leadership team at Leighton she had responsibilities across the group's Australian and Asian operations.

She is a former chair and director of Vocus Group and former director of Dexus Property Group, BlueScope Steel Limited, Australia Post, Port Authority of NSW and Macquarie Specialised Asset Management.
Ms Bingham-Hall was also Chair of Taronga Conservation Society Australia, the NSW Freight and Logistics Advisory Council, the inaugural Chair of Advocacy Services Australia, Deputy Chair and Life Member of the Tourism & Transport Forum and a director of Infrastructure Partnerships Australia, SCEGGS Darlinghurst Limited and the Global Foundation.

Ms Bingham-Hall has a Bachelor of Arts in Industrial Design, is a Fellow of the Australian Institute of Company Directors, a Senior Fellow of the Financial Services Institute of Australasia and a member of Chief Executive Women.

Committee memberships:

People, Remuneration and Nomination Committee (Chair)

Audit, Finance and Risk Management Committee (Member)

Safety and Sustainability Committee (Member)

Yasmin Broughton

Non-Executive Director

Ms Broughton brings over 25 years of experience in senior executive and non-executive roles within the mining and energy sectors, underpinned by her expertise in law, mergers and acquisitions (M&A), finance, investments, and corporate governance.

Ms Broughton serves as Deputy Chair of Synergy Electricity Generation and Retail Corporation (Synergy), Deputy Chair of RAC Western Australia Holdings Limited (RAC), and Executive Chair of VOC Group Limited.

Ms Broughton also serves as a Non-Executive Director of Greatland Resources Limited, Wright Prospecting Pty Ltd, RAC Insurance Pty Ltd and RAC Finance Limited.

Her past roles include Non-Executive Director at Resolute Mining Limited, Western Areas Limited, Insurance Commission of Western Australia, CyberGym Global Limited, Edge Employment Solutions Inc, and Executive Director at Alinta Limited (former ASX 50).

Ms Broughton's leadership has delivered transformative results, including negotiating the sale of a 25% interest in Rhodes Ridge iron ore assets to Mitsui, the highest price paid globally for a pre-development mining asset and coordinating the settlement of the 25-year Bell litigation. Additionally, she played a key role in growing Alinta's market capitalization 75x.

With a Commerce Degree, a Post Graduate Law Degree, an Advanced Corporate Directors Certificate from Harvard Business School and status as a Fellow of the Australian Institute of Company Directors, Ms Broughton combines technical knowledge with strategic insight. Her extensive legal expertise spans M&A, capital markets, litigation, joint ventures, regulatory compliance, and governance, while her industry experience covers mining operations (iron ore, gold, nickel, copper) and energy, with a focus on renewable solutions and decarbonisation.

Ms Broughton chairs the Health Safety and Sustainability Committee at Greatland Resources Limited and is a member of the Audit and Risk Committee. She chairs the Risk Committee at RAC Insurance Pty Ltd and is a member of the Audit and Risk Committee and Remuneration and Nomination Committee and is a member of RAC's Remuneration and Nomination Committee. She also serves on the Health, Safety and Sustainability Committee at Synergy and has previously served on multiple Audit, Risk, Investment, Health, Safety, Sustainability, Remuneration, and Nominations Committees across various organisations and industries.

Lord Sebastian Coe CH, KBE

Non-Executive Director

Based in Monaco, Lord Coe is the Non-Executive Vice Chairman of Wasserman, formerly known as CSM Sport and Entertainment.

Lord Coe serves as Non-Executive Director of Allwyn Entertainment AG.

He was elected President of the International Association of Athletics Federations in 2015 (now World Athletics) where he is driving significant governance reforms through the organisation and its 214 Member Federations around the world. Lord Coe is currently serving his third and final term as President. He was elected as a member of the International Olympic Committee in 2020, and became a director of the British Olympic Association at that time, having previously served as Chairman of the British Olympic Association from 2012 to 2016.

Lord Coe previously served as Chairman of the Organising Committee for the London 2012 Olympic Games and Paralympic Games. He was a member of the British athletics team at the 1980 and 1984 Olympic Games where he won two gold and two silver medals, as well as breaking 12 world records.

In 1992, Lord Coe became a Member of Parliament and during his political career served as a Government Whip and then Private Secretary to William Hague, Leader of the Opposition and Leader of the Conservative Party. He was appointed to The House of Lords in 2000 having resigned in 2022.

In 2017, he became Chancellor of Loughborough University having previously served as Pro Chancellor of the University.

Committee memberships:

People, Remuneration and Nomination Committee (Member)

Elizabeth Gaines

Executive Director

Ms Gaines led Fortescue as Chief Executive Officer and Managing Director from February 2018 to August 2022, after joining the Executive team as Chief Financial Officer in February 2017 and joining the Board as a Non-Executive Director in February 2013.

A highly experienced business leader, Ms Gaines has extensive international experience in all aspects of financial and commercial management.

Ms Gaines has significant experience in the resources sector and exposure to the impact of the growth in Asian economies, particularly China, on the Australian business environment and economy as well as a deep understanding of all aspects of financial and commercial management at a senior executive level in both listed and private companies.

Ms Gaines has extensive exposure to the drive to transition to green energy and has been a key driver of the goal to decarbonise Fortescue's mining operations by 2030.

In addition to her role as Executive Director at Fortescue, Ms Gaines is the Deputy Chair of Greatland Resources Limited, Chair of the West Coast Eagles (AFL) Football Club, a Non-Executive Director of the Victor Chang Cardiac Research Institute and a Senior Adviser to Oryx Global Partners Ltd.

Ms Gaines was ranked second in the 2019 Fortune Magazine's Businessperson of the Year and in 2020 the Chamber of Minerals and Energy of Western Australia awarded her the 'Women in Resources Champion' at the annual Women in Resources Awards.

In 2020, Ms Gaines was awarded Joint Australian Businessperson of the Year by the Australian Financial Review.

Ms Gaines is a former Chief Executive Officer of Helloworld Limited and Heytesbury Pty Limited and has previously held Non-Executive Director roles with Nine Entertainment Co. Holdings Limited, NEXTDC Limited, Mantra Group Limited and ImpediMed Limited.

Ms Gaines holds a Bachelor of Commerce from Curtin University, a Master of Applied Finance from Macquarie University and an Honorary Doctorate of Commerce from Curtin University. She is a Fellow of Chartered Accountants Australia and New Zealand and a Fellow of the Australian Institute of Company Directors and Chief Executive Women.

OUR BOARD

Yifei Li

Non-Executive Director

Ms Li is the President of the QiBin Foundation and currently serves on the board of BlackRock China.

Ms Li was a Global Trustee of the Rockefeller Foundation and was an Independent Board member of GAVI (The Global Alliance for Vaccines and Immunisation) from 2012 to 2018 and was formerly the Country Chair for Man Group in China, one of the world's largest hedge fund managers.

Before joining Man Group, Ms Li had over 18 years of senior management experience, having successfully led the expansion of several multinational companies in China, including Viacom, MTV networks and VivaKi of Publicis Group.

Ms Li has a Bachelor of Law from the Foreign Affairs College in Beijing and an MA in International Relations from Baylor University in the United States.

Committee memberships:

People, Remuneration and Nomination Committee (Member)

Noel Pearson

Non-Executive Director

Mr Pearson comes from the Guugu Yimithirr community of Hope Vale, on south eastern Cape York Peninsula.

Mr Pearson is an Australian Indigenous leader and advocate. For over 30 years Mr Pearson has pursued land rights and socioeconomic development outcomes for Cape York.

Mr Pearson co-founded the Cape York Land Council and negotiated with the Keating government with respect to the Native Title Act 1993 after the High Court's landmark Mabo decision.

He is the Founder of Cape York Partnership - a non profit Indigenous organisation working in the areas of policy, empowerment, health, language and culture; and Good to Great Schools Australia - which aims to lift education outcomes for Australian students.

Mr Pearson served as a member of the Expert Panel on Constitutional Recognition of Indigenous Australians and the Referendum Council and continues to advocate for structural reforms to empower Indigenous people.

Mr Pearson holds a degree in History and Law from Sydney University.

Committee memberships:

Safety and Sustainability Committee (Member)

Noel Quinn

Non-Executive Director

Mr Quinn retired as Group Chief Executive of HSBC in September 2024, after five years in the role.

Before his retirement, Mr Quinn was with HSBC – or its constituent companies – for 37 years. In 1987, he joined Forward Trust Group, the leasing subsidiary of Midland Bank (now HSBC UK) and for most of his time with the Group he specialised in Corporate banking.

In October 2008, he took over responsibility for the UK Commercial Banking operations of HSBC and was appointed as Group General Manager HSBC, leading the business during the challenging years following the Global Financial Crisis.

From 2011 to 2015, he was the Regional Head of Commercial Banking for Asia-Pacific, based in Hong Kong and was then appointed as Chief Executive, Global Commercial Banking in December 2015.

Mr Quinn remains involved with the Sustainable Markets Initiative, which was founded by HM King Charles III, as Prince of Wales, in 2020. He previously chaired its Financial Services Taskforce and as CEO of HSBC he was a Principal member of the Glasgow Financial Alliance for Net Zero. During his time as Group CEO, he has been a member of the World Bank Private Sector Investment Lab.

Recently, Mr Quinn has been nominated as the Chair of Julius Baer an international private bank, headquartered in Switzerland.

Mr Quinn qualified as a Chartered Accountant.

Committee Memberships

Audit, Finance and Risk Management Committee (Member)

Usha Rao-Monari

Non-Executive Director

Ms Rao-Monari is a senior infrastructure investment professional with over 25 years of experience leading investment platforms and departments within asset investment and management organisations.

She has held various leadership positions in the United Nations, Blackstone Group, Global Water Development Partners, and the International Finance Corporation.

Ms Rao-Monari currently serves as a Member of the Environmental Steering Committee for NEOM, Saudi Arabia Member of the International Advisory Panel on Carbon Credits, Singapore; Commissioner of Global Commission on the Economics of Water, Netherlands and Co-Chair of the Voluntary Carbon Markets Integrity Initiative.

Ms Rao-Monari has also been involved in several global initiatives and partnerships on water resources, clean energy, resource efficiency and environmental issues such as the 2030 Water Resources Group, the World Economic Forum Global Agenda Councils and the CDP North America where she facilitated dialogue, innovation and solutions among public, private and civil society actors.

She has a Masters in International Affairs and Finance from Columbia University, a Masters in Management Studies from Jamnalal Bajaj Institute of Management, and a BA Honours Economics from Delhi University, and has completed the Program for Management Development at Harvard Business School.

Committee memberships:

Audit, Finance and Risk Management Committee (Member)

Safety and Sustainability Committee (Member)

Mona Gill

Company Secretary

Ms Gill was appointed Company Secretary in July 2024, bringing 20 years of experience through legal and compliance roles in government and private practice. Ms Gill holds a Bachelor of Laws and Bachelor of Science from the University of Western Australia, a Masters in Laws from the University of New South Wales and is a graduate of the Australian Institute of Company Directors.

OUR LEADERSHIP TEAM

Fortescue's leadership team is accountable for the safety of our people, upholding the Company's Values, acting with integrity and honesty, and leading the business to achieve our vision.

Agustín (Gus) Pichot

Chief Executive Officer, Fortescue Growth and Energy

Gus joined Fortescue in 2018 to lead the development of Fortescue's mining, energy, and infrastructure business across Latin America, before becoming Head of Global Growth. In July 2025, he was appointed Chief Executive Officer for Growth and Energy, responsible for Fortescue's green energy development and growth projects across the world.

Gus has more than two decades of diverse experience across marketing, business management, capital discipline and investment strategy. He is also renowned for his leadership, both in business and in sport.

Gus played in four Rugby World Cups for Argentina, including captaining his country to the bronze medal at the 2007 event in France. He is a member of the World Rugby Hall of Fame and served his country for 13 years as a Member for World Rugby, rising to the role of Vice Chairman.

As a highly respected leader in asset management and investment strategies, he went on to found and lead Pegsa Group, now one of Latin America's largest media production companies for sports and entertainment.

He holds a Business and Management degree from Brunel University, London. He is currently a non-executive member of the World Rugby Council.

Dino Otranto

Chief Executive Officer, Fortescue Metals and Operations

Dino joined Fortescue in 2021 as Chief Operating Officer Iron Ore before being appointed CEO of Fortescue Metals in August 2023. In July 2025, his role expanded to oversee operational responsibility for global electrification and decarbonisation, and hydrogen product production.

With more than 20 years' experience in the global resources sector, Dino has navigated diverse commodities and operations across multiple continents. His leadership is defined by operational excellence, technical expertise and financial acumen – grounded in a strong commitment to safety, Values and workforce engagement. Now, as Fortescue undergoes rapid growth, Dino is at the helm driving large-scale decarbonisation efforts and shaping the future of the Company's iron ore business.

Dino is passionate about building a safe, high-performing workplace where team members feel empowered and have the tools they need to succeed. He is also a strong advocate for inclusion, committed to developing First Nations leaders and helping them grow and thrive within Fortescue.

Before joining Fortescue, Dino served as Chief Operating Officer at Vale Base Metals, where he oversaw North American, European, and Asian nickel and copper businesses. This spanned a vast global network of underground and open-pit mines, smelters, refineries, power stations, and port and rail infrastructure.

Dino holds a Bachelor of Engineering (Chemical) and a Bachelor of Science (Chemistry) from Curtin University, alongside a Graduate Diploma of Finance from the Financial Services Institute of Australasia.

Apple Paget

Group Chief Financial Officer, Fortescue

Apple joined Fortescue in January 2023 as Group Manager Finance before becoming Acting Chief Financial Officer of Fortescue Metals in August 2023. In July 2024, she was appointed Group Chief Financial Officer for the Company.

With over 25 years' experience across both public and private sectors in the global resources and energy industry, Apple has led across key disciplines including finance, tax, treasury, commercial, business evaluation, and major transactions involving acquisitions and divestments.

She brings a strong interest in supporting the global transition to a low-carbon economy and is deeply committed to exploring opportunities that contribute to a more sustainable, decarbonised future.

Prior to joining Fortescue, Apple held senior finance roles in listed global majors including TotalEnergies and ConocoPhillips.

She is a Fellow of the Institute of Chartered Accountants Australia and New Zealand, a Chartered Tax Adviser accredited by The Tax Institute and a member of Chief Executive Women.

OVERVIEW

OUR VISION

IS A THRIVING DECARBONISED WORLD POWERED BY INNOVATION, WHERE INDUSTRIAL-SCALE SOLUTIONS CREATE PROSPERITY FOR PEOPLE AND THE PLANET.

OUR PURPOSE

AT FORTESCUE, OUR PURPOSE IS CLEAR: TO ACCELERATE DECARBONISATION ON A GLOBAL SCALE, RAPIDLY AND PROFITABLY.


FORTESCUE ZERO

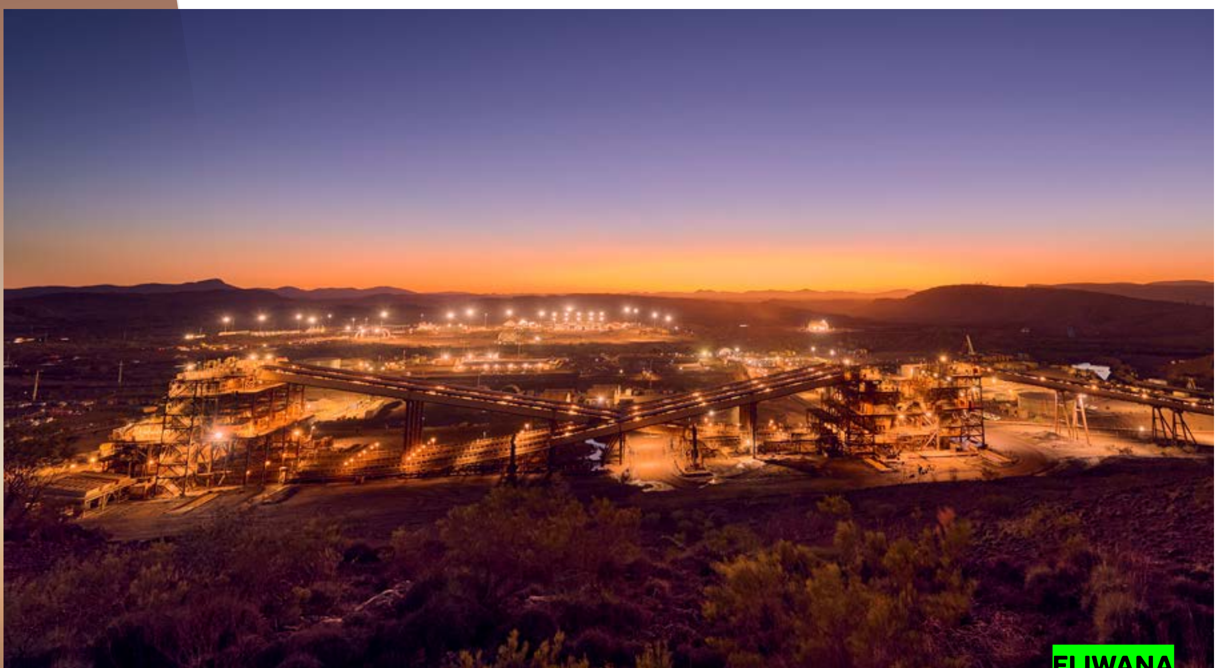
Founded in 2003, Fortescue quickly established itself in the Pilbara, and today that connection is deeper than ever. Our mining operations are connected by 760km of rail to Port Hedland, exporting over 190 million tonnes of iron ore annually to customers worldwide.

Backed by a workforce of over 16,000, we are united by a shared mission – to accelerate decarbonisation on a global scale, rapidly and profitably. With a pipeline of future growth opportunities including in Africa, Europe, Latin America and Australia, we continue to expand our global footprint.

Our growth is built on financial discipline and innovation, ensuring every investment strengthens our global position and delivers long-term value. We are committed to achieving our Real Zero Target by 2030, eliminating the use of fossil fuels across our Australian terrestrial iron ore operations by 2030, without relying on carbon offsets (unless required to do so by law) or carbon capture and storage. Through Fortescue Zero, we are pioneering ground-breaking technologies to eliminate fossil fuel use, providing solutions that help industries accelerate decarbonisation on a global scale.

We are investing significantly in research and development, including leveraging cutting-edge technology to process iron ore into green iron using renewable energy. Our Green Metal Project, now under construction in the Pilbara, will use green hydrogen to produce high purity green iron.

Beyond business, we are committed to building thriving communities, creating lasting social and economic impact through training, employment and business development initiatives. Our Billion Opportunities program underscores this commitment, awarding A$6.6 billion in contracts to Australian First Nations businesses since its launch in 2011.


ELIWANA

OUR STRATEGY

Our strategy is built on innovation, sustainability and global leadership. We are not just optimising operational performance; we are reimagining what is possible to deliver long-term value. Through breakthrough technology and real-world action, we are driving the shift to a zero-emissions future.

And we are not stopping there – we are actively identifying a pipeline of future growth opportunities that will shape the next chapter of Fortescue.

1. Discover and develop

We pursue high-quality iron ore, critical minerals and renewable energy assets across the globe, securing the resources that drive our sustainable growth and global expansion.

2. Innovate and transform

Innovation is our lifeblood. From cutting-edge advancements in decarbonisation to pioneering technologies that drive a zero-emission future free from fossil fuels, we are transforming industries and pushing the limits of what is possible.

3. Extract and operate responsibly

Operational excellence is in our DNA. We lead with efficiency, sustainability and world-class standards, ensuring responsible resource development at every step.

4. Deliver and partner

Our global supply network delivers with precision and performance. We're a trusted partner, delivering high-quality iron ore to the world's steelmakers.

5. Restore and evolve

We focus on rehabilitating, repurposing and leaving a lasting positive impact for communities and the natural environment.

CHRISTMAS CREEK GREEN ENERGY HUB

OPERATING AND FINANCIAL REVIEW

OPERATING AND FINANCIAL REVIEW

Key performance indicators.

SAFETY

1.3

TOTAL RECORDABLE INJURY FREQUENCY RATE

PRODUCTION

198.4Mt

IRON ORE SHIPPED

C1 COST

US$ 17.99 /wet metric tonne

HEMATITE

NET PROFIT AFTER TAX

US$ 3.4bn

ATTRIBUTABLE TO EQUITY HOLDERS

CASH ON HAND

US$ 4.3bn

EMPOWERING A SAFE WORKFORCE

At Fortescue, Family and Safety are key Values. Our focus remains on ensuring everyone goes home safe and well after every shift.

PORT HEDLAND OPERATIONS

Our commitment to safety is embedded across every aspect of our operations, reflecting a culture that prioritises the health and safety of our people above all else. We continue to invest in strengthening safety leadership through targeted action plans informed by insights from our data such as our annual Fortescue People Experience Survey.

Our Risk Management program is central to reducing workplace injury and fatality risks. Identification of exposures coupled with risk reduction improvements driven by our frontline teams, play a critical role in safeguarding our workforce. We also adopt a data-driven approach to safety, leveraging AI to identify, prioritise and monitor controls that manage key risk areas.

This consistent focus on safety has supported a rolling 12-month TRIFR of 1.3 at 30 June 2025.

Beyond physical safety, we are focused on improving the overall health of our people, including wellbeing. Initiatives to manage psychosocial hazards have been progressively embedded across our operations, ensuring that our workplaces remain inclusive and supportive. Fortescue continues to integrate these initiatives across its organisation, reinforcing a safety culture that is both proactive and people focused.

IRON BRIDGE

OUR OPERATIONS

THE FORTESCUE HIVE

ONE OF THE WORLD'S LARGEST PRODUCERS OF IRON ORE

Founded in 2003 as an iron ore exploration company, Fortescue has grown rapidly since producing its first ore at Cloudbreak in 2005, expanding mining operations across the Pilbara and delivering both hematite and magnetite products to global markets.

HEDLAND OPERATIONS

Fortescue's purpose-built, wholly owned and operated rail and port facilities in Port Hedland deliver iron ore to customers around the globe. Spanning 760km, our heavy haul railway provides a reliable link between our mine sites and Herb Elliott Port.

The Iron Bridge concentrate handling facility (CHF) is located at Port Hedland. It receives magnetite concentrate via slurry pipeline, which is then dewatered and stacked in the Hedland Operations stockyard, ready for shipping.

The port comprises five operating berths and is currently approved to export up to 210mtpa of iron ore. Our fleet of 10 tugs, based at our Judith Street Harbour towage facility, is critical to the safe operation of our shipping activities, including our fleet of eight 260,000t-capacity Fortescue ore carriers. Each year, we load and ship more than 990 carriers of iron ore from Herb Elliott Port, significantly contributing to Port Hedland's status as the world's largest bulk export port by tonnage.

CHICHESTER HUB

Located in the Chichester Range, Fortescue's Chichester Hub comprises the Cloudbreak and Christmas Creek mines, which collectively have a production capacity of around 100Mtpa across three ore processing facilities (OPF). Trial mining at Cloudbreak commenced in 2005, with the first shipment occurring in 2008. Christmas Creek is now home to Fortescue's Green Energy Hub and hosts the Green Metal Project. A 60MW solar farm currently supports daytime operations at the Chichester Hub, with construction underway on a new 190MW solar farm at Cloudbreak.

WESTERN HUB

Our Western Hub comprises the Solomon and Eliwana mines, located near the Hamersley Ranges approximately 60km north of Tom Price and 120km west of the Chichester Hub. Solomon commenced operation in 2012, followed by the commissioning of Eliwana in 2020, situated approximately 140km west of Solomon. With its innovative low profile designed OPF and dual stacker reclaimer, Eliwana has the capacity to direct load up to 9,000t per hour. Collectively, the Western Hub contributes around 100Mtpa to Fortescue's total annual production capacity.

IRON BRIDGE

Iron Bridge is Fortescue's first magnetite mining operation and is located around 145km south of Port Hedland. Unlike Fortescue's hematite operations, Iron Bridge produces a wet magnetite concentrate product which is transported via a 135km-long specialist slurry pipeline to Port Hedland for dewatering and materials handling. It also includes a return water pipeline. Iron Bridge is an unincorporated joint venture between FMG Magnetite Pty Ltd (69 per cent) and Formosa Steel IB Pty Ltd (31 per cent).

THE FORTESCUE HIVE

Originally commissioned in March 2020 at 87 Adelaide Terrace and relocated in December 2024 to our new headquarters at 256 St Georges Terrace, the Fortescue Hive is a purpose-built, integrated operations centre that powers our Pilbara operations from Perth. Operating 24 hours a day, seven days a week, the Hive is a high-tech command centre where people, processes and cutting-edge technology converge.

It remotely and safely orchestrates our fixed plant infrastructure, autonomous mining fleet, and port and rail assets – all with precision and efficiency.

The Hive is home to a diverse ecosystem of specialised teams including:

- Hive Operations: Mining, Fixed Plant, Drills, Port, Dewatering
- Rail Team
- Iron Bridge
- Supply Chain Scheduling & Planning
- AI Team
- Mining Systems: Engineering support for operations
- Energy Team

As a central hub for technological advancement, the Hive also serves as the engine room for Fortescue's AI strategy – driving smarter decisions, streamlined operations, and enhanced business value across the organisation.

KEY OPERATIONAL METRICS

(million tonnes)	FY25	FY24	Movement %
Hematite			
Overburden removed	341	324	5
Ore mined	220	204	8
Ore processed	195	188	4
Hematite and Magnetite			
Shipments	198	192	4
Ore sold	198	191	4

FY25 marked a record year as Fortescue delivered total shipments reaching 198Mt. Hematite shipments totalled 191Mt, supported by record rail volumes and strong processing, while Magnetite shipped 7Mt, recovering well after weather impacts. Despite logistical complexities and disruptive weather events during the year, these higher volumes were delivered safely, demonstrating the strength, resilience and efficiency across Fortescue's supply chain.

Fortescue's total sales were 198Mt in FY25, up four per cent from FY24. Sales via Fortescue's wholly owned Chinese sales entity, FMG Trading (Shanghai) Co. Ltd, were 16Mt in FY25 (FY24: 11Mt). This entity allows Fortescue to expand its iron ore sales channels through the direct supply of products to Chinese customers in smaller volumes, in Renminbi, directly from regional ports.

Hematite ore mined increased by eight per cent in FY25 to 220Mt (FY24: 204Mt) while waste mined was consistent year-on-year, reflecting a comparable strip ratio (FY25: 1.6x, FY24: 1.6x). Mining volumes and strip ratio reflect the life cycle of existing operations at the Chichester and Western Hubs and are consistent with the requirements to support Fortescue's integration of its operations with its marketing strategy.

Hematite ore processing increased four per cent in FY25 to 195Mt (FY24: 188Mt), reflecting consistent performance and reliability through existing OPFs. Fortescue's hematite operations have a combination of both wet and dry OPFs aligning with the characteristics of the ore bodies.

Iron Bridge experienced a staged ramp up in FY25 with ore mined of 19Mt (FY24: 13Mt), Iron Bridge Concentrate production of 7Mt (FY24: 2Mt) and shipments of 7Mt (FY24: 1Mt) at 100 per cent basis. Following an optimisation assessment of the dry plant in the OPF, Fortescue anticipates Iron Bridge shipments of 10 – 12Mt (Fortescue share) in FY26 and for the operation to achieve an annualised production rate of 16 – 20Mt (Fortescue share) in H2 FY27. Achieving Iron Bridge's nameplate capacity of 22Mt per annum is targeted in FY28, with further process optimisation anticipated.

During FY25, key events and developments include:

- In March 2025, Fortescue acquired 100 per cent of Red Hawk Mining Limited for A$254 million (excluding capitalised transaction costs). The acquired assets from the Blacksmith Iron Ore Project will be integrated into Fortescue's Life of Mine Plan, providing additional flexibility to enhance our future mine plan
- Completed Tailings Storage Facility and Pipeline project at Solomon.

MARKETING AND PRODUCT STRATEGY

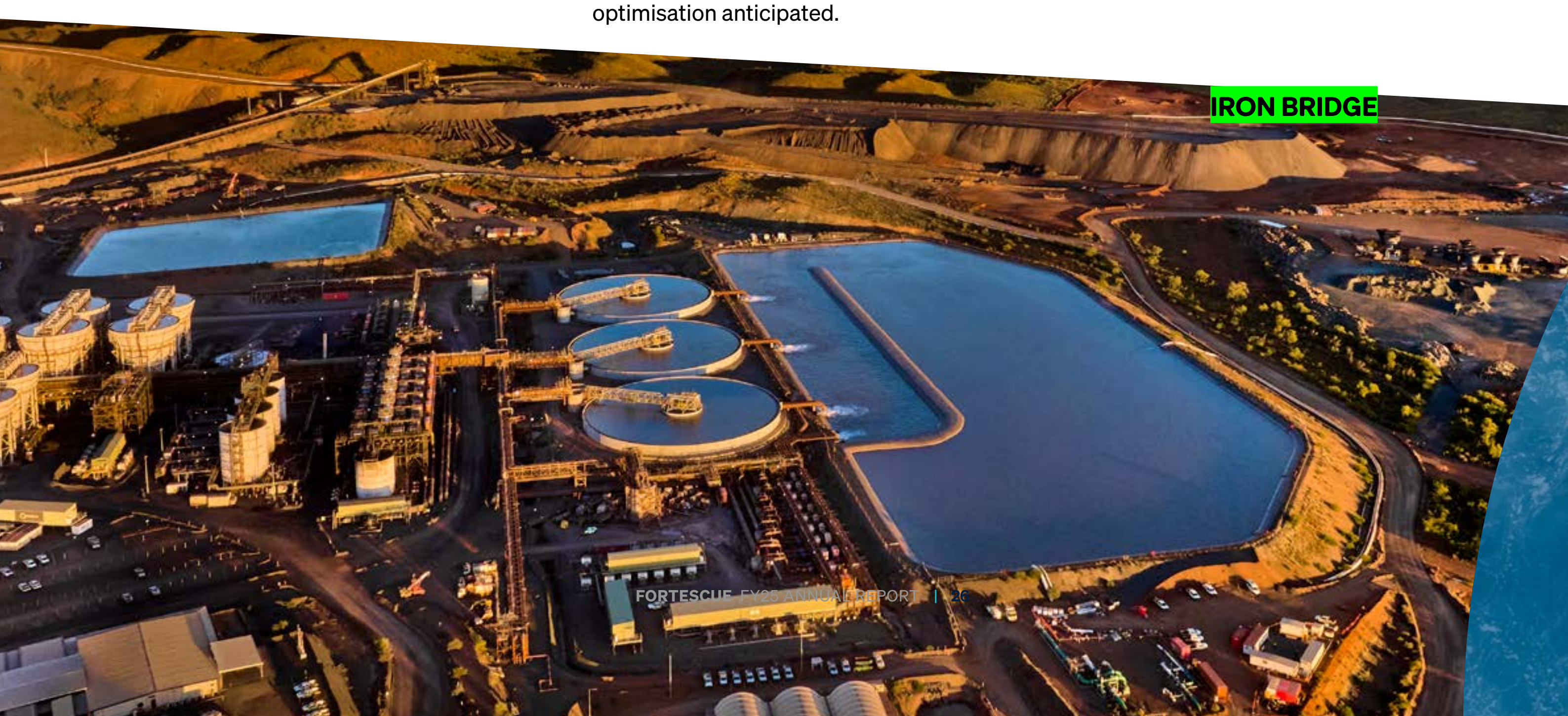
Fortescue continues to evolve its strategy to maximise business value market understanding, allowing us to optimise our product pricing and placement options.

The Company continues to optimise our product mix to meet the current and future needs of the market, aligned with underlying resources and assets. Furthermore, Fortescue is engaging with the market to evaluate future demand for green metal.

Fortescue utilises multiple sales channels, including long-term contracts, portside sales in China and spot sales, aligned with the needs of different market segments.

The Company also continues to proactively pursue market growth and diversification opportunities globally.

Over the past year, iron ore demand in China has been resilient, underpinned by continued strong steel production, despite challenges to the domestic property sector, geopolitical


IRON BRIDGE

uncertainties and evolving US trade policies. Robust growth in exports continues to absorb steel volumes. In addition, we have seen a strong year-on-year expansion in infrastructure and renewable energy investments which have supported steel demand.

As market dynamics and industry structures continue to evolve, Fortescue continues to adapt its commercial strategy to optimise value over time, to manage risk and market volatility.

DECARBONISATION

Fortescue remains firmly committed to achieving its Real Zero Target and supporting the broader decarbonisation of industry. We continue to advance a multi-layered transition across infrastructure, energy systems and operations. In FY25, Fortescue invested US$405 million of captial in decarbonisation initiatives, including the Pilbara Energy Connect (PEC) project. This transition involves ongoing technology development, future equipment acquisitions and consideration of evolving regulatory frameworks. Further detail can be found in the Climate Change Report in this Annual Report.

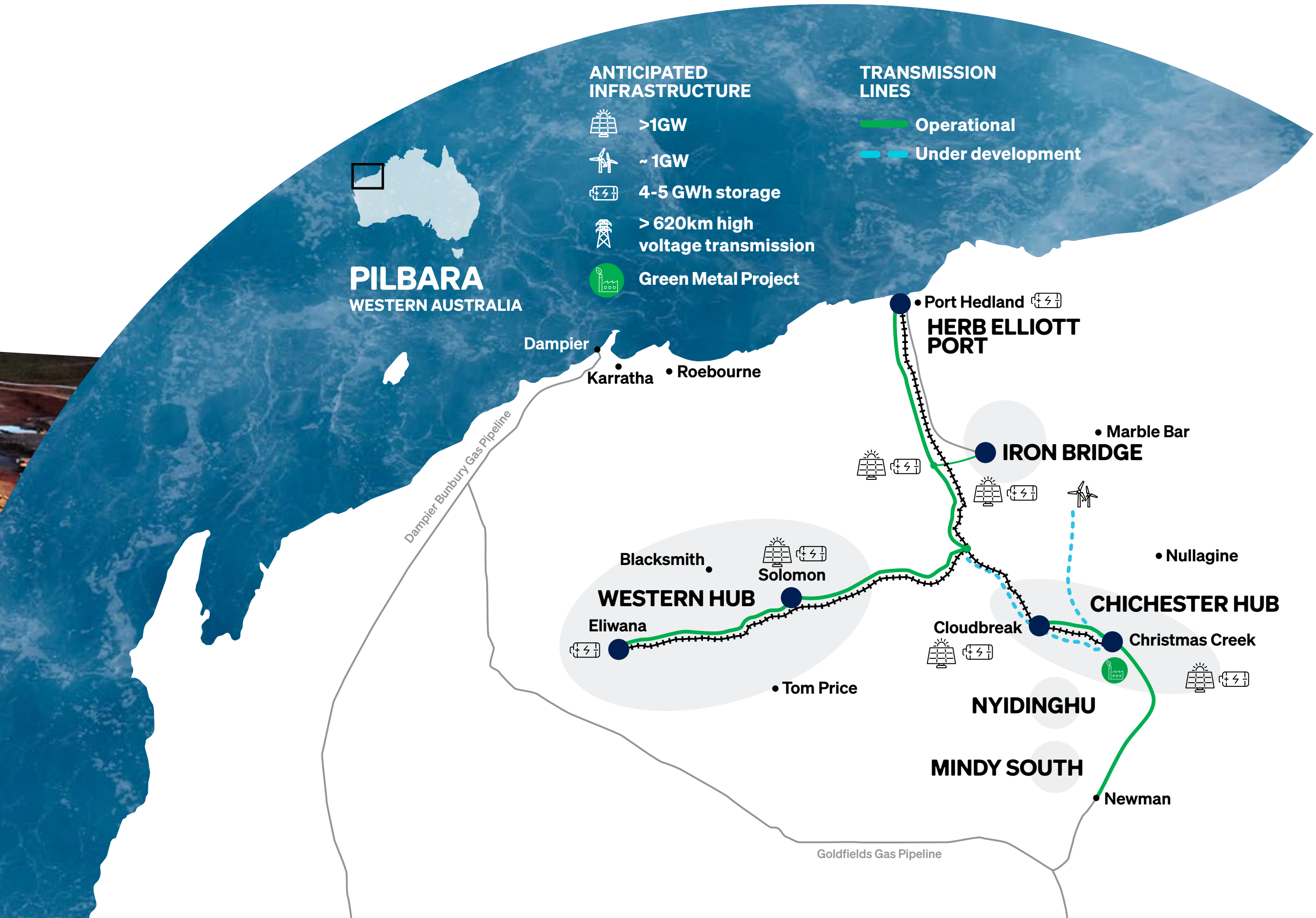
Our decarbonisation roadmap includes deploying additional renewable energy generation and battery storage, expanding electrical infrastructure at our mine sites, and rolling out an electrified mining fleet.

To enable real-time allocation of renewable energy, we are developing a sophisticated energy management system to optimise power distribution across our network based on availability and operational requirements. This is complemented by the integration of the Fortescue Zero Elysia battery management platform into electric fleet and Battery Energy Storage Systems (BESS) operations, enabling real-time safety monitoring, optimised charging protocols and end-of-life guidance.

We recognise the significant technical challenges in transitioning to renewable energy at scale. The world urgently needs decarbonisation, and we are moving forward with clarity, precision and impact. We will continue to focus on innovation and emerging technologies in hard-to-decarbonise areas, alongside a renewed call to the global market to come on this journey with us. We are also working closely with our contract partners to accelerate the improvements and technologies that we need to profitably achieve our Real Zero Target.

Key decarbonisation milestones achieved during FY25 include:

- Commissioned our first electric drill and expanded our fleet of electric excavators to seven units across the Pilbara
- Signed an equipment partnership with Liebherr for zero emission machines, including excavators and T 264 battery haul trucks to be integrated with Fortescue Zero power systems
- Finalised an agreement with XCMG for the purchase of zero emissions heavy mobile equipment
- Launched a new Autonomous Haulage System, co-developed with Liebherr, to replace our current 'off the shelf' system
- Completed onsite commissioning of a hydrogen fuel cell battery electric haul truck prototype
- Welcomed the arrival of Fortescue Zero's battery electric locomotive prototype to the Pilbara
- Progressed site electrical and charging infrastructure and advanced trials of electric light vehicles and support equipment
- Constructed an additional 140km of high voltage transmission lines were constructed as part of PEC, bringing the total high-voltage transmission infrastructure to 460km.



Renewable power at our mining operations

Through PEC, we have integrated our power requirements across the Pilbara into a unified, highly efficient network to support our ambitious decarbonisation efforts. This growing network provides critical links between our operational sites and renewable generation assets, supporting the seamless delivery of renewable electricity across the region into existing stationary assets and new green fleet.

Our focus is now on expanding PEC into a fully integrated transmission network that enables renewable electricity generated at any of our sites to be transferred seamlessly between operations.

Key projects currently underway:

- Construction of approximately 110km of 220kV transmission lines and associated substations to supply Cloudbreak and Christmas Creek mines
- Early design and procurement for approximately 60km of 220kV transmission lines and substations to connect future wind farms
- Early design and procurement of approximately 130MW of wind generation
- Commenced construction of a 190MW solar farm at Cloudbreak, 250MWh Battery Energy Storage System (BESS) at North Star Junction and 120 MWh BESS at Eliwana.

Shipping

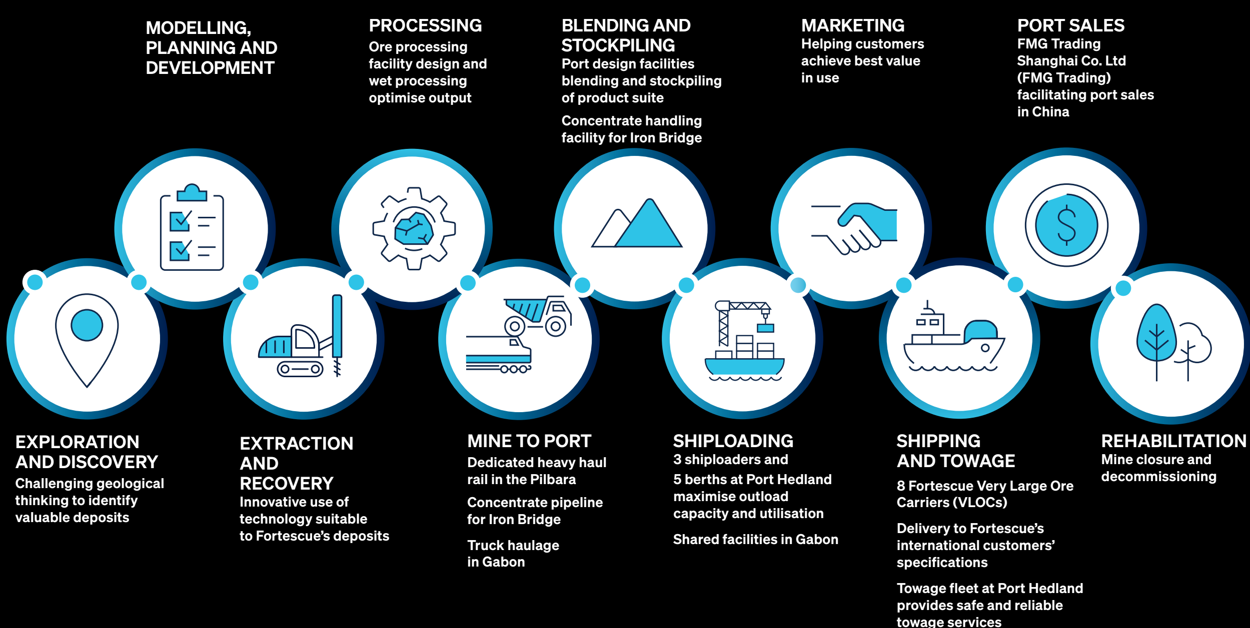
In March 2025, the Fortescue Green Pioneer (a dual-fuel vessel) underwent a Port State Control inspection at the Port of Southampton – the first such inspection for an ammonia fuelled vessel in Europe. The visit enabled UK authorities to assess the suitability of ammonia-fuelled vessels, with successful demonstration during the port call. During FY25, the Green Pioneer used ammonia as a marine fuel during stages of its journey from the Netherlands to the south of France via Gibraltar, marking Fortescue's first international sea passage using ammonia in the dual fuel engines.

FORTESCUE ZERO

Fortescue Zero is our technology and engineering services business, innovating and developing the integrated solutions needed to enable a zero emissions future. Its portfolio includes high performance battery systems, autonomous vehicle solutions and advanced battery intelligence software – technology designed to decarbonise heavy industry at scale.

We have developed a next-generation Fleet Management System and Autonomous Haulage Solution. These systems form a connected ecosystem of smart hardware and software, enabling fully autonomous, driverless mining operations that enhance safety, precision and productivity.

OUR VALUE CHAIN



At the heart of this ecosystem is Elysia – Fortescue Zero's battery intelligence software. Elysia doesn't just power batteries, it turns them into brains. It enables batteries to communicate in real-time, providing critical information like early warnings of potential safety issues, end-of-life notifications, and optimal charging times and methods. This software enhances battery safety.

BELINGA IRON ORE PROJECT

GLOBAL GROWTH

Fortescue continues to expand its global footprint through a diversified portfolio of energy, critical minerals and iron ore projects that underpin long-term value creation and support the global energy transition.

Fortescue has a pipeline of energy projects that show significant potential. However, market development, policy frameworks and infrastructure readiness remain key challenges. Fortescue continues to assess project viability and timing in line with evolving customer demand, regulatory settings and its disciplined capital allocation framework.

GREEN METAL PROJECT

Located at Christmas Creek, the Green Metal Project marks a significant step in Fortescue's ambition to produce green metal at a commercial scale in the Pilbara. We see green iron as critical to securing the Pilbara's long-term success, ensuring the region remains globally competitive. With its abundant renewable energy potential, the Pilbara is uniquely positioned to become a global hub for green iron production, which is why Fortescue is investing with conviction to help realise this opportunity.

Our Green Metal Project will use hydrogen and electricity, together with Fortescue's iron ore production, existing infrastructure and technical capability, to produce high-purity green metal suitable for use in almost any steel plant globally. Fortescue defines 'green metal' as iron made using processes and technologies that generate lower emissions than conventional methods. It encompasses a wide range of iron-containing products made from the reduction of iron ore, including sponge iron, pig iron and direct reduced iron. This is a different product to green steel, a subsequent product made by alloying iron.

Using hydrogen produced at our existing hydrogen facility at Christmas Creek, annual production is expected to be more than 1,500t, with first production anticipated in 2026.

By locating the project at Christmas Creek, Fortescue will demonstrate a 'green pit to product' supply chain, integrating its electrified mining fleet with green metal production, and loaded onto ships using the existing logistics infrastructure for deliver to steel mills. The iron making technology will support Fortescue's magnetite and hematite ores.

BELINGA IRON ORE PROJECT, GABON

The Belinga Project in north-east Gabon is potentially one of the largest undeveloped high grade hematite deposits. Fortescue began exploration in 2022 with activities focused on drilling and data collection programs to support a feasibility study. Exploration drilling was the dominant activity for FY25, with a focus on both diamond core and reverse circulation drilling programs.

As of 30 June 2025, over 108,000 metres of reverse circulation and 12,000 metres of diamond core have been drilled. The results continue to show that the project has the potential to be of significant scale and high grade. The focus is on further exploration and studies to advance potential designs for large scale development.

Ivindo Iron SA is the operating entity for the Belinga Iron Ore Project, with Fortescue holding a 72 per cent interest in the company.

ARGENTINA

CRITICAL MINERALS AND IRON ORE EXPLORATION

We continue to advance our global exploration footprint, with a strong focus on sustaining and expanding our iron ore and copper portfolios.

Fortescue holds the largest tenement portfolio in the Pilbara region of Western Australia. The resources in both the Western Hub and Eastern Hamersley include significant amounts of high iron content bedded iron ore, adding dry, low-cost tonnes to Fortescue's resource inventory. During FY25, activities focused on advanced exploration at Mindy South, Wyloo North and White Knight. In addition, near-mine exploration continues to be a focus at both Solomon and the Chichester Hub.

The focus in FY25 was on conversion of resources to higher confidence categories to support conversion to Ore Reserves.

In the critical minerals portfolio, Fortescue has an exploration focus on copper, alongside exposure to rare earths. Exploration drilling is active in multiple jurisdictions, including Argentina, Kazakhstan and Australia. Other exploration activities are progressing across the broader portfolio in Latin America, Australia and Canada.

Total capital expenditure on exploration and studies in FY25 was US$321 million, reflecting Fortescue's commitment to resource growth and portfolio diversification.

R&D, INNOVATION AND TECHNOLOGY

At Fortescue, innovation is central to our strategy and long-term competitiveness. It drives productivity, enhances efficiency and underpins our commitment to decarbonisation. Automation and artificial intelligence are now embedded across our operations, with AI applications predicting outcomes to optimise design, planning and execution, while also enriching the daily activities of our workforce. These advanced capabilities are applied across a broad spectrum of our business, from safety and simulation to advanced process control, spanning our mines, port, rail network, maintenance, research and development, as well as corporate service functions.

A key focus of our research and development efforts is the advancement of new green hydrogen technologies. Green hydrogen is essential to enabling green iron production and, more broadly, to accelerating the global energy transition. To realise its potential at scale, we are developing and refining the technologies that will make green hydrogen commercially viable. Our R&D teams are building on our early breakthroughs, relentlessly pursuing innovation to improve performance, reduce costs and scale up solutions.

GREEN ENERGY PROJECTS

Fortescue continues to advance its renewable energy strategy with a clear focus on long-term value creation and technology-led decarbonisation. While our Pilbara operations remain the foundation of our success, we are investing in the technologies and projects that will support the next phase of growth and position Fortescue as a leader in the global energy transition.

During the year, we reviewed our global green energy pipeline to reflect changes in market conditions, policy settings and project economics. Our ambition remains to lead in green hydrogen and green metals, while maintaining discipline in capital allocation. Following a detailed review, we have determined that the Arizona Hydrogen Project in the United States and PEM50 Project in Gladstone, Australia will not proceed.

Our global pipeline of future projects is being studied and developed in a disciplined manner, and projects will only progress when they are economically viable and the market is ready.

FORTESCUE CAPITAL

Headquartered in New York City, Fortescue Capital is a dedicated investment manager and fiduciary of third-party capital, committed to accelerating global decarbonisation and advancing green energy adoption.

With a focus on compelling return profiles and proven technologies, the platform plays a central role in Fortescue's strategy to deliver investments in technology, decarbonisation and renewable energy projects.

The Fortescue Capital team brings deep expertise across energy investing, sustainable infrastructure, climate technology, private markets and investment banking.

NORTH STAR JUNCTION SOLAR FARM

MATERIAL RISK EXPOSURES

Our risk culture emanates from our Values, builds on Fortescue's Code of Conduct and Integrity and is operationalised through the Fortescue Risk Management Framework (FRMF).

This emphasises that management, employees and contractors are collectively responsible for being aware of the risks related to their activities at every level and are accountable for ensuring those risks are effectively managed and transparently reported.

We operate in a dynamic business environment which presents a range of uncertainties that have the potential to impact, both positively and negatively, our corporate objectives. We take risks for strategic reward in the pursuit of our strategy, in line with the Board's risk appetite, to sustainably grow the business. Understanding the risks that can materially impact our strategic objectives is essential to support informed business decisions critical to protecting and enhancing shareholder value.

The material risks that have been identified by management and the Board could substantially impact our ability to create or preserve value for stakeholders over the short, medium or long-term. These risks, individually or collectively, could threaten our strategy, business model, future performance, solvency or reputation. Over time these risks will continue to evolve, as we progress our portfolio of sustainable energy and green technology projects globally, and as we expand our mining operations outside Australia.

The material risks identified by management and the Board are listed below. Further information on these risks is included in the section 4.5 of the Corporate Governance Statement.

Economic risks

- Global political and economic uncertainty impacting the business
- Volatility in Chinese iron ore demand and commodity prices could adversely impact our financial results and future cash flows
- Fluctuations in currency exchange rates and interest rates, and access to funding may adversely impact our financial results and future cash flows
- Supply disruptions and cost pressures could impact profit margins and future cash flows.

Operational risks

- Project execution across domestic and international operations
- Major unplanned disruptions to operations
- Uncertainties exist in reserves and resource estimates, and we may not fully exploit existing reserves or discover new reserves
- Performance of key business partners is not aligned with our expectations and they do not meet their obligations
- Information technology security breach or unsuccessful technological innovation impacting competitive advantage.

Social and environmental risks

- Managing workforce capacity and capability to meet our current and future skill requirements
- Risks associated with climate change and transition to a low carbon economy
- Breaches of our legal and regulatory obligations may lead to fines and potential loss of licence to operate
- Our operations could adversely impact the community, including First Nations heritage sites.

GROUP FINANCIAL PERFORMANCE

In FY25, Fortescue delivered a net profit after tax attributable to equity holders of the Company of US$3,373 million and earnings per share of 110 US cents.

The Group's financial results reflect record shipments by the Metals operations with hematite ore shipped of 191Mt and magnetite shipped of 7Mt, which was impacted by the decrease in realised prices in FY25 due to lower iron ore index prices. There continued to be strong demand for Fortescue's products with a hematite revenue realisation of 84 per cent of the Platts 62% CFR Index. FY25 Underlying EBITDA also saw a low strip ratio of 1.6 being maintained, lower Hematite C1 costs and favourable foreign exchange impacts.

Following a comprehensive review and strategic decisions taken in Q4 FY25, the Green Energy project pipeline continues to be progressed and refined in a disciplined manner that reflects global market conditions and policy settings. As a result, the Arizona Hydrogen Project in the United States and the PEM50 Project in Gladstone, Australia will not proceed. Net profit after tax for the year reflects impacts from one-off adjustments to the carrying value of assets within the Energy segment.

Financial performance during the year ended 30 June 2025:

Key metrics	2025	2024
Revenue, US$ millions	15,541	18,220
Underlying EBITDA[1], US$ millions	7,941	10,708
Net profit after tax, US$ millions	3,366	5,664
Attributable to Equity holders of the company, US$ millions	3,373	5,683
Attributable to Non-controlling interest, US$ millions	(7)	(19)
Earnings per share, US cents	**110**	**185**
Earnings per share, AUD cents[2]	**169**	**282**
Hematite average realised price, US$/dmt	85	103
Hematite C1 costs, US$/wmt	17.99	18.24
Underlying EBITDA margin, US$/dmt (excl Fortescue Energy)	**48**	**65**
Key ratios		
Underlying EBITDA margin, %	51	59
Return on equity, %	17	30

[1] Refer to page 36 for the reconciliation of Underlying EBITDA to the financial metrics reported in financial statements under Australian Accounting Standards.

[2] Australian dollar earnings per share is calculated by translating the US dollar earnings per share at the average exchange rate for FY25 of AUD:USD 0.65 (FY24: 0.66).

Group financial performance

SEGMENT REPORTING

During the financial year ended 30 June 2025, Fortescue's operating segments in place were:

- **Metals**: Exploration, development, production, processing, sale and transportation of iron ore, and the exploration for other minerals.
- **Energy**: Undertaking activities in the global development of green electricity, green hydrogen, green ammonia projects, as well as green technology development and manufacturing.

Corporate includes cash, intercompany loans which eliminate at consolidation, debt and tax balances which are managed at a Group level, together with other corporate activities. Corporate is not considered to be an operating segment and includes activities that are not allocated to other operating segments.

Transfer prices between segments and borders are set on an arm's length basis in a manner similar to transactions with third parties. Where segment revenue, expenses and results include transactions between segments, those transactions are eliminated on consolidation and are not considered material.

The consolidated Metals and Energy results for the year ended 30 June 2025 are provided below and further reported on page 175 in the financial report.

		Metals		Energy		Corporate		Consolidated	
		2025	2024	2025	2024	2025	2024	2025	2024
	Note[1]	US$m	US$m	US$m	US$m	US$m	US$m	US$m	US$m
Revenue from external customers	3	15,460	18,129	81	91	–	–	15,541	18,220
Cost of sales	5	(6,528)	(6,478)	(143)	(97)	–	–	(6,671)	(6,575)
Administration expenses	6	(240)	(235)	(193)	(181)	–	–	(433)	(416)
Research expenditure	6	(68)	(37)	(483)	(458)	–	–	(551)	(495)
Other income/(expense)	4,6,22c	15	21	(3)	(14)	43	(33)	55	(26)
Underlying EBITDA		**8,639**	**11,400**	**(741)**	**(659)**	**43**	**(33)**	**7,941**	**10,708**
Depreciation and amortisation	5,6							(2,506)	(2,144)
Finance income	7							174	218
Finance expense	7							(371)	(386)
Exploration, development and other	6							(248)	(96)
Income tax expense	14							(1,624)	(2,636)
Net profit after tax								**3,366**	**5,664**

[1] Notes to the accompanying financial statements.

Group financial performance

METALS

REVENUE

	Note[1]	2025	2024
Total iron ore revenue, US$ millions	3	13,935	16,405
Total shipping revenue, US$ millions	3	1,415	1,613
Other revenue, US$ millions		110	110
Operating sales revenue, US$ millions	2	15,460	18,128
Hematite sales performance			
Shipments - Pilbara Hematite, million wmt		191	190
Ore sold - Pilbara Hematite, million wmt[2]		191	190
Average Platts 62% Fe CFR index, US$/dmt		101	119
Average realised price Pilbara Hematite, US$/dmt		85	103
Magnetite sales performance (including joint venture partner share)			
Shipments – Iron Bridge Magnetite, million wmt		7	1
Ore sold – Iron Bridge Magnetite, million wmt		7	1
Average Platts 65% Fe CFR index, US$/dmt		114	131
Average realised price Magnetite, US$/dmt		113	137

[1] Notes to the accompanying financial statements.

[2] Our wholly owned trading entity maintains some inventory at Chinese ports and ore sold versus shipments reflects the timing differences that may occur between shipments and sales to external customers.

Fortescue's total shipments for the year ended 30 June 2025 were up four per cent from FY24 at 198Mt (FY24: 192Mt). Operating sales revenue for FY25 was US$15,460 million (FY24: US$18,129 million) as the hematite realised price decreased 18 per cent to US$85/dry metric tonne (dmt) (FY24: US$103/dmt) and the magnetite realised price decreased 17 per cent to US$113/dmt (FY24: US$137/dmt). The Platts 62% CFR Index averaged US$101/dmt in FY25 which is a decrease of 15 per cent over the prior year (FY24: US$119/dmt).

The factors influencing realised prices in FY25 include:

- Lower index price compared to the prior year
- Fortescue's changing product portfolio year-on-year, including higher shipments of Iron Bridge product
- Actual and anticipated Government policy support in China intended to support economic growth in calendar year 2025
- Geopolitical uncertainty and sentiments related to US trade policies
- Competition in the market as a result of increased supply.

Other revenue for the Metals segment remained at US$110 million in FY25 (FY24: US$110 million) and includes towage services and provision of joint venture services by Fortescue.

Group financial performance

PRODUCTION COSTS

The reconciliation of C1 costs and total delivered costs to customers to the financial metrics reported in the financial statements under Australian Accounting Standards is set out below.

	Note[1]	2025	2024
Mining and processing costs, US$ millions	5	3,421	3,102
Rail costs, US$ millions	5	290	288
Port costs, US$ millions	5	280	278
Production costs[2], US$ millions		**3,991**	3,668
Hematite ore sold, million wmt		191	190
Hematite C1 costs, US$/wmt		**17.99**	18.24
Shipping costs, US$ millions		1,469	1,531
Government royalty[3], US$ millions		1,002	1,209
Shipping and royalty[4], US$ millions		**2,471**	2,740
Hematite ore sold, million wmt		191	190
Shipping and royalty, US$/wmt		**13**	14
Total delivered cost, US$/wmt		**31**	33
Total delivered cost, US$/dmt		33	37

[1] Notes to the accompanying financial statements.

[2] Production costs include operating costs for Iron Bridge (FY25: US$553 million, FY24: US$201 million), and these costs are not included in the calculation of hematite C1 costs.

[3] Fortescue pays 7.5 per cent government royalty for the majority of its iron ore products, with a concession rate of five per cent applicable to beneficiated fines.

[4] Shipping and royalty include Iron Bridge (FY25: US$60 million, FY24: US$12 million), these costs are not included in the calculation of hematite delivered costs.

Hematite C1 costs averaged US$17.99/wmt for the year, one per cent lower compared to the prior period (FY24: US$18.24/wmt). The decrease in C1 costs is attributable to higher mined ore volumes of 220Mt (FY24: 204Mt) and low strip ratio of 1.6x (FY24: 1.6x). In addition to this, cost pressures were managed through ongoing focus on productivity and favourable AUD to USD exchange rates averaging 0.65 in FY25 compared to 0.66 in FY24.

Despite an increase in shipments during the year, freight costs have decreased four per cent from US$1,531 million in FY24 to US$1,469 million in FY25, reflecting the decrease in global shipping market rates. To provide necessary flexibility and enable Fortescue to meet its shipping commitments, the Group employs a mix of shipping options which includes the use of Fortescue-operated ore carriers, chartering third-party vessels and free on board shipments.

Fortescue has actively managed cost increases throughout the cycle while also utilising the capacity in its supply chain to generate consistent shipments, aligning with Fortescue's integrated operating and marketing strategy focusing on maximising value through the market cycle.

Group financial performance

ENERGY

REVENUE

In addition to delivering on Fortescue's decarbonisation ambitions, manufacturing and engineering services revenue of US$70 million was generated externally by Fortescue Zero during the year (FY24: US$91 million). This classification of revenue reflects activities within Fortescue Zero, namely motorsport, heavy machinery and battery intelligence.

In addition, other revenue increased to US$11 million in FY25 from US$1 million in FY24 and largely relates to decarbonisation advisory services provided by the Energy segment externally.

COST OF SALES

Cost of sales for the Energy Segment is largely attributable to Fortescue Zero's labour, materials and other costs to perform its manufacturing and engineering activities. Cost of sales in the Energy segment has increased from US$97 million to US$143 million in FY25, mainly driven by a review of working capital which resulted in inventory writedowns.

RESEARCH AND ADMINISTRATION EXPENSES

Research expenditure within Fortescue Energy for the year amounted to US$483 million (FY24: US$458 million) and represents an increase of six per cent from the previous year. In FY25, research expenditure consisted of research activities in Green Energy Projects, hydrogen systems, heavy industry power systems, decarbonisation, science and technology, marine and aviation as well as innovation.

Administration expenses for the Energy segment increased by seven per cent during the year to US$193 million (FY24: $181 million). Administration expenses include labour, materials and consumables costs in addition to corporate, shared services and overhead recharges to the Energy segment.

GROUP UNDERLYING EBITDA

Underlying EBITDA, defined as earnings before interest, tax, depreciation and amortisation, exploration, development and other expenses, is used as a key measure of the Group's financial performance. During FY25, Fortescue's operations generated Underlying EBITDA of US$7,941 million (FY24: US$10,708 million). The reconciliation of Underlying EBITDA to the financial metrics reported in the financial statements under Australian Accounting Standards is presented below.

	Note[1]	2025	2024
Operating sales revenue	3	15,541	18,220
Cost of sales excluding depreciation and amortisation	5	(6,671)	(6,575)
Net foreign exchange gain/(loss)	4,6	44	(31)
Administration expenses	6	(433)	(416)
Research expenses	6	(551)	(495)
Net other income[2]	4, 6, 22c	32	26
Share of profit from equity accounted investments		(21)	(21)
Underlying EBITDA		**7,941**	10,708
Finance income	7	174	218
Finance expenses	7	(371)	(386)
Depreciation and amortisation	5,6	(2,506)	(2,144)
Exploration, development and other expenses	6	(248)	(96)
Income tax expense	14	(1,624)	(2,636)
Net profit after tax		**3,366**	5,664

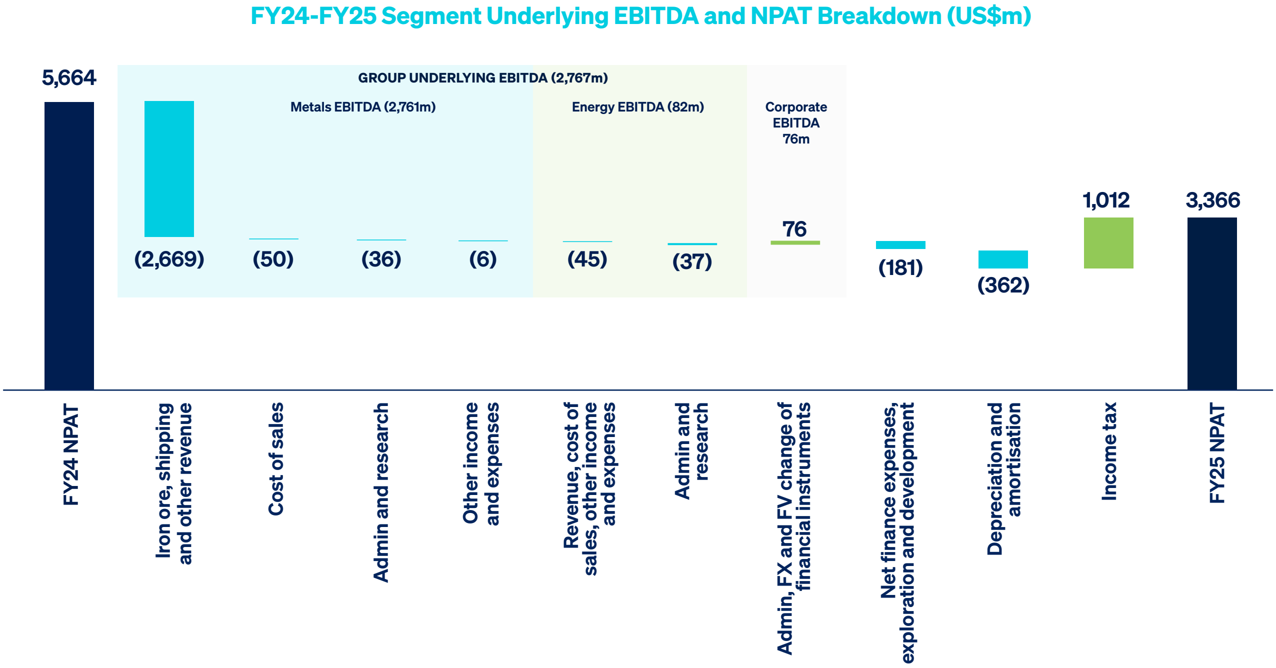
[1] Notes to the accompanying financial statements.

[2] Net other income includes other income, other gains/loss and fair value change on investments.

Group financial performance

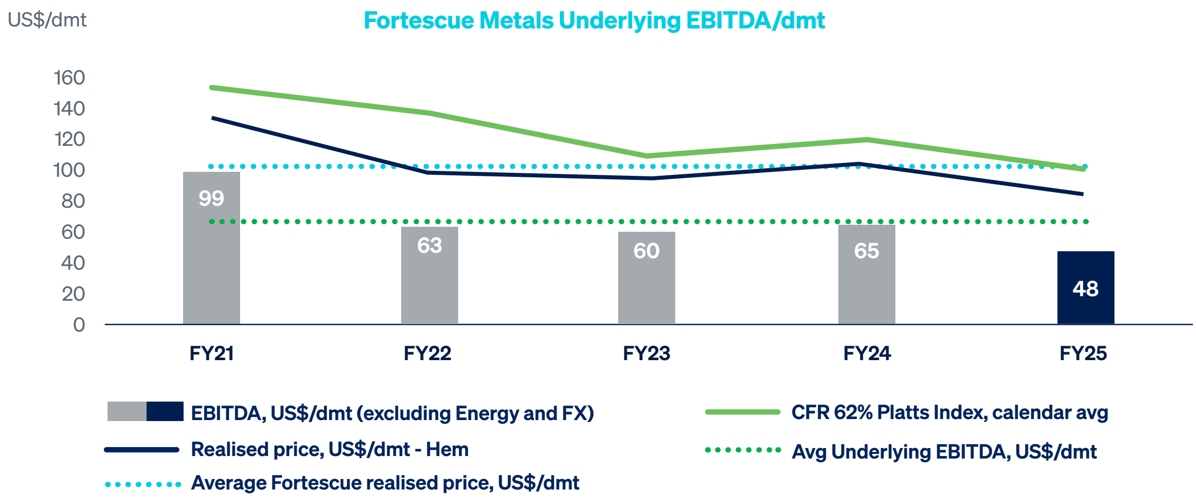
GROUP UNDERLYING EBITDA (CONTINUED)

The Underlying EBITDA of US$7,941 million for FY25 represents a margin of 51 per cent (56 per cent for the Metals segment). The FY25 Underlying EBITDA decrease from FY24 is largely attributed to lower iron ore index prices as operating sales revenue declined despite the four per cent increase in volume of ore sold. Cost of sales excluding depreciation and amortisation remained largely in line with FY24 despite the increase in sales volume. Total Fortescue Energy Underlying EBITDA was a US$741 million loss in FY25.



As illustrated in the chart below, Fortescue has maintained strong Underlying EBITDA margins through market cycles, demonstrating the commitment to and focus on productivity, efficiency and innovation.

Underlying Metals EBITDA by period below (including Iron Bridge Magnetite and excluding Fortescue Energy costs):



Group financial performance

DEPRECIATION, INTEREST AND TAX

Key non-operating matters forming part of the financial result include:

- Depreciation and amortisation of US$2,506 million is up 17 per cent on the prior period (FY24: US$2,144 million), reflecting increases in sustaining capital and commissioning of assets during the year and is in line with the annualised depreciation for H2 FY24.
- Net finance expenses of US$197 million for FY25 (US$168 million in FY24) reflects lower interest expense from borrowings and lease liabilities and financing costs of US$371 million (FY24: US$386 million), capitalisation of interest on qualifying assets and lower interest income for the year of US$174 million (FY24: US$218 million).
- Income tax expense for FY25 of US$1,624 million represents an effective tax rate of 32.5 per cent (FY24: US$2,636 million, effective tax rate of 31.8 per cent). The decrease in income tax expense is in line with financial performance, whereas the increase in effective tax rate reflects the effects of taxation on foreign operations.

EXPLORATION, DEVELOPMENT AND OTHER

Following a comprehensive review, Fortescue have made one-off adjustments to the carrying values of several Energy assets of US$158 million including PEM50 project, the Gladstone electrolyser facility automation line and Arizona Hydrogen Project initial development costs.

The remainder of Exploration, Development and Other largely relates to write-offs of capitalised exploration expenditure, inventories and investments.

OTHER COMPREHENSIVE INCOME

During the year, a net loss on fair value investments of US$96 million was taken to equity. The aforementioned investments mainly related to the Energy segment.

PORT HEDLAND

FINANCIAL POSITION AND CAPITAL MANAGEMENT

Key metrics	Note[1]	2025 US$m	2024 US$m
Borrowings	9	4,835	4,585
Lease liabilities	9	604	815
Total debt		**5,439**	5,400
Cash and cash equivalents	9	4,328	4,903
Net debt		**1,111**	497
Equity	9	**19,956**	19,531
Key ratios			
Gearing, %		21	22
Net Gearing, %		5	2

[1] Notes to the accompanying financial statements.

DEBT AND LIQUIDITY

Debt

Fortescue's balance sheet is structured on low-cost investment grade terms. The debt capital structure allows optionality and flexibility to fund future growth. Total debt as at 30 June 2025 was US$5,439 million (FY24: US$5,400 million), inclusive of US$604 million of lease liabilities post the December 2024 refinance of Fortescue's eight VLOCs which were previously under a leasing arrangement (FY24: US$815 million). Gross gearing at 30 June 2025 was 21 per cent (30 June 2024: 22 per cent) and net gearing was five per cent (30 June 2024: two per cent).

Revolving credit facility

The US$1,025 million revolving credit facility was extended during the year to a maturity date of 28 July 2027 (previously 28 July 2025) and remained undrawn at 30 June 2025 and 30 June 2024. If drawn, interest accrues based on a variable rate linked to Secured Overnight Financing Rate (SOFR) plus a fixed margin and is payable at the end of the interest period selected with the principal due at maturity.

Syndicated term loan

The syndicated term loan matures in June 2028, and as at 30 June 2025 had a carrying value of US$957 million (FY24: US$968 million) with a coupon rate linked to SOFR plus a fixed margin. The facility has principal repayment of one per cent per annum with early repayment of the facility at Fortescue's option without penalty.

Secured VLOC term loan

During the year, the group obtained the secured loan to finance the purchase price of Fortescue's eight VLOCs which were previously under a leasing arrangement with China Development Bank. The secured loan matures in December 2034, and as at 30 June 2025 had a carrying value of US$258 million (FY24: nil) with a coupon rate linked to SOFR plus a fixed margin. The principal is being repaid in 40 equal consecutive quarterly instalments. The loan is secured by the vessels together with their accompanying commercial arrangements as well as the issued shares of Fortescue Shipping Singapore Pte Ltd (borrower) and each of the vessel owner entities.

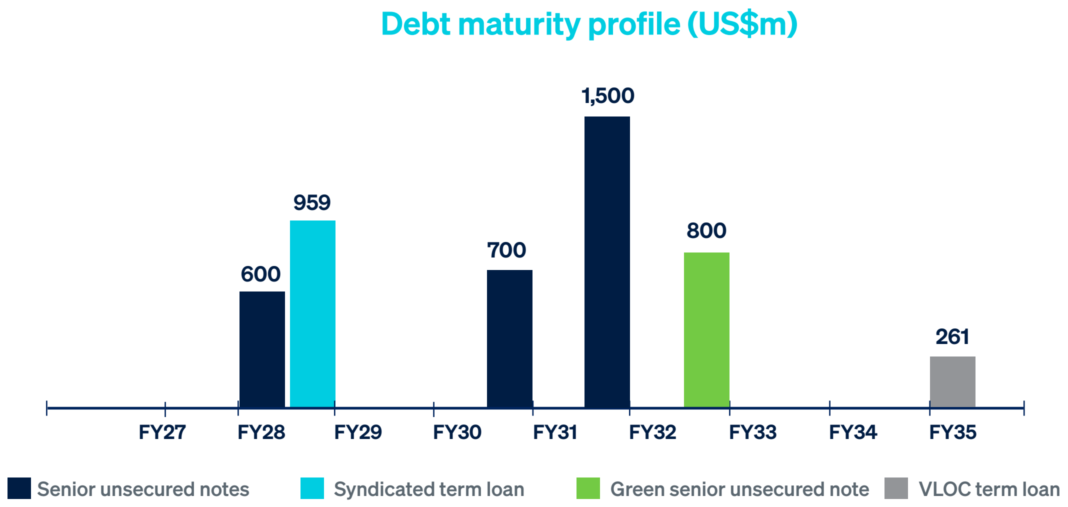
Senior unsecured notes

Senior unsecured notes, including Fortescue's Green Bond, had a carrying value of US$3,620 million at 30 June 2025 (FY24: US$3,617 million).

Lease liabilities

Lease liabilities amounted to US$604 million as at 30 June 2025 (FY24: US$815 million). The Group enters into contractual arrangements for leases of plant and equipment including heavy machinery and mining equipment, vehicles, land and buildings, infrastructure as well as other assets.

The Company's debt maturity profile at 30 June 2025 is set out in the chart following. Fortescue has no financial maintenance covenants across all instruments.



Liquidity

At 30 June 2025, Fortescue had US$5,353 million of liquidity available including US$4,328 million of cash on hand and US$1,025 million available under the revolving credit facility.

CASH FLOWS

Cash generated from operations of US$8,267 million was 23 per cent lower than the prior period, largely as a result of lower Underlying EBITDA.

Net cash flows from operating activities include net interest payments of US$152 million (FY24: US$105 million) and income tax paid of US$1,641 million (FY24: US$2,665 million).

	2025	2024
Cash flows	**US$m**	**US$m**
Cash generated from operations	**8,267**	10,689
Net cash flows from operating activities	6,474	7,919
Capital expenditure (including joint operations)[1]	(3,930)	(2,895)
Net cash flows from investing activities	(3,919)	(2,811)
Free cash flow[2]	**2,555**	5,108

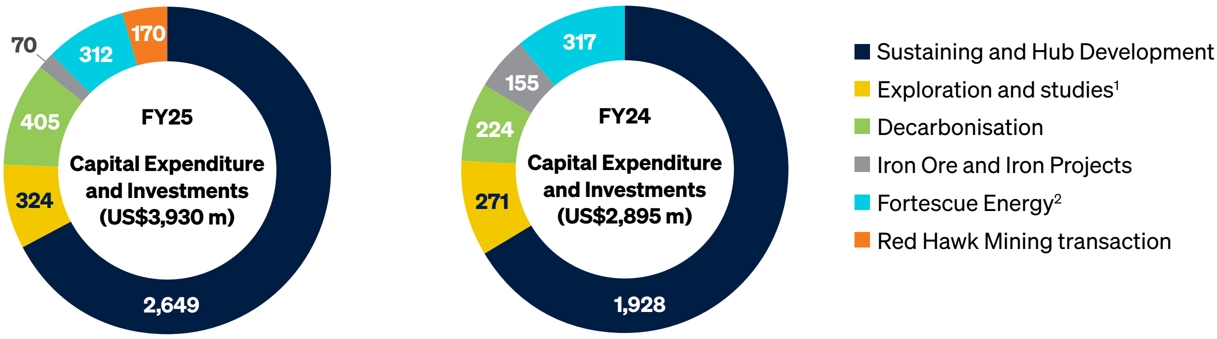
[1] Capital expenditure comprises payments for property, plant and equipment as well as purchases of investments, asset acquisitions and financial assets offset by minority interest contributions.

[2] Free cashflow is calculated as net cashflow from operations less cashflow from investing activities.

CAPITAL EXPENDITURE

Capital expenditure and investments including Fortescue Energy was US$3,930 million for the financial year (FY24: US$2,895 million). Capital expenditure throughout the period consisted of:

- Sustaining and hub development, including acquisition of replacement of fleet including Liebherr T 264 haul trucks, sustaining capital on existing plant and infrastructure, and development spend on Flying Fish, Garden, Hall deposits and industrial autonomy
- Decarbonisation, including expenditure on development of renewable power and zero-emission mobility
- Iron ore and iron projects, reflecting expenditure on PEC and Green Metal Project
- Red Hawk Mining Limited transaction and strategic investments
- Exploration and studies, attributable to Western Australia and international exploration including exploration feasibility activities in Gabon
- Energy, including recognition of Fortescue Zero Power Systems' intangible assets relating to T 264 Power Systems as well as expenditure on Fortescue Hydrogen Systems and Arizona Hydrogen
- Capitalised interest on qualifying assets such as decarbonisation projects.



[1] Includes Metals investments of US$3 million
[2] Includes Energy investments of US$37 million

[1] Includes Metals investments of US$5 million
[2] Includes Energy investments of US$42 million

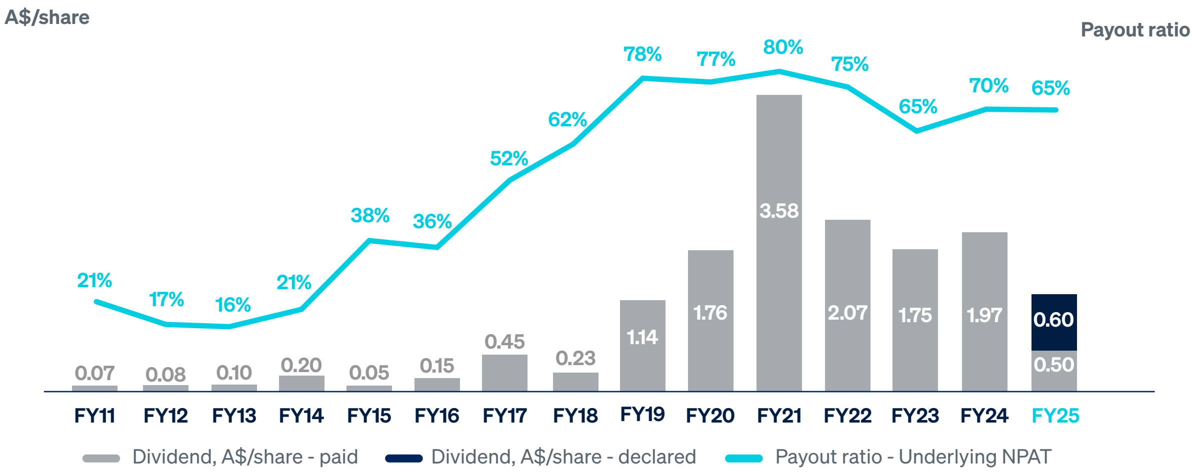
DIVIDENDS AND SHAREHOLDER RETURNS

In September 2024, Fortescue paid a fully franked final dividend of 89 Australian cents per share for the financial year ended 30 June 2024.

In February 2025, Fortescue declared a fully franked interim dividend of 50 Australian cents per share, paid in March 2025.

For the year ended 30 June 2025, Fortescue generated underlying earnings of 110 US cents per share (FY24: 185 US cents per share). On 26 August 2025, the directors declared a fully franked final dividend of 60 Australian cents per share for the year ended 30 June 2025 representing a payout ratio of 65 per cent of net profit after tax, in line with the Company's dividend policy of maintaining a payout ratio of between 50 and 80 per cent.

Dividends declared and payout ratios



SHARE BUY-BACK SCHEME

In 2018, Fortescue announced the establishment of an on-market share buy-back program of up to A$500 million which was extended in October 2020 for an unlimited duration. The maximum number of shares which can be bought back is determined periodically by the Company's 10/12 limit, being that a company cannot buy back more than 10 per cent of its voting shares within the span of any 12-month period.

Fortescue retains the option to undertake an on-market share buy-back. During FY25, Fortescue acquired none of its own shares on market under the share buy-back program.

GREEN BOND

Eligible Project Allocation

The net proceeds from the US$800 million Green Bond issued in 2022 are to be applied to Eligible Green Projects pursuant to Fortescue's Sustainability Financing Framework. These projects will be used to fund Fortescue's decarbonisation. The allocation across eligible project categories is included below.

Fortescue has allocated US$707 million (FY24: US$630 million) in net proceeds from the issuance of its Green Bond as at 30 June 2025 to Eligible Green Projects as defined within the Sustainability Financing Framework. Fortescue is responsible for the completeness, accuracy, and validity of the information and metrics presented below.

			Cumulative spend at	
			30 June 2025	**30 June 2024**
Eligible Project[1]	**Eligible Category**	**Region**	**US$m**	**US$m**
Fortescue Zero battery systems[2]	Energy Storage	UK / Australia	205	205
Pilbara Generation Project	Renewable Energy	Australia	171	161
Pilbara Transmission Project	Renewable Energy	Australia	184	183
Green Fleet Energy Hub	Clean Transportation	Australia	65	65
Battery Electric Locomotives	Clean Transportation	Australia	17	16
Eliwana Renewable Infrastructure	Renewable Energy	Australia	46	–
6MW Fast Charger	Renewable Energy	Australia	19	–
Total allocated			**707**	630
Total unallocated			93	170

[1] Represents cumulative, incurred spend to date. Basis of preparation: Eligible Projects outlined above have been determined in accordance with Fortescue's Sustainability Financing Framework (as announced on 9 November 2021) which is available on Fortescue's website. Transmission projects are apportioned based on the percentage of the network powered by renewable energies.

The calculation methodology was amended in FY24 and is based on the forecasted percentage of renewable energy utilising the Pilbara Transmission Project Infrastructure over the maturity profile of the bond, in line with Fortescue's decarbonisation roadmap.

The amount attributable to Fortescue WAE was based on forecast revenue at acquisition.

[2] Represents investment in the development of Fortescue Zero battery systems (previously known as Fortescue WAE) in countries including the UK and Australia.

Eligible Project Details:

Fortescue Zero battery systems: The acquisition of Fortescue WAE enables us to accelerate the decarbonisation of Fortescue's mining fleet as well as establish a new business growth opportunity.

Pilbara Generation Project: The solar generation component of the energy generation from Fortescue's PEC project. This comprises the installation of a 100MW solar photovoltaic (PV) array.

Pilbara Transmission Project: The transmission of solar generated energy from Fortescue's PEC Project (this excludes any transmission from gas fired energy generation).

Green Energy Hub: The Green Energy Hub includes the development of a 1.5MW hydrogen facility at Christmas Creek.

Battery Electric Locomotives: The decarbonisation of our rail operations with the purchase of two battery electric locomotives, and research into the development of the zero-emission rail technology.

Eliwana renewable infrastructure: The electrification of the Eliwana mine site in preparation for the arrival of battery electric mobility assets.

6MW fast charger: The in-house development of a 6MW fast charger that is designed to be compatible with a wide range of battery electric heavy mining equipment.

ORE RESERVES AND MINERAL RESOURCES

FORTESCUE'S BATTERY ELECTRIC HAUL TRUCK PROTOTYPE AT CHRISTMAS CREEK

ORE RESERVES AND MINERAL RESOURCES

Reporting is grouped by operating and development properties and includes both hematite and magnetite deposits

Hematite Ore Reserves total 1.73 billion tonnes (Bt) of dry product at an average iron (Fe) grade of 57.4%. Combined Hematite Mineral Resources total 13.6Bt (dry in-situ) at an average Fe grade of 56.9%.

Magnetite Ore Reserves total 938 dry in-situ million tonnes (Mt) at an average Davis Tube mass recovery (DTR) of 29.8% for a 67.3% Fe grade product. Magnetite Mineral Resources total 6.0Bt (dry in-situ) at an average DTR mass recovery of 24.1 per cent.

Operating property Ore Reserves and Mineral Resources have been reported and classified in accordance with the guidelines of the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Accordingly, the information in these sections should be read in conjunction with the respective explanatory Mineral Resource and Ore Reserve information (Fortescue ASX release dated 26 August 2022). The Blacksmith Project, which was acquired as part of Fortescue's acquisition of Red Hawk Mining Limited during FY25, is included in Fortescue's Operating property Mineral Resources (only). The Blacksmith Mineral Resources are as reported by Red Hawk Mining Limited in accordance with the JORC Code (Red Hawk Mining Limited FY24 Annual Report released 24 September 2024).

Development property Mineral Resources have been reported and classified in accordance with the JORC Code. The development property Mineral Resources are detailed in Fortescue ASX releases dated 26 August 2022, 27 August 2021, 21 August 2020, 23 August 2019, 17 August 2018, 18 August 2017, 8 January 2015 and 20 May 2014, which include supporting technical data.

Magnetite Mineral Resources have been reported and classified in accordance with the JORC Code. The Mineral Resources quoted in this report should be read in conjunction with the supporting technical information contained in the ASX release dated 26 August 2022.

The Ore Reserve and Mineral Resource estimation processes followed internally are well established and are subject to systematic internal peer review, including calibration against operational outcomes. Independent technical reviews and audits are undertaken on an as-required basis as part of Fortescue's risk management process.

In addition to routine internal audits and peer review, auditing of the Mineral Resource and Ore Reserve estimates is addressed as a sub-set of the annual internal audit plan approved by Fortescue's Audit, Finance and Risk Management Committee (AFRMC). Audits of the Mineral Resource and Ore Reserve estimation process are managed by Fortescue's Technical Services team, with independent auditing of a sub-set of Mineral Resource and Ore Reserve estimates conducted on a routine basis by external technical consultants.

The AFRMC also monitors the Ore Reserve and Mineral Resource status and recommends it to the Board for approval. The annual Ore Reserve and Mineral Resource updates are a prescribed activity within the annual Corporate Planning Calendar that includes a schedule of regular Executive engagement meetings to approve assumptions and guide the overall process.

Tonnage and quality information contained in the following tables have been rounded and as a result the figures may not add up to the totals quoted.

ORE RESERVES OPERATING PROPERTIES – HEMATITE

The combined Chichester Hub and Western Hub Hematite Ore Reserves for 2025 are estimated to total 1,734Mt at an average Fe grade of 57.4%.

The Ore Reserve is quoted as of 30 June 2025 and is inclusive of ore and product stockpiles at mines. Product stockpiles at port have been excluded from contributing to Ore Reserves. The proportion of higher confidence Proved Ore Reserve has increased to 1,165Mt (from 1,102Mt in 2024) after accounting for the production depletion and ongoing in-fill drilling.

The Chichester Hub (Cloudbreak and Christmas Creek deposits) contains 812Mt at an average Fe grade of 57.1%, a net decrease of 18Mt primarily due to depletion. Proved Ore Reserve constitutes approximately 72% of the Chichester Ore Reserve, a decrease of 1.9 per cent compared to the previous Ore Reserves as reported in 2024. While the Cloudbreak and Christmas Creek deposits are quoted separately for historical reasons, they effectively represent a single deposit with ore generally directed to the most proximal of the three available OPFs.

The Ore Reserve for the Western Hub (Firetail, Kings and Queens, Eliwana and Flying Fish deposits) is estimated to be 922Mt at an average Fe grade of 57.6%. The contribution (tonnes and grades) of the Western Hub alone has increased by 51Mt, after accounting for depletion and increases in the Mineral Resource tonnes, along with pit design modifications and exclusion of areas containing sites of heritage significance. Proved Ore Reserves comprise 63% of the tonnage in the total Western Hub Ore Reserve, which is an increase of 7 per cent as compared to 2024 Ore Reserves.

The 2025 Hematite Ore Reserve estimates were subject to comprehensive review and update addressing:

- Ore depletion as a result of sales (decrease)
- Exclusions of sites of heritage significance, permanent infrastructures (OPF, tailings storage facility, etc.), pit redesigns and tenement boundaries
- Revision of ore loss and dilution factors based on Life of Mine (LOM) historical operational history at all mines
- Revision to the processing response through all OPFs based on updated metallurgical test work and operational history
- Re-optimisation of mine geometries to maximise the benefit of changes to the resource base resulted in improvement to the economic viability of extracting ore
- A revised LOM plan that addresses the listed items and incorporates the latest information on long-term product strategy.

ORE RESERVES OPERATING PROPERTIES – HEMATITE

	30 JUNE 2025						30 JUNE 2024					
	Product tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	LOI %	Product tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	LOI %
Cloudbreak												
Proved	238	57.2	5.21	3.09	0.057	8.3	280	57.5	5.23	2.79	0.058	8.1
Probable	46	56.1	6.62	3.40	0.054	8.6	51	56.5	6.47	3.16	0.056	8.3
Total	**284**	**57.0**	**5.43**	**3.14**	**0.056**	**8.4**	**331**	**57.4**	**5.42**	**2.85**	**0.058**	**8.1**
Christmas Creek												
Proved	347	57.0	5.42	2.84	0.047	8.3	334	57.2	5.61	2.82	0.051	8.0
Probable	181	57.5	5.91	2.77	0.049	7.6	165	57.6	5.82	2.75	0.052	5.6
Total	**528**	**57.2**	**5.59**	**2.82**	**0.048**	**8.1**	**499**	**57.3**	**5.68**	**2.80**	**0.051**	**7.2**
Sub-total Chichester Hub												
Proved	585	57.1	5.34	2.94	0.051	8.3	614	57.3	5.43	2.81	0.054	8.1
Probable	227	57.2	6.06	2.90	0.050	7.8	216	57.4	5.97	2.84	0.053	6.2
Total	**812**	**57.1**	**5.54**	**2.93**	**0.051**	**8.2**	**830**	**57.3**	**5.58**	**2.82**	**0.054**	**7.6**
Firetail												
Proved	17	58.1	6.96	2.58	0.124	6.6	16	58.9	6.35	2.19	0.123	6.6
Probable	28	57.4	7.68	2.74	0.113	6.7	30	58.1	7.05	2.54	0.113	6.6
Total	**45**	**57.7**	**7.41**	**2.68**	**0.118**	**6.7**	**46**	**58.3**	**6.83**	**2.43**	**0.116**	**6.6**
Kings and Queens												
Proved	368	56.9	6.96	2.81	0.072	8.5	316	56.8	6.87	2.83	0.073	8.7
Probable	277	56.8	6.75	2.59	0.080	9.2	331	56.8	6.61	2.72	0.079	9.2
Total	**646**	**56.9**	**6.87**	**2.72**	**0.075**	**8.8**	**647**	**56.8**	**6.74**	**2.77**	**0.076**	**8.9**
Eliwana and Flying Fish												
Proved	194	59.8	4.85	2.54	0.113	6.3	156	59.5	4.87	2.68	0.112	6.5
Probable	36	59.4	4.93	2.54	0.112	6.8	22	59.0	4.96	2.54	0.072	7.1
Total	**231**	**59.7**	**4.86**	**2.54**	**0.113**	**6.4**	**178**	**59.4**	**4.88**	**2.66**	**0.107**	**6.6**
Sub-total Western Hub												
Proved	580	57.9	6.25	2.71	0.087	7.7	488	57.7	6.22	2.76	0.087	7.9
Probable	342	57.1	6.63	2.60	0.086	8.7	383	57.0	6.55	2.69	0.081	8.9
Total	**922**	**57.6**	**6.39**	**2.67**	**0.087**	**8.1**	**871**	**57.4**	**6.36**	**2.73**	**0.085**	**8.4**
Total Ore Reserves Operating Properties – Hematite												
Proved	1,165	57.5	5.79	2.83	0.069	8.0	1,102	57.5	5.78	2.79	0.069	8.0
Probable	569	57.2	6.40	2.72	0.072	8.3	599	57.1	6.34	2.75	0.071	7.9
Total	**1,734**	**57.4**	**5.99**	**2.79**	**0.070**	**8.1**	**1,701**	**57.4**	**5.98**	**2.77**	**0.070**	**8.0**

Notes in reference to table

- Diluted mining models are validated by reconciliation against historical production.
- Ore Reserves are inclusive of ore stockpiles at the mines which total approximately 57Mt on dry product basis.
- The Chichester Ore Reserve is inclusive of the Cloudbreak, Christmas Creek and Kutayi deposits.
- The Western Hub Ore Reserve is inclusive of the Eliwana ,Flying Fish, Firetail, Kings and Queens deposits.
- As part of Fortescue's ongoing review process, areas of heritage significance (where appropriate) have been excluded from the Ore Reserves.
- Due to opportunistic blending and stockpiling, the Ore Reserve is not reported at a fixed cut-off. Ore Reserves are reported above a range of ROM Fe cut-off grades from 52% Fe to 54% Fe depending on the grade-tonnage profile available from various deposits to meet the product quality specifications.

ORE RESERVES OPERATING PROPERTIES – MAGNETITE

The 2025 Ore Reserves for Magnetite are from the Iron Bridge project. Ore Reserves for the project total 938Mt at an average DTR mass recovery of 29.8% for a 67.3% Fe grade product. The Ore Reserves are quoted as of 30 June 2025, on a dry in-situ tonnes basis prior to processing.

The Ore Reserves estimate was developed in 2025 by the Iron Bridge technical team based on the current resource model using detailed information on mining, geotechnical and metallurgical processing parameters and the latest cost assumptions, aligned with the proposed operations strategy.

Within North Star, mining activities within 100m of the Pilbara Leaf Nosed Bat (PLnB) cave, is prohibited by the current Ministerial approval (Condition 10) until such time it can be demonstrated that ground disturbing activity in the area maintains the viability of the population of PLnB. Primary environmental approvals for the Glacier Valley resource are in progress and currently with State and Commonwealth regulators. At this stage, neither of the above is expected to have a material impact on Ore Reserves as plans have been developed and action underway to address each of the points. As part of the mine scheduling process, appropriate access delays and spatial restrictions are applied to ore inventory in the North Star mining pit and Glacier Valley mining area to model the timeframe required for approvals.

The Ore Reserves have been estimated from Measured and Indicated Mineral Resources from within the North Star, Eastern Limb and Glacier Valley mining areas. All Magnetite Ore Reserves are classified as Probable Reserves as of 30 June 2025 and will be reviewed as the process plant ramps up to full production capacity. Reserves have been adjusted for any depletion in the prior 12-month period.

ORE RESERVES OPERATING PROPERTIES – MAGNETITE

	30 JUNE 2025						30 JUNE 2024					
	In-situ tonnes (Mt)	DTR mass recovery %	Product tonnes (Mt)	Product Iron Fe %	Product Silica SiO_2 %	Product Alumina Al_2O_3 %	In-situ tonnes (Mt)	DTR mass recovery %	Product tonnes (Mt)	Product Iron Fe %	Product Silica SiO_2 %	Product Alumina Al_2O_3 %
North Star and Eastern Limb												
Proved	-	-	-	-	-	-	-	-	-	-	-	-
Probable	706	30.4	213	67.1	5.7	0.3	626	30.4	190	67.1	5.6	0.3
Total	**706**	**30.4**	**213**	**67.1**	**5.7**	**0.3**	**626**	**30.4**	**190**	**67.1**	**5.6**	**0.3**
Glacier Valley												
Proved	-	-	-	-	-	-	-	-	-	-	-	-
Probable	232	28.1	65	68.1	4.5	0.2	206	28.4	59	68.0	4.5	0.2
Total	**232**	**28.1**	**65**	**68.1**	**4.5**	**0.2**	**206**	**28.4**	**59**	**68.0**	**4.5**	**0.2**
Total Ore Reserves Operating Properties – Magnetite												
Proved	-	-	-	-	-	-	-	-	-	-	-	-
Probable	938	29.8	278	67.3	5.4	0.3	832	29.9	248	67.3	5.4	0.3
Total	**938**	**29.8**	**278**	**67.3**	**5.4**	**0.3**	**832**	**29.9**	**248**	**67.3**	**5.4**	**0.3**

Notes in reference to table

- All current magnetite Ore Reserves fall within the IBJV. As per the Iron Bridge project agreements, Fortescue owns 69 per cent of the reported Total Magnetite Ore Reserve estimate within the IBJV.
- Magnetite Ore Reserves are derived from Measured and Indicated Mineral Resources reported within a defined pit design.
- Magnetite Ore reserves are based on mass recovery expressed as a 17% Davis Tube Recovery (DTR) cut-off.
- Magnetite Ore Reserves are reported on an in-situ dry-tonnage basis.
- Tonnage information has been rounded and as a result the figures may not add up to the totals quoted.
- As part of Fortescue's ongoing review process, areas of heritage significance (where appropriate) have been excluded from the Ore Reserves.

MINERAL RESOURCES OPERATING PROPERTIES – HEMATITE

Mineral Resources for the operating properties, which comprise the Chichester and Western Hubs, are stated on a dry in-situ tonnage basis. The Mineral Resources, including mine stockpiles, are quoted inclusive of Ore Reserves.

As at 30 June 2025, the total Mineral Resource for the Chichester and Western Hubs, is estimated to be 4,862Mt at an Fe grade of 56.6%, an increase of 131Mt over that stated in the prior year, with 76 per cent of the reported tonnage in the Measured and Indicated Mineral Resource categories.

The total Chichester Hub (Christmas Creek and Cloudbreak deposits) Mineral Resource is estimated to be 1,921Mt at an average Fe grade of 56.7%, with 86 per cent of the tonnage in the Measured and Indicated Mineral Resource categories.

The total Western Hub (Firetail, Kings, Queens, Blacksmith, Eliwana and Flying Fish deposits) Mineral Resource is estimated to be 2,941Mt at an average Fe grade of 56.5%, with 70 per cent of the tonnage in the Measured and Indicated Mineral Resource categories. The Blacksmith deposits (Delta, Eagle, Blackjack, Champion and Paragon) are located approximately 30km west of the Solomon operation and are included within the total Western Hub Mineral Resource. Blacksmith adds 243Mt at an average grade of 59.3% Fe, with 96 per cent of the tonnage in the Measured and Indicated Mineral Resource categories.

As part of Fortescue's ongoing review process, areas of heritage significance (where appropriate) have been excluded from the Mineral Resources.

MINERAL RESOURCES OPERATING PROPERTIES – HEMATITE

	30 JUNE 2025						30 JUNE 2024					
	In-situ tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	LOI %	In-situ tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	LOI %
Cloudbreak												
Measured	498	56.9	5.64	3.30	0.060	8.2	517	56.9	5.63	3.31	0.059	8.3
Indicated	122	56.0	6.69	3.49	0.056	8.3	138	56.0	6.56	3.55	0.058	8.4
Inferred	32	55.9	6.88	3.61	0.058	8.2	35	55.8	6.67	3.72	0.058	8.3
Total	**651**	**56.7**	**5.90**	**3.35**	**0.059**	**8.2**	**690**	**56.6**	**5.87**	**3.38**	**0.059**	**8.3**
Christmas Creek												
Measured	611	56.8	6.06	3.16	0.052	8.1	571	56.8	6.24	3.18	0.049	8.1
Indicated	426	56.8	6.33	3.18	0.053	7.9	358	56.7	6.53	3.26	0.050	7.9
Inferred	233	56.7	6.12	3.15	0.054	7.5	336	56.5	6.45	3.37	0.055	7.8
Total	**1,269**	**56.8**	**6.16**	**3.16**	**0.053**	**7.9**	**1,265**	**56.7**	**6.37**	**3.26**	**0.051**	**7.9**
Sub-total Chichester Hub												
Measured	1,109	56.9	5.88	3.22	0.055	8.2	1,088	56.8	5.95	3.24	0.054	8.2
Indicated	547	56.6	6.41	3.25	0.054	8.0	495	56.5	6.54	3.34	0.052	8.0
Inferred	264	56.6	6.21	3.21	0.054	7.6	371	56.4	6.47	3.41	0.055	7.9
Total	**1,921**	**56.7**	**6.07**	**3.23**	**0.055**	**8.0**	**1,955**	**56.7**	**6.20**	**3.30**	**0.054**	**8.1**
Firetail												
Measured	35	57.1	7.39	3.03	0.129	7.2	29	57.9	6.88	2.71	0.122	7.0
Indicated	80	56.0	8.75	3.12	0.126	7.3	78	56.5	8.32	3.03	0.126	7.1
Inferred	43	54.7	8.05	4.88	0.096	8.0	53	54.7	8.08	4.72	0.105	8.1
Total	**157**	**55.9**	**8.26**	**3.58**	**0.119**	**7.5**	**160**	**56.2**	**7.98**	**3.52**	**0.118**	**7.4**
Kings and Queens												
Measured	631	55.3	8.17	3.48	0.078	8.6	545	55.4	8.10	3.41	0.078	8.7
Indicated	604	54.9	8.59	3.31	0.087	8.9	681	55.1	8.34	3.36	0.084	8.9
Inferred	380	55.2	8.76	3.84	0.073	7.8	491	55.0	8.51	3.80	0.077	8.3
Total	**1,615**	**55.1**	**8.47**	**3.50**	**0.080**	**8.5**	**1,717**	**55.1**	**8.31**	**3.50**	**0.080**	**8.6**
Blacksmith												
Measured	67	60.2	4.64	3.05	0.094	5.4	-	-	-	-	-	-
Indicated	168	58.9	5.85	3.49	0.085	5.5	-	-	-	-	-	-
Inferred	9	59.8	4.09	2.35	0.104	7.2	-	-	-	-	-	-
Total	**243**	**59.3**	**5.46**	**3.33**	**0.088**	**5.5**	**-**	**-**	**-**	**-**	**-**	**-**

MINERAL RESOURCES OPERATING PROPERTIES – HEMATITE – CONTINUED

	30 JUNE 2025						30 JUNE 2024					
	In-situ tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	LOI %	In-situ tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	LOI %
Eliwana												
Measured	292	59.1	5.54	2.73	0.124	6.3	199	58.9	5.51	2.80	0.123	6.5
Indicated	78	58.5	6.16	2.71	0.124	6.7	35	57.3	6.87	3.04	0.096	7.1
Inferred	356	57.0	6.65	3.81	0.088	7.2	469	57.5	6.42	3.59	0.101	7.0
Total	**726**	**58.0**	**6.15**	**3.26**	**0.106**	**6.8**	**703**	**57.9**	**6.18**	**3.34**	**0.107**	**6.8**
Flying Fish												
Measured	81	58.3	5.18	3.19	0.057	7.5	73	58.4	5.09	3.17	0.058	7.4
Indicated	27	60.5	4.50	2.04	0.061	6.2	29	60.3	4.55	2.10	0.061	6.4
Inferred	93	58.0	6.02	2.90	0.055	6.9	95	57.7	6.09	3.04	0.054	7.1
Total	**200**	**58.5**	**5.48**	**2.90**	**0.056**	**7.1**	**197**	**58.4**	**5.49**	**2.95**	**0.056**	**7.1**
Sub-total Western Hub												
Measured	1,105	56.9	7.02	3.22	0.091	7.7	845	56.6	7.19	3.22	0.088	8.0
Indicated	957	56.1	7.81	3.24	0.092	7.9	824	55.5	8.14	3.27	0.088	8.5
Inferred	880	56.2	7.54	3.77	0.079	7.4	1,107	56.3	7.40	3.69	0.086	7.6
Total	**2,941**	**56.5**	**7.43**	**3.39**	**0.088**	**7.7**	**2,777**	**56.1**	**7.55**	**3.42**	**0.087**	**8.0**
Total Mineral Resources Operating Properties – Hematite												
Measured	2,213	56.9	6.45	3.22	0.073	7.9	1,934	56.7	6.49	3.23	0.069	8.1
Indicated	1,504	56.3	7.30	3.24	0.078	8.0	1,319	55.9	7.54	3.30	0.074	8.3
Inferred	1,145	56.3	7.23	3.64	0.073	7.5	1,479	56.3	7.16	3.62	0.079	7.7
Total	**4,862**	**56.6**	**6.90**	**3.33**	**0.075**	**7.8**	**4,731**	**56.3**	**6.99**	**3.37**	**0.073**	**8.0**

Notes in reference to table

- Chichester Hub Mineral Resources are quoted above a cut-off of 53.5% Fe, Western Hub Mineral Resources (except Blacksmith) are quoted above a cut-off grade of 51.5% Fe. Blacksmith Mineral Resources are quoted above a cutoff of 57.5% Fe for detrital and bedded iron deposits with channel iron deposits using a cut-off of 54% Fe.
- The Christmas Creek Mineral Resource is inclusive of the Kutayi and Nullagine deposits.
- Measured Mineral Resources include mine stockpiles totalling approximately 68Mt.
- As part of Fortescue's ongoing review process, areas of heritage significance (where appropriate) have been excluded from the Mineral Resource.
- Mineral Resources are reported inclusive of Ore Reserves.
- Tonnage information has been rounded and as a result the figures may not add up to the totals quoted.

MINERAL RESOURCES DEVELOPMENT PROPERTIES – HEMATITE

Development properties Mineral Resources have been updated as a result of exploration drilling. Updated estimates have been completed for the White Knight deposit in the Greater Chichester Hub and the Wyloo North deposit in the Greater Western Hub and a new estimate has been completed for the Yorick deposit in the Pilbara Other Hub, which has resulted in an increase of 181Mt. An updated estimate for the Mindy South deposit in the Pilbara Other Hub has resulted in increasing the classification to Measured and Indicated in some areas to reflect the confidence in the estimate. Areas identified as containing sites of heritage significance have been reviewed and excluded from reporting at deposits across all Hubs. These updates result in an overall increase of 238Mt to the development properties Mineral Resources and is reported in accordance with the JORC Code as identified in the Fortescue ASX releases when each Mineral Resource was announced.

As of 30 June 2025, the total Mineral Resource for development properties, which excludes and is additional to the operating properties, is estimated to be 8,772Mt at an average Fe grade of 57.0%. This comprises 829Mt for the Greater Chichester deposits, 2,111Mt for the Greater Solomon deposits, 1,902Mt for the Greater Western deposits, 2,306Mt for the Nyidinghu deposit and 1,623Mt for the Pilbara Other deposits.

MINERAL RESOURCES DEVELOPMENT PROPERTIES – HEMATITE

	30 JUNE 2025						30 JUNE 2024					
	In-situ tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	LOI %	In-situ tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	LOI %
Greater Chichester												
Measured	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-	-	-	-
Inferred	829	55.9	7.42	3.45	0.062	7.2	673	55.8	7.48	3.69	0.060	7.4
Total	**829**	**55.9**	**7.42**	**3.45**	**0.062**	**7.2**	**673**	**55.8**	**7.48**	**3.69**	**0.060**	**7.4**
Greater Solomon												
Measured	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	131	56.2	6.19	2.67	0.091	10.2	131	56.2	6.19	2.67	0.092	10.2
Inferred	1,980	56.7	7.18	3.82	0.085	7.1	1,948	56.7	7.17	3.82	0.085	7.0
Total	**2,111**	**56.7**	**7.11**	**3.75**	**0.086**	**7.3**	**2,079**	**56.7**	**7.11**	**3.75**	**0.086**	**7.3**
Greater Western												
Measured	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	99	59.1	5.33	2.45	0.162	7.1	99	59.1	5.33	2.45	0.162	7.1
Inferred	1,803	56.6	6.21	3.00	0.082	9.1	1,782	56.6	6.18	3.00	0.081	9.1
Total	**1,902**	**56.7**	**6.16**	**2.97**	**0.086**	**9.0**	**1,881**	**56.7**	**6.14**	**2.97**	**0.085**	**9.0**
Nyidinghu												
Measured	22	59.7	3.54	2.07	0.141	8.1	22	59.7	3.54	2.08	0.140	8.1
Indicated	1,008	57.9	4.58	3.08	0.149	8.6	1,008	57.9	4.58	3.08	0.149	8.6
Inferred	1,276	57.0	5.14	3.44	0.144	8.9	1,276	57.0	5.14	3.44	0.144	8.9
Total	**2,306**	**57.4**	**4.88**	**3.27**	**0.146**	**8.8**	**2,306**	**57.4**	**4.88**	**3.27**	**0.146**	**8.8**
Pilbara Other												
Measured	10	58.6	6.99	2.52	0.153	6.2	-	-	-	-	-	-
Indicated	328	58.3	6.82	2.52	0.133	6.7	-	-	-	-	-	-
Inferred	1,286	57.5	6.21	2.72	0.101	8.1	1,595	57.6	6.46	2.69	0.107	7.8
Total	**1,623**	**57.7**	**6.34**	**2.68**	**0.107**	**7.8**	**1,595**	**57.6**	**6.46**	**2.69**	**0.107**	**7.8**
Total Mineral Resources Development Properties – Hematite												
Measured	32	59.4	4.63	2.21	0.145	7.5	22	59.7	3.54	2.08	0.140	8.1
Indicated	1,566	57.9	5.23	2.89	0.142	8.3	1,238	57.8	4.81	2.99	0.144	8.7
Inferred	7,174	56.8	6.42	3.31	0.095	8.1	7,274	56.8	6.44	3.29	0.097	8.1
Total	**8,772**	**57.0**	**6.20**	**3.23**	**0.103**	**8.1**	**8,534**	**57.0**	**6.20**	**3.25**	**0.104**	**8.2**

Notes in reference to table

- The Greater Chichester Mineral Resources includes the Investigator, White Knight and Mount Lewin deposits.
- The Greater Solomon Mineral Resource includes the Serenity, Queens East West (previously Sheila Valley), Mount MacLeod, Cerberus, Stingray and Raven deposits.
- The Greater Western Mineral Resources includes the Flying Fish South, Vivash, Cobra, Lora, Zorb, Farquhar, Elevation, Boolgeeda CID and Wyloo North deposits.
- The Pilbara Other Mineral Resources includes the Fig Tree, Mindy South, Triton, Wonmunna, Panhandle, Earendil, Indabiddy, Prairie Heights, Yorick and McPhee Creek deposits.
- Development property Mineral Resources are reported above a range of cut-off grades from 50% Fe to 56% Fe depending on the geological domain. Details of the cut-offs were provided when each Mineral Resource was first announced.
- Tonnage information has been rounded and as a result the figures may not add up to the totals quoted.

MINERAL RESOURCES OPERATING PROPERTIES – MAGNETITE

The resource model for the North Star, Eastern Limb, West Star and Glacier Valley deposits (69 per cent Fortescue) was updated in 2025, with the South Star area updated in 2023. Reinterpretation of the geological contacts, along with targeted infill drilling, have seen an improvement in the DTR mass recovery at North Star, Eastern Limb, West Star and Glacier Valley.

All magnetite Mineral Resources are reported within a high revenue factor pit shell (approx. US$200/t) to constrain the reportable resource to mineralisation that has reasonable prospects for economic extraction by open-pit mining and has been adjusted for depletion of mined tonnes. The pit shell used to constrain the June 2025 magnetite Mineral Resource was updated using detailed information on mining, geotechnical and metallurgical processing parameters, along with the latest cost assumptions, aligned with the proposed operations strategy. Where appropriate, heritage sites have been excluded from the Mineral Resource.

As of 30 June 2025, the total magnetite Mineral Resource is estimated to be 6,008Mt (from 6,198Mt in 2024) at an average DTR mass recovery of 24.1 per cent, reported above a 9 per cent DTR mass recovery cut-off. The decrease in tonnes is a function of updated heritage exclusions in the West Star and Glacier Valley areas along with changes to the underlying resource model and the updated pit shell used to constrain the magnetite Mineral Resource.

CHRISTMAS CREEK

MINERAL RESOURCES OPERATING PROPERTIES – MAGNETITE

	30 JUNE 2025							30 JUNE 2024						
	In-situ tonnes (Mt)	Fortescue proportion %	Fortescue attributable tonnes (Mt)	DTR mass recovery %	In-situ Iron Fe %	In-situ Silica SiO_2 %	In-situ Alumina Al_2O_3 %	In-situ tonnes (Mt)	Fortescue proportion %	Fortescue attributable tonnes (Mt)	DTR mass recovery %	In-situ Iron Fe %	In-situ Silica SiO_2 %	In-situ Alumina Al_2O_3 %
North Star and Eastern Limb (M45/1226)														
Measured	335	69	231	27.9	31.1	41.2	2.57	232	69	160	26.2	31.1	41.3	2.77
Indicated	811	69	560	25.8	30.3	41.2	2.60	770	69	531	24.7	30.2	41.3	2.69
Inferred	2,080	69	1,435	25.3	30.0	41.6	2.75	2,280	69	1,573	24.1	29.9	41.7	2.84
Total	**3,226**	**69**	**2,226**	**25.7**	**30.2**	**41.4**	**2.69**	**3,282**	**69**	**2,265**	**24.4**	**30.0**	**41.6**	**2.80**
Glacier Valley (M45/1244 & M45/1226)														
Measured	52	69	36	25.9	35.0	39.2	1.58	55	69	38	25.4	35.1	39.2	1.58
Indicated	270	69	187	24.3	33.1	39.1	1.70	279	69	193	23.8	33.2	39.1	1.70
Inferred	902	69	622	21.4	31.7	39.8	2.07	875	69	604	19.9	31.6	40.0	2.12
Total	**1,224**	**69**	**845**	**22.3**	**32.2**	**39.6**	**1.97**	**1,209**	**69**	**834**	**21.1**	**32.1**	**39.8**	**1.99**
West Star (M45/1226)														
Measured	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inferred	431	69	297	20.9	28.6	43.8	3.22	615	69	425	20.3	28.0	43.9	3.40
Total	**431**	**69**	**297**	**20.9**	**28.6**	**43.8**	**3.22**	**615**	**69**	**425**	**20.3**	**28.0**	**43.9**	**3.40**
South Star (E45/3084)														
Measured	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inferred	393	69	271	24.3	31.4	41.4	0.67	393	69	271	24.3	31.4	41.4	0.67
Total	**393**	**69**	**271**	**24.3**	**31.4**	**41.4**	**0.67**	**393**	**69**	**271**	**24.3**	**31.4**	**41.4**	**0.67**
South Star (E45/4025)														
Measured	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inferred	734	100	734	21.9	32.0	40.4	0.90	698	100	698	22.1	32.0	40.4	0.91
Total	**734**	**100**	**734**	**21.9**	**32.0**	**40.4**	**0.90**	**698**	**100**	**698**	**22.1**	**32.0**	**40.4**	**0.91**
Total Mineral Resources Operating Properties – Magnetite														
Measured	387	-	267	27.6	31.6	41.0	2.44	287	-	198	26.0	31.8	40.9	2.55
Indicated	1,082	-	746	25.4	31.0	40.7	2.38	1,049	-	724	24.5	31.0	40.7	2.43
Inferred	4,539	-	3,360	23.5	30.6	41.2	2.18	4,862	-	3,571	22.6	30.4	41.4	2.33
Total	**6,008**	**-**	**4,373**	**24.1**	**30.8**	**41.1**	**2.23**	**6,198**	**-**	**4,493**	**23.1**	**30.5**	**41.3**	**2.35**

Notes in reference to table

- Magnetite Mineral Resources are reported above a 9% mass recovery cut-off, based on Davis Tube Recovery (DTR) test work.
- Oxide mineralisation comprises approximately 4.5 per cent of the total Mineral Resource tonnage.
- Magnetite Mineral Resources are reported within a high revenue factor pit shell (approx. US$200/t) to constrain the resource to mineralisation that has reasonable prospects for economic extraction by open-pit mining.
- Measured Mineral Resources include mine stockpiles totalling approximately 5Mt.
- Mineral Resources are reported on a dry, in situ tonnage basis.
- Mineral Resources are reported inclusive of Ore Reserves.
- Tonnage information has been rounded and as a result the figures may not add up to the totals quoted.

COMPETENT PERSONS STATEMENT

The detail in this report that relates to Hematite Mineral Resources for Operating properties is based on information compiled by Suzanne Caron and John Graindorge, full-time employees and shareholders of Fortescue. The detail in this report that relates to Hematite Mineral Resources for Development properties is based on information compiled by Nicholas Nitschke, Doug Kepert, Erin Retz and Stuart Badock, full-time employees and shareholders of Fortescue. Each provided technical input for Mineral Resource estimations.

The detail in this report that relates to the Magnetite Mineral Resources is based on information compiled by John Graindorge, a full-time employee and shareholder of Fortescue. Mr Graindorge provided technical input for Mineral Resource estimations.

Estimated Ore Reserves for the Chichester and Western Hub deposit for fiscal year 2025 were compiled by Thomas Keller, Arturo Calvo Barrantes and Michael Fisher, full-time employees and shareholders of Fortescue.

Estimated Magnetite Ore Reserves for the Iron Bridge project for fiscal year 2025 were compiled by Aidan Ayres, Michael Fisher, Terry Chong and Mudit Tandon, full-time employees and shareholders of Fortescue.

Mr Nitschke, Ms Retz, Mr Badock, Ms Caron, Mr Keller, Mr Chong, Mr Calvo Barrantes, Mr Fisher, Mr Ayres, Mr Tandon and Mr Graindorge are Members of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Graindorge is also a Chartered Professional (Geology). Mr Kepert is a Member of the Australian Institute of Geoscientists (AIG).

Mr Nitschke, Mr Kepert, Ms Retz, Mr Badock, Ms Caron, Mr Keller, Mr Chong, Mr Calvo Barrantes, Mr Fisher, Mr Ayres, Mr Tandon and Mr Graindorge have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Nitschke, Mr Kepert, Ms Retz, Mr Badock, Ms Caron, Mr Keller, Mr Chong, Mr Calvo Barrantes, Mr Fisher, Mr Ayres, Mr Tandon and Mr Graindorge consent to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The detail in this report that relates to Blacksmith Mineral Resources is based on information compiled by Mr Mark Pudovskis and Mr Aaron Meakin, full-time employees of ERMs Technical Mining Services team and Members of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Aaron Meakin and Mr Mark Pudovskis have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Aaron Meakin and Mr Mark Pudovskis each approve of, and consent to, the inclusion of the information in this Annual Mineral Resource Statement and the Annual Mineral Resource Statement as a whole, as it relates to the Blacksmith Mineral Resource, in the form and context in which it appears.

OUR APPROACH TO SUSTAINABILITY

COCKATOOS AT SOLOMON

A MESSAGE FROM OUR CEOs

DINO OTRANTO AND GUS PICHOT

At Fortescue, sustainability isn't a side story. It is central to where we're heading.

This year, we've continued to evolve, act boldly and deliver with purpose as we work to reshape the future of resources and energy.

We have made strong progress towards our Real Zero Target. At Iron Bridge, our newly commissioned 100MW solar farm at North Star Junction is now meeting around one quarter of the site's electricity needs. Through Pilbara Energy Connect, we've built 460km of high voltage transmission lines and associated substations, creating the backbone of a renewable energy network to power our operations and mobile fleet.

We're proving that heavy industry can begin to decarbonise now. From electric drills and excavators already in use to major renewables coming online, we're deploying the technologies and infrastructure needed to transition hard-to-abate sectors.

Just as we lead with ambition on climate, we lead with care for our people. Our commitment to safety is embedded in every part of our operations, reflecting a culture that prioritises the health and safety of our workforce above all else. Our approach to environmental stewardship continues to mature, recognising that our long-term success depends on the health of the ecosystems around us.

We also take seriously our responsibility to operate with care and accountability. That means safe management of tailings, reducing waste, and ensuring high standards of environmental and social governance. Our performance is guided by global frameworks and overseen by the Board to ensure transparency, rigour and accountability at every level.

Our commitment to communities and First Nations partnerships is a cornerstone of our approach. We're proud of the trust we're building through initiatives like our Billion Opportunities program, which has awarded A$6.6 billion in contracts and subcontracts to First Nations businesses. Our Vocational Training and Employment Centre (VTEC) is also creating pathways to training, jobs and long-term economic opportunity, with 91 participants graduating and successfully transitioning into employment at Fortescue this year.

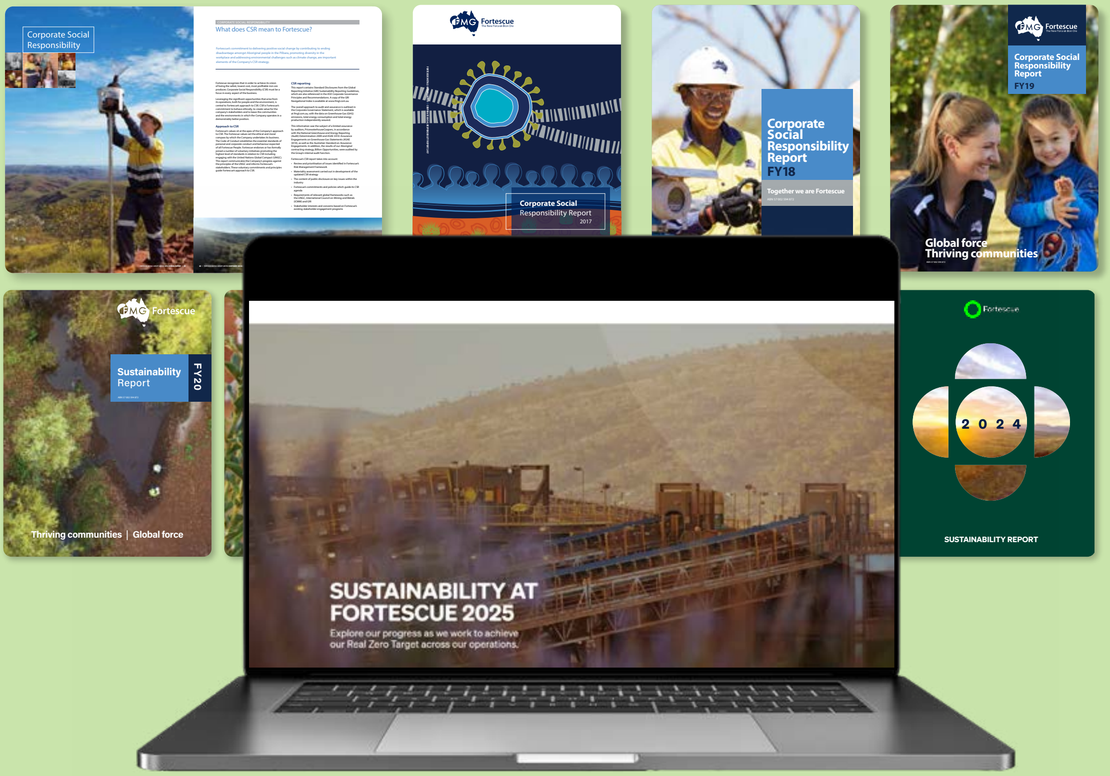
We're also creating a more inclusive Fortescue. This year, women made up 25 per cent of our workforce, held 30 per cent of leadership roles and 40 per cent of senior leadership roles – all increases on last year. First Nations representation also improved, with First Nations Australians accounting for 12 per cent of our Australian workforce and 16 per cent of Pilbara-based roles. For the sixth year running, we were named on Parity.org's 2025 ParityList™, recognising our inclusive and supportive culture.

Our total economic contribution extends well beyond the bottom line – through local jobs, procurement, taxes, royalties and community investment. We have supported education, backed local initiatives, and partnered with communities to help build opportunity and resilience where it is needed most. In FY25, this included our largest-ever community investment: a A$11 million, five-year commitment to the Pilbara Safe Spaces program through the Resources Community Investment Initiative.

Looking ahead, we remain focused on scaling green metal and decarbonisation technologies, deepening our community partnerships, and delivering on our Real Zero Target. There is no set roadmap to a sustainable future, but we're guided by action, integrity and the courage to lead.

To our teams, partners and communities – thank you. Fortescue's journey is powered by people and a shared belief that a better, more sustainable future is not only possible, but within reach.

INTRODUCING OUR MICROSITE, A NEW APPROACH TO SUSTAINABILITY DISCLOSURES



Fortescue has introduced a new way of sharing our sustainability journey with the launch of an interactive online microsite for FY25 Sustainability disclosures. This replaces traditional printed and PDF formats, reflecting our focus on providing more accessible and effective communication. Structured under the pillars of Climate, Nature, and People, the microsite offers stakeholders a clear view of our sustainability priorities, initiatives, and activities. It allows for a more interactive experience, where readers can explore data, initiatives, and case studies in more depth.

This move builds on the evolution of Fortescue's disclosure practices over time. As sustainability disclosure expectations have expanded, alongside our sustainability initiatives, we have incorporated more detailed insights into climate action, nature, and community engagement. Transitioning to a digital format is a natural next step that reflects the increasing scope and complexity of our sustainability work.

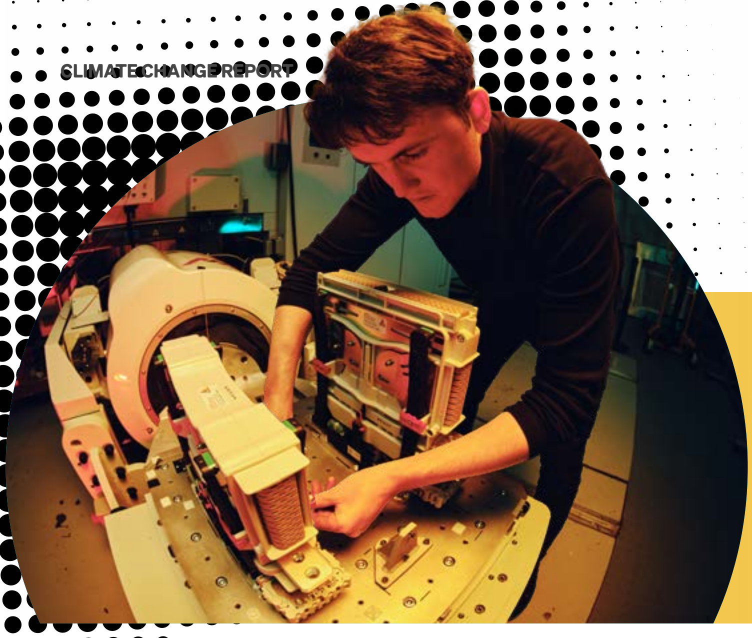
Fortescue remains committed to improving transparency and accessibility by delivering timely, accurate updates to keep stakeholders informed as our efforts advance.

We invite readers to visit **FY25sustainability.fortescue.com** to learn more about Fortescue's sustainability journey and the steps we are taking toward our goals.

This report should be read in its entirety, together with the Forward Looking Statement Disclaimer in this Annual Report.

CLIMATE CHANGE REPORT

NORTH STAR JUNCTION SOLAR FARM



OVERVIEW

In 2024, global temperatures reached unprecedented levels, following on from the alarming warmth of 2023

For the first time this year, global temperatures breached the crucial 1.5°C threshold above pre-industrial levels - the red line drawn by the Paris Agreement. Multiple global records were also broken in FY25, including those for greenhouse gas concentrations, air temperature, and sea surface temperature. The urgency of climate action is reinforced by the World Economic Forum's Global Risks Report 2025, which for the second consecutive year ranks extreme weather as the leading global risk over the next decade. The report also identifies extreme weather as the second most severe short-term risk (2025–2027), only surpassed by the threat of misinformation and disinformation.

Fortescue acknowledges the critical need to reduce greenhouse gas emissions as these trends drive more severe climate impacts around the world. We see a world that is *ready for change*, even amid geopolitical, economic, and environmental uncertainties. The foundations of industry are shifting, from how energy is generated and used to how metals are mined, processed, and valued. We believe that volatility is not a constraint but a catalyst for strategic clarity. In this landscape, long-term value will be created by companies that can adapt quickly, invest in innovation with boldness and discipline, and align growth with sustainability.

NAVIGATING UNCERTAIN PATHWAYS

While climate science provides clear direction on the urgent need for emissions reduction, we operate in an environment shaped by change and a multitude of pathways for how the global energy transition will unfold. Policy and regulatory landscapes remain volatile, influenced by geopolitical tensions and the escalation of conflict. The early months of 2025 have highlighted how turbulent international politics can be and how rapidly the outlook for green investment incentives can change. Market dynamics in the renewable energy sector also continue to evolve, shaped by supply chain volatility, changing demand patterns, and energy price fluctuations.

For a company like Fortescue, operating across iron ore, energy, and technology sectors, these uncertainties create both risks and opportunities as traditional industry boundaries blur and new value chains emerge. Our strategy must therefore remain flexible and responsive as the assumptions underpinning our chosen pathway evolve with changing global circumstances.

OUR CLIMATE TRANSITION PLAN

Our Climate Transition Plan and our annual Climate Change reports are essential components of our strategy to address and mitigate climate change.

Our FY24 Climate Transition Plan developed in alignment with the framework laid down by the Transition Plan Taskforce is available on our website **fortescue.com**. It outlines specific actions we are taking to achieve our targets, including detailed pathways, timelines and the implementation of decarbonisation technologies and practices. It communicates our progress towards our ambition to accelerate decarbonisation on a global scale, and highlights achievements, challenges and adjustments made throughout the reporting period.

We are scheduled to publish an update of this plan in September 2025.

PREFACE

FY25 CLIMATE-RELATED DISCLOSURES

This report has been prepared for Fortescue's stakeholders and details our progress in managing climate-related matters, including risks and opportunities.

It is aligned with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), which has guided our voluntary climate-related reporting since FY18.

During FY25, the Australian Treasury amended legislation to enact new policy for climate change reporting. Under this new regime, the measurement and disclosure of climate-related financial information is guided by Australian Sustainability Reporting Standards (ASRS) *AASB S2 Climate-related disclosures* (AASB S2) issued by the Australian Accounting Standards Board (AASB). AASB S2 has its genesis in TCFD recommendations.

While we continue to report voluntarily under the TCFD framework, we are preparing our business for ASRS compliance. This report contains many elements of additional disclosures that will be mandatory under AASB S2 from FY26.

With the exception of greenhouse gas (GHG) emissions, this report has been prepared for the same consolidated reporting entity and reporting period as the Group's Consolidated Financial Statement and has incorporated climate-related information of the parent company and all of its global subsidiaries. GHG emissions are calculated based on an operational control approach using the *GHG Protocol corporate Accounting and Reporting Standard.* For further information on this approach and our organisational boundary for GHG emissions, please refer to our FY25 Emissions Calculation Methodology located on our website **fortescue.com.**

All references to our, we, us, the Group, the Company and Fortescue refer to Fortescue Ltd (ABN 57 002 594 872) and its subsidiaries. All references to a year are to the financial year ended 30 June 2025 unless otherwise stated.

This report has been approved for release by Fortescue's Board of Directors.

VALUE CHAIN ESTIMATION

The value chain information and related disclosures in this report are based on available data, third-party sources, and management's best estimates at the time of preparation.

Scope 3 GHG emissions are typically estimated using average emission factors. The reliability of the estimates depends on the quality of input data and how well average emission factors reflect actual conditions. For example, Fortescue estimates business travel emissions by applying an average emissions factor per passenger kilometre, adjusted by flight class (e.g. Economy, Business). These methods reflect common practice but involve inherent uncertainty due to generalised assumptions.

We are committed to continual improvement of our climate related disclosures and have already invested in improved data collection and reporting systems as well as continual maturation of our scenario analysis and risk identification, assessment and treatment. Our expectation is that as the climate-related disclosure ecosystem matures we, along with others will refine and improve assumptions and estimations to provide decision useful information.

ASSURANCE

FY25 GHG emissions data were subject to external assurance by PricewaterhouseCoopers. This included reasonable assurance for Group Scope 1, Scope 2 location-based and Scope 2 market-based, and limited assurance for Scope 3.

FEEDBACK

We value all feedback. Please send any comments on this report or requests for additional information to **sustainability@fortescue.com**.

REAL ZERO TARGET

At Fortescue, we are putting Real Zero into action through our Real Zero Target. Our Real Zero Target is an emissions reduction target that aims to eliminate Scope 1 and 2 emissions from our Australian terrestrial iron ore operations by the end of 2030. This target addresses the vast majority of the business's Scope 1 and 2 emissions and only relies on offsets where we are required by law to purchase them. Along side our Real Zero Target, we have three other emissions reduction targets. All targets are further defined in the Target Definitions section.

OUR STRATEGY

Business Strategy

Founded in 2003, Fortescue has grown to become a global leader in iron ore production, with mining operations in the Pilbara connected by a 760km rail network to Port Hedland, exporting over 190 million tonnes of iron ore annually to customers worldwide, backed by a workforce of over 16,000.

At Fortescue, our purpose is to accelerate decarbonisation on a global scale, rapidly and profitably. Our strategy is centred on innovation, sustainability, and global leadership, driving transformative actions to deliver long-term value. Through pioneering technology, we are advancing renewable energy solutions, and low-carbon ironmaking to lead the global shift to a low-emission future. With a focus on discovery, responsible project development, operational excellence, collaboration, and alignment with circular economy principles, we are reimagining what is possible and actively shaping the next chapter of sustainable growth.

SHORT, MEDIUM AND LONG-TERM TIME HORIZONS

We apply defined time horizons - short, medium, and long-term - in managing alignment between our financial planning, strategic decision making, and climate-related risk assessments. The table below outlines the duration of each horizon and illustrates how these planning periods inform our climate strategy, financial modelling, and assessment of physical and transition risks in line with our emissions reduction targets.

For the purpose of this report, climate-related risks and opportunities have been categorised as short-term when they might materialise within the next two years, medium-term when they may occur in a 3 to 10 year timeframe, and long-term when risks are expected to intensify and become most relevant in 11+ years.

TIME PERIOD		LINK TO PLANNING HORIZONS
Short-term	0 to 2 years	We operate within a two-year budget that is updated quarterly.
Medium-term	3 to 10 years	Group Corporate Model for budget and forecasting has a 10-year outlook. The time horizon for our transition risks and opportunities is defined in line with emissions reduction targets and strategy. Our 2030 emissions reduction targets are medium-term targets. Physical climate risk associated with a medium-term horizon is driven by the management of our existing assets, resilience of operations, and strategic investment decisions, including considerations for the health and well-being of our people. For the medium term, we assessed physical climate-risks for 2030.
Long-term	11 to 30 years	LOM forecasting provides a 20-year outlook. The time horizon for our transition risks and opportunities is defined in line with emissions reduction targets. Our 2040 emissions reduction targets are long term targets. Physical climate risk associated with a long-term horizon is driven by LOM plans of existing assets, as well as strategic investment decisions. For the long-term, we assessed physical climate-risks for 2040 and 2050.

Business Strategy continued

CLIMATE RISKS AND OPPORTUNITIES IMPACTING FORTESCUE

Climate change is a material risk for Fortescue and has been consistently represented as such since the commencement of our formal corporate social responsibility and sustainability disclosures in FY17. In FY20, we began standalone reporting on climate change, reflecting the importance of this issue to our business.

As we prepare our business for the mandatory climate reporting regime, and to reflect the importance we place on climate change for the success of our business, we have incorporated our climate change report into our Annual Report since FY24.

PHYSICAL RISKS
Damage to assets or operational disruptions resulting from the occurrence of climate-related hazard events. Mining operations Energy operations Rail infrastructure and transport Port and shipping Tailings and storage facilities
Supply chain disruptions and delays
Workforce health and safety

TRANSITION RISKS
Emissions reduction targets
Regulatory uncertainty and policy fragmentation
Shifts and uncertainties in market demand for our products Uncertain market for Fortescue's low to mid-grade Pilbara ores Timing and uptake of low-emission product portfolio

Effects of identified risks on our business model

Building on our long-term understanding of climate-related risks, we have further refined our understanding of the potential implications of a changing climate. An overview of climate-related physical and transition risks is presented below.

PHYSICAL RISKS

The integrity of Fortescue's operations is increasingly dependent on the effective management of physical climate risks.

Physical climate risks arise from the direct or indirect impacts of a changing climate and extreme weather events. Increasing temperatures and the prevalence of events such as heatwaves, droughts and bushfires can disrupt operations, damage infrastructure and challenge our supply chains. These conditions can lead to higher operational costs, reduced productivity and potential losses in revenue. Additionally, changes in precipitation patterns and the increased frequency of intense rainfall events heighten the risk of flooding, which can damage assets, disrupt operations and lead to costly repairs and downtime. Coastal assets, such as ports, face added exposure to storm surges and sea level rise, which can threaten infrastructure integrity and disrupt logistics.

We have identified three physical risks, as detailed in the tables below.

The first relates to **damage to assets or operational disruptions resulting from the occurrence of climate-related hazard events**. We consider this risk in five asset types, concentrated in our iron ore operations in the Pilbara region. The risk is relevant across short, medium and long-term horizons.

MINING OPERATIONS	KEY MANAGEMENT ACTIONS
Our operational assets are exposed to climate-related hazards such as extreme heat, bushfires, cyclones, and intense rainfall. Severe weather events can lead to equipment failure, extended unplanned outages, and operational delays. They can also cause physical damage to key infrastructure such as switchrooms, stackers, stockyard balance machines, ship loaders and overland conveyors.	Our assets are designed and constructed to meet current Australian engineering standards, including the Australian Rainfall and Runoff Guidelines and the Standard Engineering Specification for Drainage and Flood Protection, with ongoing work to better incorporate climate change projections into infrastructure planning and operational procedures. Our weather monitoring systems provide early warning for severe events, enabling proactive equipment shutdown and workforce protection measures. Operational continuity is supported through strategic stockpile management, flexible production scheduling, and comprehensive emergency response procedures.

ENERGY OPERATIONS	KEY MANAGEMENT ACTIONS
Climate hazards such as high winds, lightning, and rising temperatures can affect our energy assets including solar and wind farms and transmission lines. Rising ambient temperatures may lead to asset derating, accelerated degradation, and reduced operational reliability and lifespan, potentially compromising the system's ability to meet energy demand. At the same time, extreme weather events pose a growing threat to above-ground infrastructure such as transmission lines and wind and solar farms, potentially causing transformer failures, grid outages, and forcing unplanned shutdowns for emergency repairs.	All weather-related energy incidents, including lightning strikes and storm-related disruptions, are subject to root cause analysis to identify equipment vulnerabilities and system design limitations. These learnings directly inform updates to Fortescue's internally developed design requirements and technical standards. Recent examples of this approach include addressing solar farm reliability issues during lightning storms by developing adaptive protection systems that automatically modify solar farm protection settings to prevent system trips. Research into Variable Speed Drives has informed control system settings to improve undervoltage ride-through during weather disturbances.

Effects of identified risks on our business model continued

PHYSICAL RISKS CONTINUED

RAIL INFRASTRUCTURE AND TRANSPORT	KEY MANAGEMENT ACTIONS
Our rail network is a vital link between remote mining operations and our port facilities. Unlike fixed-site assets, the rail system spans vast and varied terrain, making it vulnerable to a range of climate-related hazards. Extreme heat can cause track buckling (warping), while heavy rainfall and flooding can lead to track and formation washouts, saturated and weakened formation, erosion of embankments, landslides and signalling infrastructure damage. Storm and high winds can bring vegetation or other type of debris onto track and cause infrastructure damage and obstruction. These events may lead to slower transit times, increased maintenance demands, and safety risks. Climate-driven disruptions can constrain throughput and create logistical bottlenecks, impacting the timely delivery of ore for export.	We are strengthening monitoring systems and response protocols to enhance resilience across our rail network. Our approach focuses on both immediate protective measures and longer-term infrastructure improvements. Real-time flood monitoring sensors are being installed at high-risk locations, with a focus on train protection during extreme weather. We are also relining existing culverts to increase their reliability during heavy rainfall and flooding events. Our comprehensive track integrity program includes defect detection through autonomous track geometry measurements, ultrasonic testing, instrumented ore cars, and regular track inspections. These monitoring systems enable early identification of deterioration and potential safety issues before they compromise operations.

PORT AND SHIPPING	KEY MANAGEMENT ACTIONS
Our port is a critical asset supporting our metals business and the broader supply chain. Located on low-lying coastal land, it is increasingly exposed to climate-related hazards such as coastal erosion, storm surges, tropical cyclones, and extreme rainfall. These events can disrupt operations, constrain logistics, and pose safety risks, potentially requiring temporary shutdowns, vessel evacuations, or shipping restrictions. In the longer term, rising sea levels are expected to elevate baseline water levels, amplifying the reach and severity of storm surges and potentially increasing the likelihood of seawater ingress into operational areas.	We work in close collaboration with the Pilbara Ports Authority (PPA) and other port operators to manage risks associated with extreme weather events in Port Hedland. In the event of an approaching tropical low or cyclone, port operations are suspended in accordance with the Pilbara Ports Cyclone Procedures to protect people, vessels, and infrastructure. We participate in risk assessments and inundation modelling with key stakeholders including the PPA, Bureau of Meteorology, Department of Fire and Emergency Services, and the Town of Port Hedland to monitor developing conditions and inform appropriate response measures. Risk mitigation strategies have been developed through the Port Hedland Working Group, including studies into channel clearance options and towage strategies to reduce the risk of shipping delays.

TAILINGS STORAGE FACILITIES (TSF)	KEY MANAGEMENT ACTIONS
Climate change impacts, including more frequent extreme precipitation events and increased storm intensity, have the potential to place heightened hydrological and geotechnical stress on tailings storage facilities (TSFs). These changing conditions may exceed historical design parameters, leading to increased pore water pressures, reduced slope stability, and potential overtopping risks. In parallel, intensified and less predictable rainfall patterns can challenge existing operational assumptions around water management and associated controls for mitigating the risk of facility failure.	TSFs are designed using risk-based criteria to help ensure the risk of failure is as low as reasonably practicable. This strategy is applied across the lifecycle of each TSF, from operations and planned for closure. All operational TSFs are designed in line with industry-leading practice, including allowances for extreme storm events, and are subject to independent engineering reviews annually. Fortescue's TSF management practices comply with the requirements of the Western Australian Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) and the Australian National Committee on Large Dams (ANCOLD).

Effects of identified risks on our business model continued

PHYSICAL RISKS CONTINUED

The second physical risk relates to the entire **supply chain** ecosystem, from upstream suppliers to downstream distribution. This risk is relevant across the short, medium and long-term.

SUPPLY CHAIN DISRUPTIONS AND DELAYS	KEY MANAGEMENT ACTIONS
Climate change impacts may amplify operational vulnerabilities across our value chain, with increasing exposure as extreme weather events become more frequent. Acute physical climate risks can disrupt supplier networks, affect access to critical materials, impact manufacturing activities, and disrupt third-party logistics essential to our iron ore operations. Our Pilbara operations are geographically isolated with limited transport links, and a significant portion of our goods and materials are directly or indirectly sourced from China via port or road from the East. Cyclonic activity during the northern Australian wet season and extreme heat events can restrict access and disrupt distribution. Downstream value chain vulnerabilities extend to international shipping networks and destination port facilities. Damage at key infrastructure points, including Pilbara and China ports, can cause delays in bulk carrier schedules.	Fortescue maintains an established network of transport providers to service logistics needs and works with them to identify alternative routes or modes in response to road closures from storms, flooding or bushfires. Where possible, inventory is redistributed between sites to maintain operational continuity. We monitor the performance and insurance coverage of contracted logistics vendors to manage risk. To enhance resilience, we actively diversify supply sources for critical goods and services and strengthen internal capabilities to reduce reliance on external providers.

The third physical risk relates to **worker health and safety** and is currently concentrated in our iron ore operations in the Pilbara as well as in other operations such as Gabon and exploration sites. This risk is relevant across the short, medium and long-term.

WORKFORCE HEALTH AND SAFETY	KEY MANAGEMENT ACTIONS
Our commitment to worker health and safety is fundamental. Rising ambient temperatures and increasingly frequent extreme heat events present escalating health and safety risks to our mining workforce, especially for our Pilbara iron ore operations where heat stress is already a critical safety concern. Extreme heat exposure can lead to heat-related illnesses ranging from heat exhaustion to severe heat stroke requiring immediate medical intervention. Climate change may also contribute to increased exposure to other workplace hazards, such as dust, poor air quality, and more frequent severe weather events, further compounding health and safety challenges.	To protect the health and safety of our workforce, we apply a range of hazard control standards and management procedures that support effective prevention, preparedness, and response for events such as flooding, cyclones, and extreme weather. These measures are supported by our Fortescue Health Standard, which also addresses risks related to heat stress and potential exposure to waterborne and vector-borne diseases. To manage heat-related risks, we monitor ambient temperature conditions and apply dynamic work scheduling based on heat index forecasts. Measures include shorter shifts, mandatory rest periods and hydration breaks, and access to improved cooling infrastructure, such as air-conditioned rest areas and mobile units at remote sites.

TRANSITION RISKS

Transitioning to a low-carbon economy involves extensive changes in policies, regulations, technologies, and markets to meet climate change mitigation and adaptation goals. The nature and speed of these changes can create transition risks.

For many companies, transition risks focus on challenges associated with a requirement to decarbonise to keep pace with global developments. We are already investing heavily in renewable energy and decarbonisation technologies, demonstrating that change is possible. Our transition risks therefore also include challenges in aligning the availability

Effects of identified risks on our business model continued

TRANSITION RISKS CONTINUED

of technology and energy solutions with market uptake, and anticipating emerging and developing regulatory requirements.

We continuously navigate market and technological changes and adapt to evolving regulatory landscapes to maintain a competitive edge and respond to enhanced sustainability requirements. As countries increasingly contend with accelerating climate impacts, there is an elevated risk of sudden social and policy changes that could disrupt planning horizons and market conditions (also referred to social tipping points). By continuing to innovate and build resilience into our strategies, we minimise our risks and capitalise on opportunities.

We have identified three transition risks.

The first relates to not meeting our **emissions reduction targets** across medium to long-term time horizons. This risk poses significant reputational implications, with potential impacts on stakeholder confidence and investor trust.

Refer to Target Definitions for details on what is covered by our emissions reduction targets.

EMISSIONS REDUCTION TARGETS	KEY MANAGEMENT ACTIONS
Real Zero Target Achieving this target depends on overcoming regulatory, technological, and operational challenges, including securing land access and timely approvals for renewable energy generation and grid infrastructure; ensuring the availability and economic viability of zero emissions technologies; and managing long-term development and integration timelines. This transition also requires access to specialised technical expertise and skills in electrified mining practices and renewable energy systems. **Shipping Target** This target addresses those Scope 1 and 3 emissions arising from our shipping operations. Our success in meeting this target hinges on the techno-economic feasibility of converting vessels to run on green ammonia, the establishment of regulatory frameworks permitting ammonia bunkering and onboard handling, and the availability and affordability of green ammonia fuel. **Steelmaking Target** Steelmaking represents our primary source of Scope 3 emissions. Achieving this target depends on external factors such as the adoption rate of low-carbon technologies (e.g. Direct Reduced Iron) by our steel mill customers. **The challenges associated with Scope 3 emissions reduction have been highlighted by the Science Based Targets initiative (SBTi), with new global standards expected in FY25-26 that may influence corporate target-setting and reporting globally.**	Integrating zero emissions technologies into established operations requires the replacement or evolution of legacy systems and developing new operating models, working with leading technology providers to manage performance and integration risks. We monitor development and delivery timelines for zero emissions technologies, and test them under controlled conditions before wider deployment. We prioritise suppliers who can demonstrate delivery capability aligned to our target. Early engagement with Government and First Nations peoples supports regulatory and cultural heritage approvals, with associated requirements integrated into project schedules. To address workforce challenges, we are investing in internal capability through training, apprenticeships, and upskilling programs, guided by our Workforce Transition Strategy. For shipping, we are pursuing a phased program with engine manufacturer MAN to retrofit the engines of our eight ore carriers to be dual-fuel capable, enabling the use of green ammonia alongside conventional fuels. We are also progressing demonstration projects and partnerships to prove the feasibility of green ammonia as a marine fuel, while advocating for enabling regulation and exploring opportunities to improve fleet efficiency, including through vessel selection and operating practices. In steelmaking, our long-term vision is to reduce Scope 3 emissions by producing green metal from our iron ore. This includes exploring production in Australia and internationally, particularly in collaboration with the Chinese steel industry. Recognising that most decarbonisation technologies focus on ultra high-grade ores, we are developing solutions suited to Australian ores, such as the Green Metal Project, which aims to produce its first green metal in 2026. In the short to medium-term, we aim to progress reductions by preferencing customers pursuing lower-emission steelmaking technologies, and by working with steel mills and research institutes under formal partnerships to advance decarbonisation pathways.

Effects of identified risks on our business model continued

TRANSITION RISKS CONTINUED

The second transition risk relates to the **regulatory and policy environment** where we operate. This risk is relevant across the short, medium and long-term.

REGULATORY UNCERTAINTY AND POLICY FRAGMENTATION	KEY MANAGEMENT ACTIONS
Evolving policy and regulatory changes - particularly regarding incentives and market measures for green molecules (e.g. green hydrogen and green ammonia), renewable electricity, and green metals - represent a material risk to Fortescue. Inconsistent definitions and guidance across jurisdictions can lead to misalignment with stakeholder expectations, reporting challenges, and barriers to market access for low emissions products. Geopolitical uncertainty contributes to regulatory volatility, as governments balance supportive policies amid competing public interests such as trade, economic stability, and cost-of-living pressures. This ambiguity may increase operational and compliance costs, delay project approvals, and limit access to subsidies critical for the economic viability of renewable energy and green hydrogen projects. Failure to effectively navigate this complex and fragmented regulatory environment could impede Fortescue's strategic objectives and damage our reputation as a leader in the energy transition.	We closely monitor policy and regulatory developments and regularly conduct scenario analysis to anticipate potential regulatory changes impacting projects and the ability to source compliant fuels. We proactively engage with government bodies, regulators and industry associations to influence favourable policy and regulatory outcomes and advocate for global mutual recognition in the various markets and reporting standards. For more information about our engagement strategy, please refer to our FY24 Climate Transition Plan, available on our website fortescue.com. We are scheduled to publish an update of this plan in September 2025.

The third transition risk relates to shifts and uncertainties in market demand for our products, in specific consideration of the **uncertain market for Fortescue's low to mid-grade Pilbara ores**, and the **timing and uptake of our low-emission product portfolio**.

UNCERTAIN MARKET FOR FORTESCUE'S LOW TO MID-GRADE PILBARA ORES	KEY MANAGEMENT ACTIONS
This risk is concentrated within our iron ore operations in the Pilbara region. This risk is relevant across the short, medium and long-term. The global push towards reducing carbon emissions and enhancing sustainability may alter demand patterns in the steel industry. The steel industry's increasing focus on low-emission steel production is likely to drive demand for higher-grade iron ores and steelmaking metallics, including scrap and high grade iron ore, which are more energy-efficient and cost-effective to process than Fortescue's low to mid-grade Pilbara ores. This creates a risk that Fortescue's product offering may become less attractive as customers prioritise higher-grade inputs for steel production.	We maintain strong relationships with our customers, to ensure supplies of iron ore meet their expectations in terms of quality, consistency and reliability of supply. Fortescue produces a range of products, with several higher quality including our new magnetite product from Iron Bridge, as well as hematite products including Kings Fines, West Pilbara Fines and Fortescue Lump. Diversification of Fortescue's product offering buffers uncertainties in market demand and allows us to manage the placement risk of lower grade volumes and pivot towards potential growth markets. Fortescue is also investing in iron making technologies that use our ores as input to produce green metal while producing the inputs for the process (iron ore mined with zero emissions, green hydrogen and renewable energy) and constructing the Green Metal Project to demonstrate that green metal production is feasible for Fortescue's ore types.

Effects of identified risks on our business model continued

TRANSITION RISKS CONTINUED

TIMING AND UPTAKE OF LOW-EMISSIONS PRODUCT PORTFOLIO	KEY MANAGEMENT ACTIONS
This risk relates to the actions we take to leverage transition opportunities in metals, critical minerals, energy, technology. It is a short to medium-term risk. Fortescue's ambition to be at the forefront of green metal and energy industry development creates the risk of investing ahead of certainty of demand. Although supportive policy settings aim to accelerate market development, uncertainty remains around the pace of market demand growth, consumer uptake, and the maturity of enabling technologies. These timing mismatches could lead to delayed project delivery, slower revenue growth, or the risk of stranded assets. Investor and stakeholder confidence could also be impacted if projects are not delivered as planned or prove too cost-intensive to sustain.	We are adopting a phased investment approach that balances our ambition for market leadership with prudent capital allocation. Scalable pilot projects allow us to maintain technological readiness while adjusting pace in response to market signals. These pilot projects aim to build confidence in our technology, stimulate early demand, and support innovation aimed at reducing the cost of low-emission products. Diversification of revenue streams across a range of low-emission product categories and geographic markets helps reducing reliance on any single market or policy regime. We seek to manage price and policy risk through mechanisms such as offtake agreements, concessional finance, grants, and other government support. Our investment decisions are informed by continuous market intelligence, scenario planning, and engagement with potential customers and policymakers to align development with emerging demand signals.

Building resilience through scenario analysis

Scenario analysis is a key tool in understanding how different climate futures may affect the resilience of our strategy and business model. Since initiating climate scenario analysis in FY19 in line with TCFD Recommendations, Fortescue has progressively refined its approach, embedding climate considerations across business planning and investment decision-making.

In FY23, we advanced our methodology by incorporating insights from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report, including the identification and assessment of physical and transition risks across key operational regions and value chain jurisdictions.

We are progressing this work by adopting a more streamlined framework based on a number of externally referenced climate scenarios. This marks a strategic shift toward a consistent use of global scenarios to assess portfolio resilience and support capital allocation decisions and forecasting.

The framework is built around three climate futures, each reflecting varying levels of global climate ambition and policy response. These futures are anchored to different long-term temperature outcomes by 2100, whilst acknowledging that multiple policy, technology, and economic pathways can lead to the same temperature end state. Rather than relying on a single emissions trajectory, we draw on a range of plausible pathways to capture uncertainty and reflect the different ways in which climate-related risks and opportunities could evolve.

Initial implementation and testing of this updated approach is underway across selected business units, with further integration into strategic planning and decision-making planned for FY26.

Building resilience through scenario analysis continued

CLIMATE SCENARIO FRAMEWORK

To assess the resilience of our organisation under a range of climate futures, we apply a scenario analysis framework that considers both transition and physical climate risk over the medium- and long-term horizons. In line with Australian mandatory climate-related disclosure requirements, our analysis includes at least two scenarios: one aligned with a 1.5°C warming outcome and one where warming 'well exceeds' 2°C.

	FAST TRANSITION	CURRENT POLICIES	LIMITED CLIMATE ACTION
Projected global surface temperature change	1.5°C change by 2100	2.4°C - 2.7°C change by 2100	3.6°C - 4.4°C change by 2100
Overview and general assumptions	Aligned with the most ambitious goal of the Paris Agreement. Rapid and widespread decarbonisation across sectors and strong international climate policies.	Reflects continuation of existing policies. Social, economic, and technological trends continue from historical trends. Transition continues at current pace and policy levels.	Characterised by limited climate action and a focus on national interests. Reliance on fossil fuels and minimal global coordination on climate action. Policy focus shifts to security and national priorities.
GHG pathway alignment and external reference points	Net zero achieved by 2050. Considered pathways broadly align with IPCC's very low GHG emissions scenario and IEA's 'Net Zero by 2050' scenario.	CO_2 emissions remain around current levels until the middle of the century. Considered pathways broadly align with the IPCC intermediate emissions scenario and IEA's Stated Policies Scenario (STEPS).	CO_2 emissions nearly double by 2100. Broadly aligns with IPCC's high emissions scenarios.

We employ different scenarios and assumptions to assess distinct types of climate-related risks and resilience:

When considering our current and future position in the context of the global transition to a lower-carbon economy, we focus on scenarios featuring lower temperature increases, as these represent accelerated decarbonisation timelines. These scenarios are used to understand potential transition exposures for our iron ore operations, but also highlight opportunities tied to our investment in low-emission technologies and projects. We assess the resilience of our core business activities using assumptions aligned to a 1.5°C and a 2.5°C future, representing a 'fast transition' and a 'current policies' scenario, respectively.

Conversely, when assessing physical climate risk we place greater emphasis on higher temperature scenarios, where climate-related physical impacts are anticipated to be more frequent and severe. This approach enables us to understand the vulnerability of our operations under a range of plausible physical climate conditions and assess potential impacts on our operational continuity and financial performance. We assess potential impacts of both chronic and acute physical climate risks drawing on climate model projections from the IPCC's intermediate and high emissions pathways.

Building resilience through scenario analysis continued

Climate resilience in a decarbonising world

We are working to fully embed climate scenario analysis into our business planning and financial decision-making processes to assess the resilience of our portfolio under different macroeconomic and climate conditions. Our corporate model serves as the foundational framework for scenario analysis in our planning process.

We apply a consistent corporate modelling framework across business units, incorporating scenario-specific inputs for demand, supply and production capacity, pricing assumptions, emissions trajectories and margin estimates. Internal forecasts represent current market consensus and expected policy trends, with inputs from external providers to ensure independence.

Climate-related scenario assumptions are integrated annually as part of the budget process, with refinements made to short-term outlooks in quarterly forecasting.

The strategic intent is that climate-related scenario outcomes inform capital allocation and board-level strategy reviews, ensuring that scenario-based assessments are not treated as standalone exercises but are embedded within our core planning and operational processes.

Our approach to physical climate risk

Fortescue is focused on building resilience into operations to protect assets and minimise operational downtime from extreme weather events. With climate change presenting unprecedented challenges as the world enters 'uncharted territory', it is crucial for businesses to understand critical thresholds where the effectiveness of adaptation efforts could be challenged or even surpassed.

The Pilbara region in Western Australia, where the majority of our operations are located, is projected to experience a markedly different climate compared to historical conditions. As many of Fortescue's assets were built to meet engineering and safety standards that are informed by historical climate assumptions, there is a growing risk that these assumptions may no longer hold true under changing climate conditions.

In response, we are drawing on specialist expertise to develop climate-related hazard profiles that support a consistent and integrated approach to identifying, assessing, prioritising and monitoring climate-related physical risks across our operations, considering different time horizons. The hazard profiles are used to progressively assess our current and future hazard exposure against key operational thresholds, enabling us to better understand the vulnerability of our assets in a changing climate and to quantify potential future impacts on site operations, productivity, and estimated costs for our operated assets. The analysis is tailored to the Pilbara region and focuses on climate hazards most relevant to Fortescue's operations, providing detailed insights into historical, current, and projected climate conditions.

Projected climate data are based on a high emissions scenario, drawing on the climate scenarios developed by the IPCC incorporating the latest generation CMIP6 (Coupled Model Intercomparison Project Phase 6) and CMIP5 climate models where required. Climate projections are based on median or average values from multiple models, covering the periods 2030 (2021–2040), 2040 (2031–2050), and 2050 (2041–2060), with historical baselines of 1995–2014 (SSP3-7.0) and 1986–2005 (RCP4.5, RCP8.5). Climate data is sourced from international (IPCC AR6, Regional Atlas) and national sources (the Bureau of Meteorology, the Australian Climate Service, Climate Change in Australia) and complemented with peer reviewed journal articles, with supplementary modelling undertaken for hazards like cyclones and flooding.

Fortescue's focus on a high emissions scenario when integrating physical climate risk assessments is grounded in both scientific evidence and sound risk management principles. From a risk perspective, it is critical to consider scenarios that reflect maximum potential consequences (MPCs), particularly where infrastructure resilience is assessed. This approach enables Fortescue to anticipate extremes, test the robustness of current engineering and design standards, and make informed decisions to safeguard operations. Furthermore, the increasing likelihood of overshooting lower emissions pathways, driven by delayed global action and the potential crossing of climate tipping points makes high emissions scenarios a plausible and prudent basis for physical risk management.

Building resilience through scenario analysis continued

Considerations in assessing climate resilience

Assessing climate resilience using scenario analysis involves a range of uncertainties that can influence the interpretation of results. While external scenario data is derived from comprehensive macro-economic modelling and science-based emissions trajectories, scenarios are not predictions. Rather, they offer alternative views of possible futures to understand trade-offs and evaluate the competitiveness of current and emerging business models across Fortescue's portfolio.

A key area of uncertainty in scenario-modelling is the pace and scope of global policy implementation. While the 'Fast Transition' scenario assumes immediate and coordinated climate action aligned with the most ambitious goals of the Paris Agreement, the likelihood of such a rapid policy shift remains uncertain. Actual global developments, such as political resistance or competing priorities can cause significant deviation from modelled pathways. Another uncertainty is driven by assumptions on the rate of technological innovation and deployment. Fast transition scenarios generally assume an accelerated scale-up of low-emission technologies, including green hydrogen, renewables, and increasingly rely on the advancement of 'negative emissions' technologies to keep global warming to within 1.5 and 2°C by 2100. However, the timing, cost trajectory, and feasibility of these technologies remain unresolved.

The socioeconomic and macroeconomic assumptions embedded within climate scenarios introduce another layer of uncertainty. Parameters such as population growth, GDP, energy demand, and urbanisation rates underpin emissions pathways in climate scenario models. However, future developments may diverge from these assumptions due to shifts in demographics, geopolitics, or consumer behaviour. For instance, future demand for low-emission commodities is likely to be shaped not only by decarbonisation policies but also by broader changes in global trade dynamics and resource nationalism.

Finally, the physical climate system also presents fundamental uncertainties, particularly around regional climate variability and extreme events[1,2]. Whilst there is scientific consensus that the warming of the atmosphere, ocean, and land is occurring at a speed that exceeds what can be attributed to natural variability, uncertainty persists as physical climate models cannot fully capture the inherent variability and complexity of the climate system. This includes natural variability over decadal timescales, feedback mechanisms, and interactions between the atmosphere, oceans, and land systems. In addition, the potential for non-linear climate responses or tipping points (e.g. ice sheet collapse or permafrost thaw) introduces deep uncertainty into long-term physical risk assessments, even in moderate emissions pathways.

Taken together, these uncertainties highlight the importance of adaptability and regularly updating assumptions as new data and policy signals emerge.

[1] https://climateextremes.org.au/wp-content/uploads/Uncertainty-Briefing-Note-DIGITAL.pdf

[2] https://news.climate.columbia.edu/2023/01/12/what-uncertainties-remain-in-climate-science/

Climate Transition Plan

In August 2024, the Board approved our 2024 Climate Transition Plan, reaffirming our commitment to addressing the critical challenge of climate change and transition planning to support long-term value creation. This Plan marked our first adoption of the Transition Plan Taskforce Disclosure Framework and was recognised as high in ambition and transparent. It was unveiled at the United Nations General Assembly in New York. We are scheduled to publish an update of this plan in September 2025.

DRIVING RESILIENCE AND OPPORTUNITY INTEGRATION

Fortescue is actively enhancing its resilience to the changing climate, positioning ourselves to respond to the risks and opportunities arising from the transition to a decarbonised, climate-resilient global economy. Significant investments in renewable energy and decarbonisation technologies are already underway. These investments are central to our long-term strategy and are designed to deliver both emissions reductions and sustained value creation.

Our financial plan to FY30 integrates all current forecast decarbonisation investments and presently anticipated cost savings. From FY30 onward, all future mining hub investments will be designed to be 'born zero', incorporating full capital and operational costs for profitable, decarbonised solutions from the outset. By FY26, we anticipate having invested between US$1.5bn – US$1.7bn in decarbonising our Australian mining operations, with strategic investments continuing in the development and commercialisation of green metals and decarbonisation technologies, to strengthen resilience and create future market opportunities.

Capital allocation and financing strategy

Decarbonisation capital expenditure was US$405 million in FY25. Fortescue's FY26 capital expenditure guidance for decarbonisation is US$900 - US$1,200 million. The estimated capital required to complete our decarbonisation activities is updated as our studies and engineering design work progresses, new market information becomes available, and as projects advance. Updates are reported to our Decarbonisation Steering Committee and our Board, and the decarbonisation capital requirements are considered in the context of the Group's capital allocation framework and funding strategy.

When combining our decarbonisation expenditure with our broader ambition towards a greener energy future, we have invested more than 12 per cent of our total FY25 spend (including capital and operating expenditure on our decarbonisation activities, Energy and Green Metal projects).

Part of our capital structure includes our Sustainability Financing Framework, which enables the issuance of Green Bonds The Framework outlines eligible projects including renewable energy, green hydrogen and ammonia, sustainable water management and socio-economic advancement and empowerment initiatives. It also outlines a range of impact indicators that will be used for impact reporting on the use of proceeds.

This Framework was used in our inaugural Green Bond in April 2022 for US$800 million. Allocation reporting is provided in the Operating and Financial Review in this Annual Report.

Use of internal carbon pricing

We consider the cost of carbon in our corporate assumptions and run carbon cost scenarios to understand the trade-offs of investment opportunities. Our Group Corporate Model reflects the future benefits of carbon reductions from our decarbonisation activities. This model informs our long-term mine planning strategies (10-year and life of mine planning), and our future investments.

We also use an internal carbon price for the purpose of provisioning our liability for emission reduction obligations mandated by the Australian Government. Our carbon price assumptions are informed by forecasts sourced from third-party RepuTex. We update our assumptions quarterly and use the latest report available at the time. As at close of FY25, our assumptions were A$47/t in FY26 to $89/t in FY32.

Climate Transition Plan continued

DECARBONISING OUR IRON ORE OPERATIONS

The decarbonisation of our own operations centres around three interconnected decarbonisation workstreams: energy supply, mobility, and systems and optimisation. Fortescue Zero will be a key enabler through the development and supply of a range of emission reduction technology products.

Energy supply

We are making significant investments in renewable power, battery storage and high voltage transmission to replace stationary diesel, gas-fired power generation at our sites, as well as the diesel consumed in our mobile equipment. We aim to have all our mines and renewable generation assets interconnected into a single power grid.

In FY25, Fortescue completed the commissioning of a 100MW solar farm at North Star Junction, located near Iron Bridge on our mainline railway. The solar farm generated 180 GWh, meeting 25 per cent of Iron Bridge's current electricity needs, and helped avoid additional emissions from the Solomon gas power station.

Construction commenced at the 190MW Cloudbreak solar farm, the project is expected to be fully operational in early FY27.

In FY25, Fortescue progressed construction on the high voltage transmission line between our Solomon and Eliwana mine sites, to complement the existing Pilbara Energy Connect (PEC) transmission infrastructure that connects Solomon and Iron Bridge.

We are committed to our electricity demand being met by renewable sources. The build-out of our renewable energy assets will be matched to the deployment of electric heavy mining equipment to ensure a balance between energy supply and demand during this transition period.

In FY25, the Fortescue Board approved investment for large-scale battery energy storage systems at North Star Junction and Eliwana. We are concurrently progressing studies for further large-scale solar, wind, battery and transmission infrastructure projects to build out our energy system and connect renewable energy generation to our mining operations.

We continued to work with community stakeholders for land access and approval pathways for these future projects and anticipate additional wind and solar projects will be ready for Final Investment Decision (FID) within the next two to three years. Securing access to land to build our renewable energy infrastructure involves navigating the complex and changing regulatory requirements of local, state and federal government. We are currently investigating opportunities to sell excess renewable energy to support others reducing their emissions.

Mobility

In FY25, the team continued to design solution pathways consisting of both 'off-the-shelf' products and new technologies via collaborations and partnerships with world-leading original equipment manufacturers.

Our progress status includes:

- Investment approved by Fortescue's Board and Original Equipment Manufacturer contracts in place for all required heavy mobile equipment
- First modern platform drill rig in Australia at a Fortescue site
- Site testing of prototype battery-electric haul truck, Roadrunner, and 3MW fast charger
- Trials to validate battery-electric light vehicles, support mining equipment and charging
- Approved purchase of 6MW fast chargers
- Seven electric excavators commissioned onsite.

To date, the Board has approved significant capital investment to decarbonise Fortescue's heavy mobile fleet, including battery electric haul trucks, graders, tracked dozers, electric excavators and associated site infrastructure, such as charging facilities and electric cables.

Systems and operations

Fortescue is committed to operating its future decarbonised mining assets and power grid safely, reliably and efficiently in order to maximise value from the significant capital investment.

Throughout the remainder of the decade, Fortescue's power system will undergo a transformative shift from a conventional, thermal generator-supplied grid to one targeting high inverter-based resource penetration and very significant energy storage capacity. Fortescue's load profile is also changing with the electrification of our mining fleet, most notably the introduction of battery electric haul trucks and their high voltage charging stations. The scale and pace of this transition requires world-leading solutions for ensuring both continuous grid stability and optimal energy management.

The rapid transition in physical assets brings associated variability in renewable energy availability and this necessitates an equivalent evolution of the digital technologies and systems used for Fortescue's mining and supply chain planning as well as real-time operational control.

Climate Transition Plan continued

DECARBONISING OUR VALUE CHAIN

Fortescue is focused on reducing emissions in our value chain, by addressing downstream Scope 3 emissions from iron and steel production and upstream Scope 3 emissions from our supply chain.

Among our value chain Scope 3 emissions, downstream processing of sold product (Category 10) represents more than 98 per cent in FY25, with the remaining two per cent coming from purchased goods and services (one per cent) and from shipping (one per cent). We therefore prioritise customer engagement and investments in technology to enable low-emission processing of iron ore.

Emissions from the processing of our iron ore by our customers

During FY25, we transported over 198 million tonnes of iron ore to customers.

To meet our Scope 3 targets of enabling a 7.5 per cent reduction in steelmaking emissions intensity by 2030 relative to FY21 levels, and net zero by 2040, Fortescue is collaborating with partners and investing in technology and R&D to reduce the significant carbon emissions that come from the shipping and processing of our iron ore.

We are conducting R&D both in-house and in collaboration with steel mill businesses, global engineering companies and research institutions. We are a founding member of the Heavy Industry Low-carbon Transition Cooperative Research Centre (HILT CRC). This venture brings together industries, researchers and government organisations in an effort to de-risk the technology pathways to decarbonise heavy industry. In addition to our yearly partnership contributions, Fortescue also engages further via in-kind contributions to the partnership's various projects.

Fortescue is currently progressing studies on the development of commercial-scale green metal production, both in Australia and abroad. Our work to convert low-grade hematite ore into green metal at a commercial scale is central to our efforts to reduce Scope 3 emissions. The Green Metal Project at Christmas Creek aims to demonstrate that Fortescue's suite of iron ores from the Pilbara can be processed into green metal. More detail will be provided in our FY25 Climate Transition Plan scheduled for publication in September 2025.

Shipping

Our commitment to address Scope 3 emissions also includes a target to enable a reduction in emissions intensity levels from the shipping of our iron ore by 50 per cent, from FY21 levels by 2030. In FY24, Fortescue demonstrated the use of ammonia for shipping on the *Green Pioneer* dual fuel vessel. We are proactively engaging with the shipping industry to promote a transition to ammonia-powered vessels.

Our engagement with shipping suppliers includes interim measures to identify and charter lower-emission vessels, targeting vessels which are equipped with energy-saving devices, optimising vessel and fleet size, using eco steam performing vessels, and optimising schedules for just-in-time arrivals: 95 per cent of vessels chartered in FY25 had Rightship greenhouse gas ratings of A-D.

Upstream emissions (our supply chain)

Our global tender documents include minimum sustainability requirements for our suppliers, including emissions criteria. We use a third-party screening tool to monitor adverse media reports relating to sustainability risks, including emissions and climate events.

This year, we updated our sustainability risk assessment to consider supplier renewable energy access and emissions impact by category to inform our contracting strategy. We also introduced decarbonisation and emissions considerations into Contract & Procurement strategy templates used for long-term planning.

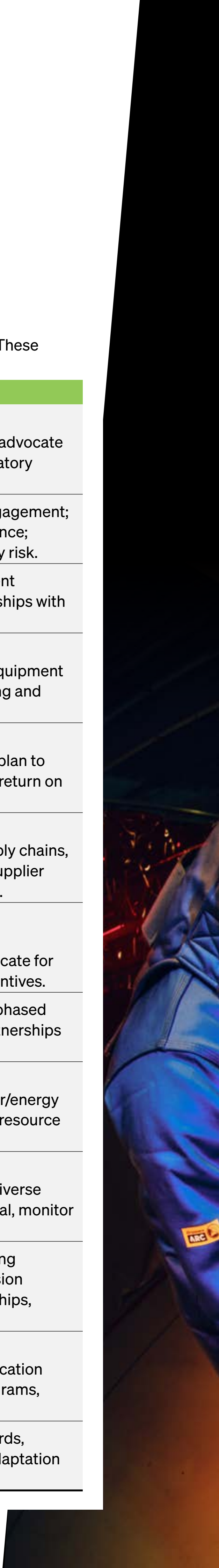
For high-risk sourcing activities, our commercial strategies focus on supply chain transparency to assess and validate risk. Our award criteria consider sustainability, along with price, quality and schedule. We prioritise suppliers who align with our Values and commit to working collaboratively with us to deliver sustainability outcomes in our shared supply chains. We believe that genuine partnerships and commitment to shared sustainability objectives with our suppliers leads to opportunities for innovation, proactive risk identification and mitigation, more effective remediation mechanisms, improved supply chain resilience, and competitiveness in the market.

Climate transition plan continued

DEPENDENCIES

The success of Fortescue's decarbonisation activities relies on managing a range of external dependencies. These include government policy, regulatory approvals, technological readiness, and supply chain resilience.

DEPENDENCIES AND EXTERNAL FACTORS	ACTIONS TO MITIGATE
Government policy and regulation Decarbonisation and low-emission energy projects require supportive policy and regulatory certainty to be viable and competitive.	Engage with policymakers and regulators; advocate for science-aligned policies; monitor regulatory developments, maintain compliance.
Regulatory approvals and permitting Renewable energy and mining projects depend on timely and favourable permitting at multiple government levels.	Work closely with regulators; proactive engagement; resources dedicated to regulatory compliance; scenario planning for management of delay risk.
Social licence to operate Community and stakeholder support is essential for project approvals, ongoing operations, and reputation.	Active stakeholder engagement, transparent reporting, community investment, partnerships with First Nations peoples.
Technological readiness and scale-up Achieving our decarbonisation and growth ambitions requires proven, scalable, and commercially viable decarbonisation technologies.	Invest in R&D, partnerships with Original Equipment Manufacturers, pilot projects, on-site testing and trials.
Access to decarbonised contractors Fortescue will rely upon critical vendors and local providers to support its emission reduction objectives by supplying low-emission goods and services.	Development of a contractor strategy and plan to leverage asset sharing and enable greater return on investment for contractors.
Supply chain Global projects rely on timely, cost-effective access to equipment, materials, and components, including critical minerals; disruptions can delay or derail ambitions.	Strategic partnerships and integrated supply chains, site-based inventory buffers, monitoring supplier performance, monitoring geopolitical risks.
Carbon pricing and fiscal incentives Project economics and competitiveness of low-emissions alternatives are dependent on whether the true cost of carbon is considered.	Incorporate carbon costs in planning, advocate for supportive policies, leverage available incentives.
Grid and energy infrastructure Decarbonisation requires access to reliable, low-carbon energy sources, new or upgraded infrastructure.	Invest in renewable energy infrastructure, phased project delivery, redundancy planning, partnerships with grid operators.
Access to natural resources Iron ore production and low-emission products development require reliable access to water, renewable energy, and other inputs.	Monitor resource availability, invest in water/energy infrastructure, assess project locations for resource suitability.
Favourable macroeconomic conditions Access to capital, stable interest rates, and manageable borrowing costs are critical for funding large-scale transition projects.	Maintain strong balance sheet, access to diverse funding sources, establish Fortescue Capital, monitor global market trends.
Certainty and growing demand for low-emission products Market demand and customer ambition underpins investment in green metals and fuels; customer willingness to pay drives commercial viability.	Diversify customer base, align with emerging markets, demonstrate and scale low-emission products, invest in marketing and partnerships, transparent emissions reporting.
Skilled workforce availability Low-emission mining and products require skilled labour for project delivery, operations, and ongoing innovation and growth.	Workforce planning, partnerships with education providers, development of apprentice programs, internal talent development.
Effective management of climate impacts Mining and processing operations, including renewable energy, depends on effective management of physical climate risks.	Adjusted financial planning, design standards, scenario-based resilience assessments, adaptation and asset protection technology.



Given the complexity of our decarbonisation activities, including the construction of renewable energy generation or the displacement of diesel in our mobile fleet, oversight, coordination and timely management of dependencies is critical. To support this, we have established Integration and Project Controls teams, along with a Steering Committee and Working Groups, to help ensure effective delivery and governance. We periodically assess the importance of dependencies through a risk management lens, with regular reporting for continuous oversight.

CLIMATE-RELATED GOVERNANCE

Governance Framework

Fortescue's approach to governance is outlined in our Corporate Governance Statement in this Annual Report, including a description of:

1. our governance framework
2. the roles and responsibilities of our Board, Board Committees and directors
3. the role of the Delegations of Authority
4. meeting attendance for our Board and Board Committees
5. Board skills matrix and diversity (including climate-related skills and experience)
6. how directors maintain the skills required to discharge their duties

The Statement of Matters Reserved for the Board and Charters for each Board Committee are available in the Corporate Governance section of our website **fortescue.com**.

CLIMATE-RELATED BOARD OVERSIGHT

The monitoring, management, and oversight of climate-related risks and opportunities is a key responsibility of the Board. The Board performs this role as as part of:

- developing corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management
- monitoring actual performance against defined performance expectations
- overseeing the management of business risks (both financial and non-financial), safety and occupational health, environmental issues and community development
- satisfying itself that proper operational, financial, compliance, risk management, sustainability and internal control processes are in place and functioning appropriately, further approving and monitoring financial and other reporting
- satisfying itself that remuneration policies and practices aligned with our purpose, culture, Values, strategic objectives and risk appetite.

The Board has established Board Committees to assist in the execution of its duties and to ensure that important and complex issues are given appropriate consideration. The primary committees of the Board are the Audit, Finance and Risk Management Committee (AFRMC), the Safety and Sustainability Committee (SSC), and the People, Remuneration and Nomination Committee (PRNC). Each of these Board Committees plays a role in Board oversight of climate-related activities.

At each Board meeting, the Board receives updates on climate-related topics from the Chair of the SSC. The Board also receives updates on the progress of decarbonisation activities and considers proposals for climate-related capital investments exceeding the value delegated to management through the Delegations of Authority. The Board approves climate-related targets, Climate Change Reports and Climate Transition Plans.

Audit, Finance and Risk Management Committee

The AFRMC assists the Board in ensuring: effective oversight of the Company's financial and governance frameworks; due consideration of matters associated with material financing decisions; and the existence, monitoring and execution of sound systems of internal control and effective management of risk and compliance. This Board Committee receives regular updates on climate-related financing decisions and risks. The AFRMC scope includes:

- oversight of the Company's compliance with the Australian Securities Exchange (ASX) Corporate Governance Principles and Recommendations
- financial reporting
- tax compliance
- audit (external and internal)
- finance including Group funding, Fortescue Capital
- risk management and internal controls
- business integrity.

Safety and Sustainability Committee

The SSC assists the Board in ensuring: effective oversight of Fortescue's environmental, health, safety, sustainability and heritage frameworks; the existence of sound systems of data collection, measurement, monitoring and external reporting; and effective oversight of risk and compliance of frameworks relating to environment, safety, sustainability and heritage. The SSC provides oversight of Fortescue's adaptation, resilience and mitigation in response to climate change and provides advice and guidance to the Board on matters associated with:

- developments in the industry regarding regulatory and market responses (both nationally and internationally) associated with climate change and emissions
- Fortescue's Climate Change Policy, decarbonisation strategy and climate transition plan
- climate change risk and opportunity analysis and associated risk mitigation strategies
- emissions and other climate-related targets and metrics and performance indicators
- climate change and emissions related disclosures
- results of any audits or reviews related to climate change and emissions.

Governance Framework continued

People, Remuneration and Nomination Committee

The purpose of the PRNC is to provide assistance and recommendations to the Board on the remuneration strategy, policies and practices of the Company; the performance management and annual Key Performance Indicators (KPIs) for the CEOs and other Key Management personnel (KMP); the talent management process and succession planning for the CEOs, other KMP, and direct reports to the CEOs; the diversity and inclusion strategy, measurable objectives, policy and practices of the Company; director skills, Board membership and diversity; committee member appointments; and recruitment of the CEOs.

BOARD SKILLS, COMPETENCIES AND TRAINING

The Board is focused on its composition, ensuring that all directors continue to have a diverse and relevant range of skills, competencies, experience and independence to ensure effective governance of Fortescue including the overseeing of strategies designed to respond to climate-related risks and opportunities. Skills not directly represented on the Board are augmented through management and external advisors and directors are supported through continuing education with sessions scheduled throughout the year. More information on Board skills and competencies, including a Board Skills Matrix, can be found in the Corporate Governance Statement in this Annual Report.

MANAGEMENT ROLES AND RESPONSIBILITIES

The Board has delegated responsibility for day-to-day activities to the executive team. This includes delegated responsibility for executing our business strategy, including our climate-related strategy, managing business performance, and reviewing and managing material risks, including climate-related risks. The following key roles support Board oversight of climate and our Climate Transition Plan:

Chief Executive Officer (CEO) Metals and Operations:

Ultimate responsibility for climate related activities and strategy.

Chief Executive Officer (CEO) Growth and Energy:

Responsible for developing Fortescue's growth and energy projects globally.

Group Chief Financial Officer (CFO):

Responsible for oversight of climate-related financial information including the financial implications of material climate-related risks and initiatives, and the financial strategy supporting our climate transition plan.

Director Global Sustainability and External Affairs:

Responsible for developing, updating and coordinating the implementation of Fortescue's sustainability plans and strategy.

Climate Change Policy

Our Climate Change Policy serves as the cornerstone of our commitment to addressing the global challenge of a changing climate, guiding our actions to reduce greenhouse gas emissions, enhance resilience, and drive innovation. The Policy defines our approach to integrating climate considerations into decision-making, ensuring alignment with our purpose to accelerate decarbonisation on a global scale, rapidly and profitably. We expect that this Policy is adhered to by all employees, suppliers, contractors, consultants and other business partners.

Two key committees are used to maintain oversight of climate-related activities including progress against our Climate Transition Plan:

Executive Sustainability Committee

At the executive level, the Executive Sustainability Committee (ESC) is responsible for supporting and advising the AFRMC and SSC on sustainability matters, including climate related matters. The ESC is chaired by the Director of Global Sustainability, External Affairs and Communications or a C-suite Executive.

Members of the ESC include all executive officers and senior leadership representatives from a number of areas, including Legal, Approvals, Community and Environment, Decarbonisation, Contracts and Procurement, Investor Relations and Funding, and Fortescue People.

The ESC met three times in FY25 and the Chair included outcomes from those engagements in updates and advice to the SSC at its quarterly meetings on a range of climate-related issues, including internal policy updates on climate change and offsets and a deep dive into Fortescue's approach to climate as a sustainability pillar.

Governance Framework

Decarbonisation Steering Committee

The Decarbonisation Steering Committee (DSC) is responsible for progress against our Real Zero Target. During FY25, the DSC was comprised of the Fortescue Metals and Fortescue Energy CEOs, the Fortescue CFO[1] and additional executives as required depending on the topics for discussion. The DSC endorses capital investment decisions in advance of these progressing to the Board; makes decisions on solution selection; reviews program progress, including updated capital estimates; and provides guidance and direction to the decarbonisation leadership.

The DSC met four times in FY25 and provided updates and advice to the Board at its quarterly meetings on a range of topics, including implementation progress and allocation of capital for decarbonisation projects.

[1] From FY26 the DSC will be comprised of the CEO Metals and Operations, the CEO Growth and Energy and the CFO.

INCENTIVES AND REMUNERATION

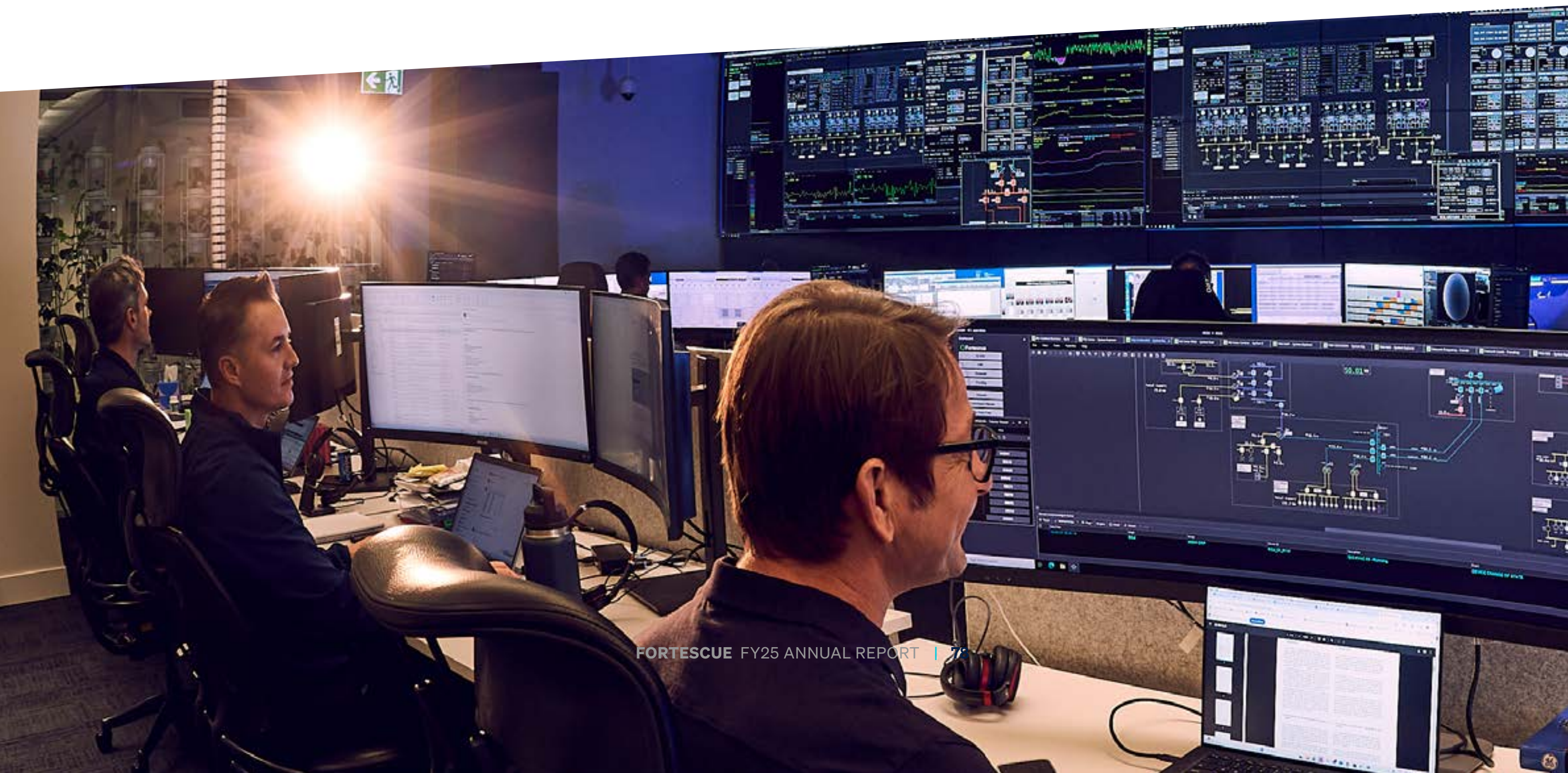
Our CEOs, executives and other senior leaders participate in the Executive and Senior Staff Incentive Plan (ESSIP) and Long-Term Incentive Plan (LTIP). All other eligible employees participate in the short-term Staff Incentive Plan (SIP).

Targets related to emission reductions have existed in the LTIP since FY21. From FY24, targets have also been incorporated into all short-term incentive plans to continue to drive the link between variable remuneration and our decarbonisation activities for all employees across our business.

For performance in FY25, the following targets were in place to drive the delivery of our energy strategy and emissions reduction programs:

- SIP: Decarbonisation targets account for ten per cent of the total SIP through an objective linked to a reduction in emissions intensity.
- ESSIP: Decarbonisation targets account for 15 per cent of the total ESSIP through objectives linked to a reduction in emissions intensity and the achievement of key milestones in the integrated decarbonisation schedule.
- LTIP: The FY23 LTIP (which vests at the end of FY25) for the Metals business includes objectives relating to stationary power generation, mobile fleet, decarbonisation capital expenditure, and green metal. These objectives account for 13 per cent of the total LTIP outcome. In addition to these measures, the FY23 LTIP for the Energy business included additional objectives to support the development of green industry and large-scale project delivery. The total weighting of objectives linked to the delivery of our energy strategy and emissions reduction for the Energy LTIP was 43 per cent.

Details of the remuneration policies for all employees and the remuneration paid to directors (executive and non-executive) and executives are set out in the Remuneration Report in this Annual Report.



MANAGING RISK

Risk management

Fortescue takes a risk-based approach to understand its exposure and vulnerability to climate change.

Our risk culture emanates from our Values, builds on our Code of Conduct and Integrity and is operationalised through Fortescue's Risk Management Framework (FRMF). The FRMF provides a consistent approach to identifying, assessing and managing risks. It consists of a Risk Management Policy, Risk Management Standard and a Risk Management Procedure, and is further supported by protocols for emergency response.

The consistent application of the Risk Management Standard by all management teams directly supports the Board's oversight of the material risks that could impact Fortescue's ability to create or preserve value for its stakeholders over the short, medium and long-term. In line with our Values and a strong belief in the long-term success of developing internal capability, we have a designated Climate Risk subject matter expert working across key areas of the business to reinforce consideration of climate risk within our risk culture and risk management processes.

Risks and opportunities associated with our business are multi-faceted and require effective collaboration among operations, projects and multiple corporate functions. In an iterative process, we identify and assess climate-related risks and opportunities by a cross-functional working group led by the Sustainability team. Members are selected on an as-needed basis, depending on the specific focus of the work. Climate-related risks are reviewed at least annually and re-assessed when significant events occur or major changes arise.

For further information on the FRMF and our material risk exposures, please refer to the Corporate Governance Statement in this Annual Report.

Risk management continued

RISK PROCESSES

Processes for identifying, prioritising, assessing and monitoring climate risks

The risk management process begins with defining business objectives, and managers regularly review risks in relation to these objectives.

Internal and external factors influence risk exposure, including economic or geopolitical developments, climate change, communities' and investors' expectations, or legislative requirements.

Provide scope, context, criteria

The Risk Management Standard defines materiality thresholds and sets expectations for identifying and managing the risks of greatest significance to Fortescue. Material operational risks, including those related to climate change, are identified and articulated in the Group's risk management system.

With a focus on embedding multiple time horizons, we are introducing standardised guidance on climate-related scenario analysis for both strategic and operational application. To support this work, we have engaged external consultants to develop climate hazard profiles for integration into operational risk assessment processes. These profiles will provide detailed information on past, present, and projected climate conditions across key hazard categories, enabling a more consistent and forward-looking approach to assess asset vulnerability and manage physical climate risk.

The risk identification process includes the systematic identification of potential threats and uncertainties that could affect our ability to achieve objectives.

Relevant stakeholders are involved to assess the potential likelihood and consequence of the risk and determine whether the risk is material to the business.

identify and assess risk

Climate change is recognised as a core group risk category, highlighting its strategic importance.

Climate-related risks are identified and assessed through a multi-layered approach that combines top-down and bottom-up processes to ensure coverage at strategic, group, and operational levels. At the group level, climate-related themes are consolidated into Group Risks to provide an enterprise-wide view. These are informed by more than a thousand individual material risks captured at the operational level, where risk owners are responsible for identifying, assessing, and monitoring specific exposures. This structure enables consistent and comprehensive climate risk assessment across the organisation.

Risk management continued

RISK PROCESSES

Processes for identifying, prioritising, assessing and monitoring climate risks

Once a target risk rating is set and agreed upon, the risk treatment process involves developing strategies to address risks consistent with Fortescue's risk appetite.

Options for managing each risk include accepting the risk, avoiding the risk, transferring the risk or mitigating the risk.

Treat risk

Integrating climate change into our operations means shifting from reactive responses to proactive planning.

Our aim is to anticipate future climate risks and vulnerabilities before they become problems. By embedding climate considerations into our operational risk management processes, we are better able to interpret medium- and long-term climate projections, identify key risk thresholds, and define actions that will be triggered when those thresholds are reached. This includes reviewing our design standards and asset protection measures to ensure they remain robust and appropriate in light of future climate conditions relevant to the life of mine cycle.

Risks are reviewed at least annually, including re-evaluation of the risk environment, assessment of critical control effectiveness, and a review of the status of risk treatment actions.

The Board directors, through the AFRMC, regularly review the Group's risk profile and assess progress in managing high and extreme risks.

Monitor and review

We monitor climate-related risks through our existing corporate risk management system to ensure traceability, accountability, and effective oversight at the operational level.

Comprehensive annual reviews of climate risks are undertaken at the organisational level for reporting purposes, alongside ongoing monitoring and review at the operational level considering factors such as the effectiveness of risk mitigation strategies and any incidents or near misses that have occurred.

To enhance internal monitoring, we are introducing a dedicated physical climate risk dashboard that will support review processes by illustrating how climate-related risks and their potential impacts may evolve over time.

METRICS AND TARGETS

Greenhouse gas emissions metrics and targets

Scope 1 emissions are direct emissions from sources owned or controlled by an entity. Scope 2 refers to emissions associated with the production of electricity, heat, or steam purchased by an entity. Scope 3 refers to all other indirect emissions associated with activities or facilities not owned or controlled by the entity.

In Australia, Fortescue has a mandatory obligation to report Scope 1 and 2 emissions from its Australian operations above a certain threshold under the National Greenhouse and Energy Reporting (NGER) scheme. Established by the *NGER Act 2007*, the NGER scheme is a national framework for reporting company information about greenhouse gas emissions, energy production, energy consumption and other information specified under NGER legislation.

Fortescue's FY25 emissions are calculated in accordance with the Greenhouse Gas (GHG) Protocol's Corporate Standard, the GHG Protocol's Scope 2 Guidance, Corporate Value Chain (Scope 3) Standard, and Technical Guidance for Calculating Scope 3 Emissions and in accordance with the NGER (Measurement) Determination 2008 for our emissions mandated under NGER legislation.

At Fortescue, we place high importance on data quality for all sustainability issues and continuously improve our systems and processes to increase quality, integrity, relevance and completeness of emissions data. We continuously seek to improve our data sourcing, focusing on the most material emissions categories.

The FY25 Emissions Calculation Methodology available on our website **fortescue.com** outlines our approach to boundary setting and our emissions calculations.

Fortescue's emissions reduction targets are designed to drive meaningful progress toward our strategic purpose of accelerating global decarbonisation rapidly and profitably. These targets include our Real Zero Target, as well as physical emissions intensity targets for steelmaking (in our Scope 3) and shipping (in our Scope 1 and 3). Collectively, these goals reflect our commitment to reducing emissions across our value chain while enabling decarbonisation within industries that rely on our products.

Our pathways to meeting our targets are described in our Climate Transition Plan.

SETTING, REVIEWING AND MONITORING PROGRESS AGAINST TARGETS

Fortescue is committed to setting, reviewing, and monitoring progress against its emissions reduction targets as part of its pathway to achieving our Real Zero Target by 2030. Target validation will resume once the Science Based Targets initiative (SBTi) releases its revised standard, expected to be available for companies in 2027.

The process of setting and reviewing targets is overseen by Fortescue's Safety and Sustainability Committee (SSC), with management able to propose new or revised targets in response to evolving business strategies, societal expectations, or investor demands. All proposed updates are subject to Board approval via the SSC. To track progress, Fortescue uses a company-wide emissions-reduction key performance indicator (KPI), which serves as a metric for driving and measuring advancements toward meeting the Real Zero Target.

Our emissions

SCOPE 1 GREENHOUSE GAS EMISSIONS

	FY25 EMISSIONS ($MTCO_2$-E)	FY24 EMISSIONS ($MTCO_2$-E)	VARIANCE
Total Group Scope 1	2.64	2.36	12.0%

Our most significant Scope 1 emissions include those from our Australian iron ore operations and Fortescue marine vessels, which consist of eight VLOCs and 10 tugboats that operate under Fortescue's operational control in Port Hedland.

The rise in emissions from FY24 to FY25 was driven by increased gas consumption to meet the growing power demand of our Iron Bridge facility as it ramped up production, and increased total material movement required to meet the mine plan. Despite this, we made significant progress in decarbonisation through the commissioning of the North Star Junction solar farm which generated 180 GWh, meeting 25 per cent of Iron Bridge's current electricity needs, and helped avoid additional emissions from the Solomon gas power station. Overall PEC emissions intensity has improved by 18 per cent in FY25 with the introduction of this 100MW solar farm. Looking ahead, our overall emissions are expected to decline in line with our decarbonisation implementation strategy.

SCOPE 2 GREENHOUSE GAS EMISSIONS

Fortescue adopts dual reporting for its Scope 2 emissions: market-based method and location-based method.

	FY25 EMISSIONS ($MTCO_2$-E)	FY24 EMISSIONS ($MTCO_2$-E)	VARIANCE
Total Group Scope 2 - location based	0.38	0.37	3.9%
Total Group Scope 2 - market based	0.52	0.50	3.7%

Increase in Scope 2 location-based emissions in FY25 is largely attributed to the increased electricity consumption at the Iron Bridge concentrate handling facility at Port Hedland resulting from production ramp up.

Scope 2 market-based emissions increased in FY25 due to increased electricity purchases that were not renewable.

Our emissions continued

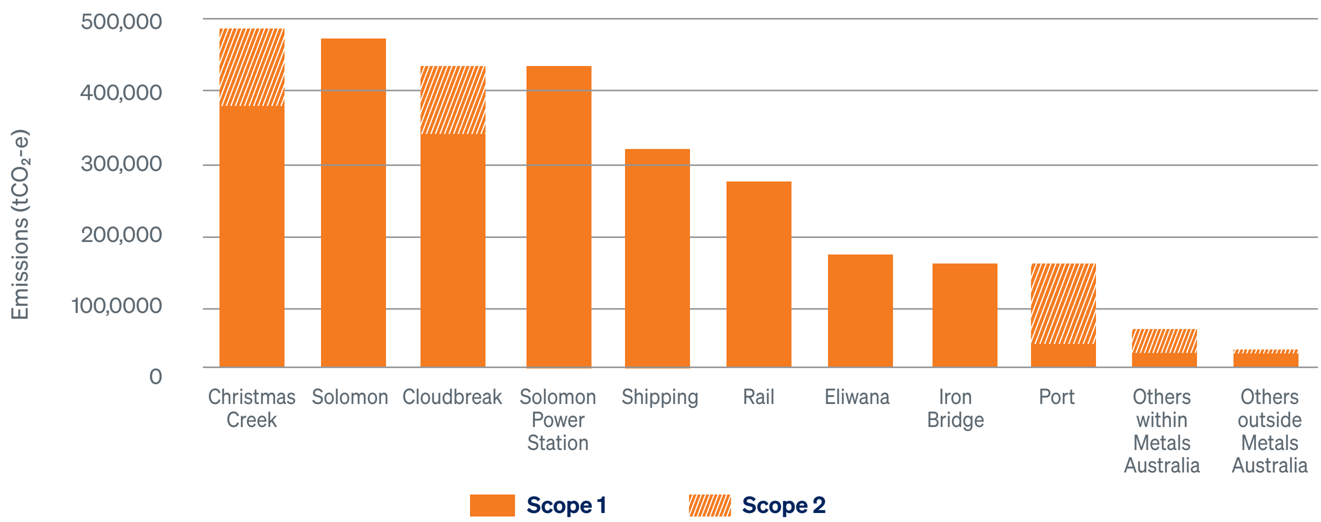
SCOPE 1 AND 2 EMISSIONS PHYSICAL INTENSITY

Emissions intensity refers to the amount of greenhouse gases emitted per unit of output. This provides insight into the efficiencies of each tonne of iron ore produced – reconciling the relationship of our energy inputs and carbon emissions.

	UNIT	FY25	FY24	VARIANCE
Iron ore shipped	wmt	198.4	191.6	3.5%
Group Scope 1 and 2 emissions (location-based)	mtCO_2-e	3.02	2.72	10.9%
Group Scope 1 and 2 location-based emissions intensity	tCO_2-e/wmt of ore shipped	0.015	0.014	7.1%

The 10.9 per cent increase in Scope 1 and 2 emissions combined with a 3.5 per cent increase in ore produced, resulted in a seven per cent increase in emissions intensity in FY25. This is driven by increased consumption from facilities that are still powered by fossil fuels. For information on our strategy to reduce these emissions please refer to the Decarbonising our Iron Ore Operations section.

FY25 Group Operational Emissions



Our emissions continued

SCOPE 3 GREENHOUSE GAS EMISSIONS

Scope 3 emissions are those that fall within our value chain but are outside our operational control, including those generated during the shipping of our products in non-Fortescue vessels and iron and steel production. We place high importance on data quality for all sustainability issues and continuously improve our systems and processes to increase quality, integrity, relevance and completeness of data. Access to counterparty data and reliability of emissions data varies by Scope 3 category. Our FY25 Emissions Calculation Methodology available on our website **fortescue.com** outlines our emissions calculation methodology.

We continuously seek to improve our data sourcing, focusing on the most material emissions categories. To estimate Scope 3 Category 10 processing of sold product, Fortescue commissioned an independent mining and metals consultancy to develop a steel intensity assumption per Fortescue product, based on location of processing, steel production route, technology and underlying energy assumptions. Our Scope 3 emissions from shipping are calculated using actual shipping fuel consumption data sourced directly from ship owners. This is made possible by the integration of emissions data collection in our shipping contract management and the dedication of our shipping team.

GROUP SCOPE 3 CATEGORY	FY25 EMISSIONS ($MTCO_2$-E)	FY24 EMISSIONS ($MTCO_2$-E)	VARIANCE
Category 1: Purchased goods and services	2.28	2.82	*
Category 2: Capital goods	0.12	0.13	*
Category 3: Fuel- and energy-related	0.55	0.61	(9.6)%
Category 4: Upstream transport	3.07	2.99	2.9%
Category 5: Waste	0.04	0.01	*
Category 6: Business travel	0.03	0.03	(6.9)%
Category 7: Employee commuting	0.11	0.03	*
Category 8: Upstream leased assets	0.05	0.13	*
Category 9: Downstream transport	0.41	0.40	2.5%
Category 10: Processing of sold products	269.20	262.16	2.7%
Category 11: Use of sold products	—	—	—
Category 12: End of life treatment of sold products	—	—	—
Category 13: Downstream leased assets	0.003	0.002	17.7%
Category 14: Franchises	—	—	—
Category 15: Investments	—	—	—
Total Group Scope 3 emissions	**275.88**	**269.31**	**2.4%**

*A dash (-) indicates where data is not reported and an asterix (*) indicates where a number in FY24 has been calculated using a different methodology than in FY25. In these cases, year on year variance is not presented. Our FY25 Emissions Calculation Methodology available on our website **fortescue.com** contains details of notable methodology changes and approaches to continuous improvement.*

At 275.88 $mtCO_2$-e, our Scope 3 emissions in FY25 were 2.4 per cent higher than in FY24, driven by a 3.5 per cent increase in our overall volume of iron ore shipped to 198.4Mt, with steelmaking accounting for 98 per cent of our Scope 3 emissions in FY25.

Our progress towards our targets

Refer to **Targets Definition** for detailed definitions. Annual progress against these targets is presented in the tables below.

REAL ZERO TARGET

Australian terrestrial iron ore operations Scope 1 and 2 emissions (location-based) ($mtCO_2$-e)	FY25	FY24	FY23
Australian terrestrial iron ore operations Scope 1 emissions	2.29	2.02	1.91
Australian terrestrial iron ore operations Scope 2 emissions (location-based)	0.37	0.36	0.35
Australian terrestrial iron ore operations Scope 1 and 2 emissions (location-based) ($mtCO_2$-e)	2.66	2.38	2.26

The increase is consistent with our Climate Transition Plan.

Energy efficiency initiatives helped limit the increase in these emissions in FY25 to 11.6 per cent. This reflects a reduction of approximately five per cent against Fortescue's budgeted emissions for the year.

STEELMAKING TARGET

STEELMAKING	UNIT	FY25	FY24	FY21 BASELINE
Iron ore shipped	Mt	198.4	191.6	185.9
Scope 3 Steelmaking emissions	$mtCO_2$-e	269.20	262.16	242.83
Scope 3 Steelmaking emissions intensity	tCO_2-e/t of ore shipped	1.357	1.368	1.310

Year-on-year, total steelmaking emissions increased by 7.04 $mtCO_2$-e in FY25, while emissions intensity fell by 0.83 per cent (to 1.357). The overall increase was largely driven by strong volume growth to tonnes in coastal China, which contributed an additional 6.44 Mt in volume and accounted for most of the total emissions rise. Smaller increases to Japan and Korea and South East Asia also contributed to the overall uplift, while a decline in Inland China volumes helped partially offset this.

At the product level, notable shifts such as reduced volumes of Fortescue Blend Fines and increased volumes of Iron Bridge Pellet Feed influenced the emissions profile. Despite the rise in absolute emissions, the business delivered a strong overall performance in emissions efficiency, with emissions intensity improving from 1.368 to 1.357 tCO_2-e per tonne - reflecting a positive shift in product mix and preferencing customers that are actively pursuing lower-emission steelmaking process and technologies.

SHIPPING TARGET

FY24 was the first full year of our shipping fuel consumption data being available. FY25 and FY24 shipping emissions are calculated using GLEC V3.1 emissions factors for fuel consumption (emissions per GJ). In our baseline year, FY21, fuel consumption data was not available so emissions were calculated based on distance travelled (emissions per tonne.km). FY21 Shipping emissions baseline was restated to apply updated emissions factors published in GLEC V3.1. While the activity data differs in FY21 (distance travelled) from FY24 and FY25 (fuel consumption), using the same emission factors reference (GLEC V3.1) is our best endeavour to allow for direct comparison and the monitoring progress. In this context, FY25 shipping emissions intensity shows a decrease of 17 per cent from baseline year FY21. This reduction was achieved through applying our policy to charter lower-emission vessels, i.e. with Rightship GHG ratings of A-D, use eco steaming vessels, and just in time arrivals (schedule optimisation).

SHIPPING	UNIT	FY25	FY24	FY21 BASELINE
Iron ore shipped	Mt	198.4	191.6	185.9
Total Shipping emissions (Combined Scope 1 and 3 emissions related to shipping)	$mtCO_2$-e	3.67	3.58	4.07**
Shipping emissions intensity	tCO_2-e/t of ore shipped	0.019	0.019	0.022**

A double asterix(**) indicates where data is restated. Details of notable methodology changes and continuous improvement are available in the FY25 Emissions Calculation Methodology document available on our website at fortescue.com.

Our progress against targets continued

Scope 3 shipping absolute emissions increase were driven by increased iron ore shipped volume (997 shipments in FY25 compared to 976 shipments in FY24), longer voyage duration to discharge port requirement (greater distance travelled), and higher speeds to meet port objective to maximise berth use.

USE OF CARBON CREDITS TO ACHIEVE TARGETS

In 2023, Fortescue ceased purchasing voluntary carbon offsets for Scope 1 and 2 emissions, instead focusing our efforts on the elimination of emissions. Carbon offsets against Scope 1 and 2 emissions are purchased and relinquished only to the extent required by legislation. Our participation in compliance markets is therefore limited to purchases required only to the extent of law, tapering in line with facility-level decarbonisation plans. Accordingly, we note that:

1. Australian Carbon Credit Units (ACCUs) and Safeguard Mechanism Credits (SMCs) are used to meet regulatory requirements under the NGER (Safeguard Mechanism) Rule 2015 (SGM) requirements.
2. In FY25, Fortescue is expected to be in excess of SGM baselines by approximately 240,000t CO_2-e, requiring an equivalent number of ACCUs/SMCs to be acquired and surrendered to the Australian Government.
3. Fortescue is using methods available under the SGM to reduce the number of ACCUs required at facilities with advanced decarbonisation plans. Two Fortescue SGM facilities, Christmas Creek and Eliwana, had multi-year monitoring periods approved during FY25, covering the five-year period from FY24 to FY28.
4. The ACCUs that Fortescue is required to acquit for FY25 SGM exceedances are produced by third parties under the Australian Government's approved methodologies and schemes, and acquired through a third party broker.

TARGET DEFINITIONS

Fortescue's emissions reduction targets support its commitment to decarbonisation across our operations and value chain. The table below provides a detailed overview of each target, including their coverage, alignment with strategic ambitions, and categories of emissions included.

TARGET NAME	REAL ZERO TARGET	STEELMAKING TARGET	SHIPPING TARGET	NET ZERO TARGET
Target	Refer to 'Real Zero Target' section below for qualifications and what is and is not covered by the target. 'Terrestrial' means that Scope 1 shipping emissions are not covered by this target. They are covered in our Shipping Target.	By 2030, enable a reduction in emissions intensity from steelmaking by Fortescue's customers of 7.5 per cent, from FY21 levels	By 2030, enable a reduction in emissions intensity levels from the shipping of our iron ore by 50 per cent, from FY21 levels	Net zero Scope 3 by 2040
The metric used to set the target	Scope 1 and 2 emissions in tCO_2-e	Emissions, in tCO_2-e, from the processing of our iron ore by our customers (classified under Scope 3 category 10 – Processing of sold products)	Emissions, in tCO_2-e, from shipping of our iron ore	Scope 3 emissions in tCO_2-e
The objective of the target	Mitigation			
The part of Fortescue to which the target applies	Australian terrestrial iron ore operations Scope 1 and 2	Scope 3 emissions from processing of Fortescue's iron ore sold product	Scope 1 emissions from shipping and Scope 3 emissions from shipping reported in GHG Protocol categories 3, 4 and 9	GHG Protocol categories 1 to 10
The period over which the target applies	2030	2030	2030	2040
Base year	FY22	FY21	FY21	FY21
Target coverage: percentage of emissions in the base year covered by the target.	The Real Zero Target covers 87% of FY22 Scope 1 and 2, (85% of FY22 Scope 1 and >99% of FY22 Scope 2). The remaining 13% relate to Scope 1 shipping and emissions other than Australian iron ore operations.	The Steelmaking Target target covers 98% of base year FY21 Scope 3 emissions.	The Shipping Target covers 13% of FY21 Scope 1 and 1% of FY21 Scope 3 emissions.	
Whether the target is an absolute or intensity target	Absolute	Physical intensity	Physical intensity	Absolute
The international agreement informing the target	Paris Agreement to limit global warming to 1.5°C			
Greenhouse gases covered by the target	CO_2, CH_4, N_2O, SF_6, HFC and PFC			
Net or gross emissions target	Gross	Gross	Gross	Net

Real Zero Target

We use this term to refer to Fortescue's target to eliminate Scope 1 and 2 emissions from our Australian terrestrial iron ore operations in the Pilbara by 2030.

Our commitment is to eliminate emissions which are equivalent to our own equity share in our joint venture partnerships. We are also working with our joint venture partners to encourage the elimination of emissions equivalent to their equity shares in those joint ventures.

For information on our plan to meet this target, and the risks and dependencies associated with achieving it, please refer to our Climate Transition Plan.

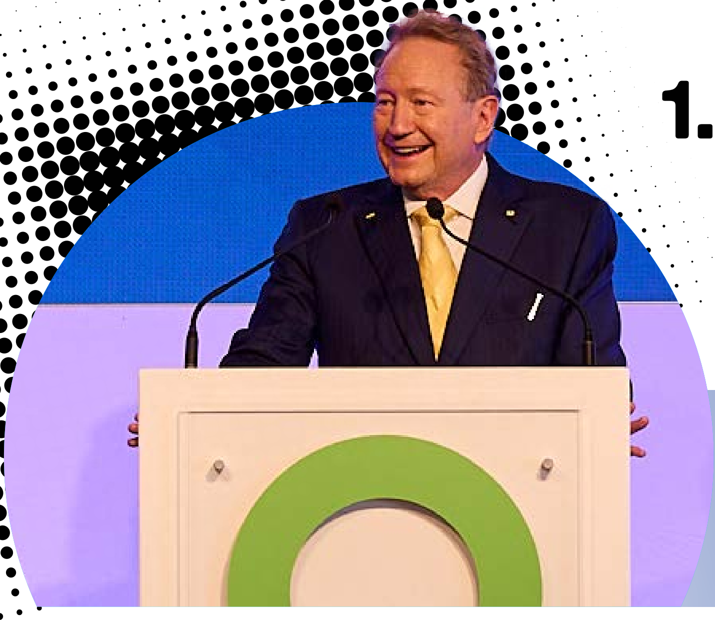
NAVIGATIONAL INDEX

This navigational index references the location of TCFD-aligned disclosures.

TCFD RECOMMENDATION	DISCLOSURE	LOCATION
Governance – Disclose the organisation's governance around climate change-related risks and opportunities.		
a) Describe the board's oversight of climate-related risks and opportunities.	Governance	Pages 76-78
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Governance	Pages 76-78
Strategy - Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.	Our Strategy	Pages 60-67
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Climate Transition Plan	Pages 71-75
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate Resilience	Pages 67-70
Risk management - Disclose how the organisation identifies, assesses, and manages climate-related risks.		
a) Describe the organisation's processes for identifying and assessing climate-related risks.	Managing Risk	Pages 79-81
b) Describe the organisation's processes for managing climate-related risks.	Managing Risk	Pages 79-81
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Managing Risk	Pages 79-81
Metrics and targets - Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Metrics and Targets	Pages 82-89
b) Disclose Scope 1, Scope 2 and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Metrics and Targets	Pages 82-89
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Metrics and Targets	Pages 82-89

CORPORATE GOVERNANCE STATEMENT

GREEN IRON CENTRE, CHRISTMAS CREEK



1. OVERVIEW OF CORPORATE GOVERNANCE

Good corporate governance is critical to the long-term, sustainable success of Fortescue

Good governance is the collective responsibility of the Board and all levels of management. Fortescue seeks to adopt leading practice and contemporary governance standards and apply these in a manner consistent with our culture and Values (our Values can be viewed at **fortescue.com**).

Fortescue supports the intent of the 4th Edition of the Australian Securities Exchange (ASX) Corporate Governance Council's Corporate Governance Principles and Recommendations (Principles and Recommendations). Unless otherwise disclosed, Fortescue has reported against the requirements of the Principles and Recommendations.

The cornerstones of our corporate governance are:

1.1 TRANSPARENCY

Being clear and unambiguous about our structure, operations and performance, both externally and internally, and maintaining a genuine dialogue with, and providing insight to, stakeholders and the market generally.

1.2 INTEGRITY

Maintaining a corporate culture committed to ethical behaviour and compliance with the law.

1.3 EMPOWERMENT

Everyone at Fortescue is empowered to make decisions that support our objectives and are in the best interests of stakeholders. Management and employees are encouraged to be innovative and strategic in making decisions that align with our risk appetite and are undertaken in a manner consistent with corporate expectations and standards.

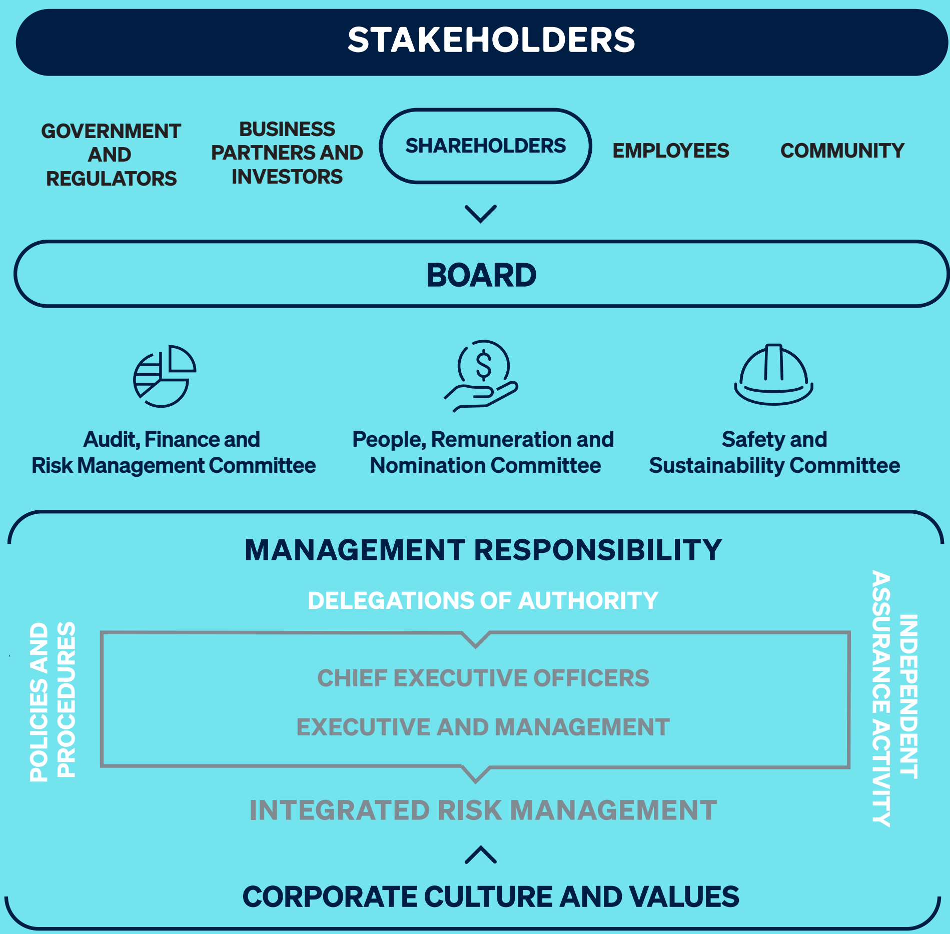
1.4 CORPORATE ACCOUNTABILITY

Ensuring that there is clarity of decision-making, with processes in place to authorise the right people to make effective and efficient decisions with appropriate consequences when these processes are not followed.

1.5 STEWARDSHIP

Developing and maintaining a company-wide recognition that Fortescue is managed for the benefit of its shareholders, taking into account the interests of other stakeholders.

GOVERNANCE FRAMEWORK



2. BOARD OVERSIGHT AND STRUCTURE

2.1 ROLE AND RESPONSIBILITIES

The Board is responsible to the shareholders for the performance of Fortescue. With a focus on enhancing and protecting the interests of shareholders and other key stakeholders and ensuring Fortescue is properly managed, the Board understands the importance of a strong and healthy working relationship with management.

The Board ensures that the management team is appropriately qualified and experienced to discharge their responsibilities and has established a Statement of Matters Reserved for the Board, identifying the key responsibilities of the Board as follows:

- Approving the statement of Values which underpin Fortescue's culture and overseeing the embedding of the Values across our Company
- Appointing, evaluating the performance of, rewarding, and, if necessary, removing the Chief Executive Officers (CEOs)
- Developing corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management
- Monitoring actual performance against defined performance expectations
- Overseeing the management of business risks (both financial and non-financial), safety and occupational health, environmental issues and community development
- Satisfying itself that our financial statements fairly and accurately set out the financial position and financial performance of Fortescue for the period under review
- Satisfying itself that there are appropriate reporting systems and controls to assure the Board that proper operational, financial, compliance, risk management, sustainability and internal control processes are in place and functioning appropriately, further approving and monitoring financial and other reporting
- Satisfying itself that remuneration policies and practices align with our purpose, culture, Values, strategic objectives and risk appetite
- Ensuring that Fortescue acts legally and responsibly on all matters in accordance with our Code of Conduct and Integrity
- Challenging management and holding it to account
- Assuring itself that appropriate audit arrangements are in place
- Reporting to and advising shareholders.

The Board has also established Delegations of Authority for matters delegated to the authority of management. Management remains accountable to the Board through those delegations for Fortescue's overall performance. Although the executive team remains accountable to the Board, management are empowered to make decisions that they believe are appropriate, within the boundaries established by the Board.

Both the Statement of Matters Reserved for the Board and the Delegations of Authority are reviewed regularly to identify areas that require improvement or change. Any changes to these documents are approved by the Board.

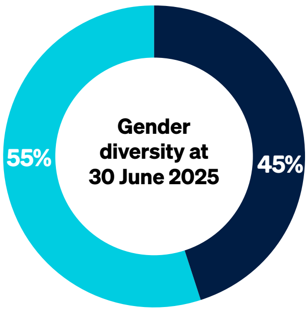
A key focus of Board meetings is monitoring the decisions of management. Appropriate time is allocated during Board meetings for consideration of key operational issues and progress towards achievement of corporate objectives.

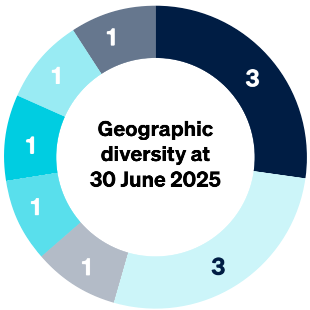
The Board has established the key performance indicators (KPIs) against which the performance of management is evaluated. These KPIs are discussed in the Remuneration Report within this Annual Report.

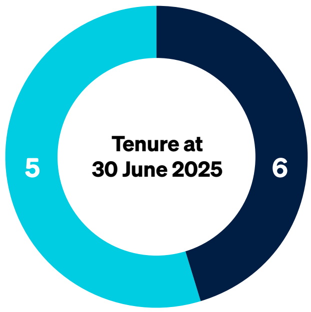
2.2 BOARD COMPOSITION

Under Fortescue's Constitution, the Board must have a minimum of three and a maximum of 12 directors. No director may retain office without re-election for more than three years or past the third Annual General Meeting following the director's appointment, whichever is the longer. Additionally, any new director appointed by the Board to fill a casual vacancy must retire and seek election at the next Annual General Meeting of shareholders.

The Board believes that its composition represents an appropriate balance of executive and non-executive directors to achieve the promotion of shareholder interests and effective governance of Fortescue. The Board also has access to, and engages with, senior executives who may also attend Board and Board Committee meetings by invitation.







DIRECTORS OF FORTESCUE DURING FY25

	Date of initial appointment	Period of office	Last election	Next election
Dr Andrew Forrest AO	18 July 2003	Full year	FY23 AGM	FY26 AGM
Mark Barnaba AM CitWA	19 February 2010	Full year	FY23 AGM	FY26 AGM
Dr Larry Marshall	28 August 2023	Full year	FY23 AGM	FY26 AGM
Dr Jean Baderschneider	19 January 2015	Full year	FY24 AGM	FY27AGM
Penelope Bingham-Hall	16 November 2016	Full year	FY23 AGM	FY26 AGM
Lord Sebastian Coe CH, KBE	21 February 2018	Full year	FY24 AGM	FY27 AGM
Elizabeth Gaines	22 February 2013	Full year	FY22 AGM	FY25 AGM
Yifei Li	22 August 2022	Full year	FY22 AGM	FY25 AGM
Noel Pearson	1 August 2024	Part year	FY24 AGM	FY27 AGM
Noel Quinn	12 March 2025	Part year	N/A	FY25 AGM
Usha Rao-Monari	24 January 2024	Full year	FY24 AGM	FY27 AGM

Note: Yasmin Broughton was appointed Non-Executive Director on 1 July 2025.

2.3 MEETING ATTENDANCE

The Board and its Board Committees meet as often as is necessary to fulfil their roles. Directors are required to allocate sufficient time to discharge their responsibilities effectively, including adequate time to prepare for Board and Board Committee meetings and attend visits to operational sites.

Attendance at both regularly scheduled meetings and out of cycle (unscheduled) Board and Board Committee meetings during FY25 is summarised below. Out of cycle meetings are typically called for a special purpose that do not form part of the Board's yearly scheduled planner.

	BOARD				BOARD COMMITTEES							
					Audit, Finance and Risk Management		People, Remuneration and Nomination				Safety and Sustainability	
	Scheduled Meetings		Unscheduled Meetings		Scheduled Meetings		Scheduled Meetings		Unscheduled Meetings		Scheduled Meetings	
Director	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Dr Andrew Forrest AO	4	4	2	2	0	0	0	0	0	0	0	0
Mark Barnaba AM CitWA	4	4	2	2	4	4	2	4	2	2	4	4
Dr Larry Marshall	4	4	2	2	4	4	2	4	0	0	4	4
Dr Jean Baderschneider	4	4	2	2	4	4	4	4	2	2	4	4
Penny Bingham-Hall	4	4	2	2	4	4	4	4	2	2	4	4
Lord Sebastian Coe CH KBE	4	4	2	1	0	4	4	4	2	0	0	4
Elizabeth Gaines	4	4	2	2	0	4	0	4	0	1	0	4
Yifei Li	4	4	2	1	0	4	4	4	2	2	0	4
Noel Pearson*	4	4	1	1	0	4	0	3	0	0	3	4
Noel Quinn**	1	1	0	0	0	1	0	1	0	0	0	1
Usha Rao-Monari	4	4	2	2	4	4	0	4	0	1	4	4

*Appointed 1 August 2024

**Appointed 12 March 2025

Generally, Board meetings are held over two days (including Board Committee meetings). Directors are invited to visit Fortescue's major operations during the year, often in conjunction with Board and Board Committee meetings.

The Board and key members of the management team also attend multi-day strategy sessions each year focused on considering the strategic issues facing Fortescue and reviewing our future direction and objectives. In addition, Board members hold meetings with management as required.

2.4 BOARD SKILLS MATRIX

The Board is focused on its composition, ensuring that all directors continue to have an appropriate balance of skills, experience and independence

The primary driver for the Board in seeking new directors is the skills and experience which are relevant to the needs of the Board in discharging its responsibilities to shareholders. Fortescue's policy is to assess all potential Board candidates without regard to race, gender, age, physical ability, sexuality, nationality, religious beliefs or any other factor not relevant to their competence and performance as a potential Board member.

The Board believes that, collectively, the directors have a diverse and relevant range of skills, backgrounds, knowledge and experience to ensure effective governance of Fortescue. To the extent that any skills are not directly represented on the Board, they are augmented through management and external advisors. Directors contribute industry knowledge, international experience, perspectives and specific subject matter expertise in a range of strategic, operational and financial aspects that are critical to the implementation of our strategy and long-term success. In particular:

- The Board demonstrates a deep knowledge of our operations and processes and brings additional relevant global industry expertise
- The Board applies strong leadership and management skills, and directors are well versed in regulatory and governance matters
- Directors are skilled in corporate activities and have experience in strategy and business development
- Directors are proactive in staying abreast of emerging frameworks and regulations pertaining to environmental and sustainability matters, including health and safety.

The following table sets out the composition of skills and experience of the Board. The directors' skills, experience and qualifications are set out in this Annual Report.

LEADERSHIP

- Successful history in business at a senior executive level working in high-performance cultures
- Publicly listed company experience
- Understanding/influencing organisational culture to ensure alignment with goals and objectives

GOVERNANCE

- Experience in governance within complex organisations and multi-jurisdictional compliance environments
- Commitment to ensuring effective governance structures
- Maintaining effective risk management and sophisticated internal controls

HEALTH, SAFETY AND ENVIRONMENT

- Experience related to complex workplace health and safety management
- Experience with environmental and community issues and frameworks in a large organisation

STRATEGY

- Experience in developing and implementing successful strategy
- Experience overseeing budgets that deliver on short-term and long-term strategic imperatives
- Ability to provide oversight of management for the delivery of strategic objectives

MINING, RESOURCES AND INFRASTRUCTURE

- Experience in developing and operating global scale infrastructure, including some of the world's most complex resources extraction and transportation techniques
- Technical and advisory experience in large mining and energy resources organisations
- Experience in exploration projects with proven results and performance

CAPITAL PROJECTS

- Experience in assessing commercial viability of major capital projects
- Experience in the delivery of large-scale capital projects
- Experience in effective project governance and risk management processes that support the successful delivery of large-scale capital projects

FINANCIAL ACUMEN

- Experience in international commercial banking
- Experience in financial accounting and reporting, corporate finance and internal financial controls
- Experience with substantial mergers/acquisitions
- Experience in business analysis and financial forecasting

CAPITAL MANAGEMENT

- Experience with equity and debt funding strategies
- Understanding of local and overseas capital and debt markets
- Experience in capital and debt raising
- Experience building a long-term investment case and narrative

INTERNATIONAL EXPERIENCE AND BUSINESS DEVELOPMENT

- Experience in developing successful and sustainable operations in new geographies
- Experience in developing technologies for viable commercialisation
- Knowledge and experience in providing oversight and guidance in designing and implementing appropriate operational, financial and governance structures for a multi-jurisdictional business
- Experience in and exposure to political, cultural, regulatory and business environments in a range of global locations
- Experience in doing business with international business partners, including government agencies, regulators and customers
- Experience in navigating procurement and supply chain challenges in high-risk jurisdictions

STAKEHOLDER MANAGEMENT

- Experience with managing issues associated with working with local communities, pastoralists and First Nations people to ensure that positive economic, social and environmental outcomes are delivered for all stakeholders
- Executive experience managing complex industrial relations challenges
- Experience in dealing with a crisis in an organisation of similar size and complexity
- Experience in regulatory policy and government affairs, including implications for corporations

INFORMATION TECHNOLOGY AND INNOVATION

- Knowledge and experience in the use and governance of critical information technology
- Understanding of potential cyber risk exposure
- Understanding of relevant privacy and data regulation
- Leveraging digital technology to support growth and drive competitive advantage

SALES AND MARKETING

- Senior executive experience in sales and marketing
- Building long-term, sustainable customer relations across a diverse customer base
- Detailed knowledge of Fortescue's strategy, markets, and competitors

PUBLIC POLICY AND REGULATION

- Experience in managing how organisations adapt and respond to changing public policy settings
- Oversight and management of regulatory frameworks and processes designed to ensure that all regulatory obligations are met
- Experience developing and communicating key policy positions on critical issues and regulatory matters, including submissions

TAX RISK MANAGEMENT AND COMPLIANCE

- Understanding of corporate tax requirements and tax risk management
- Experience with oversight and application of corporate tax policies and frameworks

2.5 DIVERSITY

Fortescue is committed to providing a balanced and inclusive working environment underpinned by a documented Diversity Policy, built on our Values. The Board has implemented a Diversity Policy and measurable objectives which reflect our commitment to ensuring there are no impediments to diversity at any level of the organisation. The Diversity Policy includes targets and practices that promote diversity through a range of criteria including age, gender mix and First Nations employment across all areas of the business.

The Board has a range of diverse skills, experience and backgrounds. As a Company, we believe that a diversity of views and opinions is critical in building sustainable, long-term value for all key stakeholders. This diversity is inherently valuable and promotes a range of perspectives on the key challenges and risks we face. This commitment to diversity is reflected in the Board's composition, reflective of a 45 per cent female Board composition, as at 30 June 2025. With the appointment of Ms Yasmin Broughton as Non-Executive Director on 1 July 2025, the Board's composition as at the date of this report is 50 per cent female and 50 per cent male. As at 30 June 2025, the average age of the directors is 64 years, with an age range from 60 to 73.

Part of the Board's role is to consider and approve measurable targets for workforce diversity each financial year and to assess both the targets and their progress annually. Information on the proportion of females in our workforce, women in manager and above positions and First Nations employment is included in the FY25 Sustainability Report. The Diversity Policy can also be accessed through the Corporate Governance section of our website at **fortescue.com**.

2.6 APPOINTMENT, INDUCTION AND CONTINUING EDUCATION OF DIRECTORS

Directors are required to retire by rotation at least once every three years and are able to offer themselves for re-election.

A letter of appointment sets out the terms of engagement, including the basis of remuneration and clear direction about the amount of time that directors are required to commit to in order to adequately discharge their responsibilities. Prior to appointment or offering themselves for re-election, non-executive directors are required to specifically acknowledge that they have the time available to fully discharge their responsibilities to Fortescue.

Prior to appointing a director, a process of evaluation and due diligence is undertaken to ensure their suitability and capacity to discharge their duties as a Board member.

This evaluation covers matters such as:

- Skills and experience, including the expected contribution to the collective skills and experience of the Board
- Current and prior directorships and/or executive roles
- Independence
- Any other matters (including interests, positions and associations) which could adversely affect their ability to effectively discharge their duties as a Board member.

Following appointment, directors are supported through a formal induction program to familiarise them with our business. This typically involves a combination of meetings with senior management, site visits and briefings on specific issues. This process continues throughout each director's tenure.

All directors are expected to maintain the skills required to discharge their obligation to Fortescue, including undertaking continuing education and relevant training. Directors periodically undertake personal development to maintain the skills and knowledge required to perform their role effectively.

Fortescue has a targeted continuing education program for directors. Sessions are scheduled throughout the year on a variety of topics. The program gives directors access to subject matter experts to enable a more detailed discussion and a greater level of understanding of emerging topics and key risks.

Directors are expected to contribute to Fortescue, primarily in relation to the matters set out in the Statement of Matters Reserved for the Board, which can also be accessed through the Corporate Governance section of our website **fortescue.com**.

In addition, directors are expected to contribute to the business of the Board Committees on which they sit. It is recognised that directors have a diverse range of skills, experience and knowledge, and they are expected to contribute their considerable expertise at the boardroom table and at other times as required.

Directors are expected to act independently by challenging the status quo constructively, act ethically in all dealings and assist in setting our standards, and be involved and contribute to all decisions before the Board.

Directors are expected to comply with all requirements imposed upon them by the Corporations Act 2001, ASX Listing Rules and our Constitution, a copy of which can be obtained from the Corporate Governance section of our website **fortescue.com**.

It is Fortescue's practice to allow its non-executive directors to accept appointments outside Fortescue with prior approval of the Executive Chairman. The commitments of non-executive directors are considered by the People, Remuneration and Nomination Committee prior to a director's appointment to the Board and are reviewed on an ongoing basis.

2.7 EXECUTIVE CHAIRMAN

The Executive Chairman has primary responsibility to lead the Board and promote Fortescue's interests, both internally and in the broader business context. A key part of the Executive Chairman's role is to develop a cohesive Board which operates effectively in protecting shareholders' interests and maintaining strong relationships with management.

2.8 EXECUTIVE DIRECTORS

As at 30 June 2025 and at the date of this report, the Board has two executive directors, Dr Andrew Forrest AO, Fortescue's Executive Chairman, and Elizabeth Gaines.

2.9 INDEPENDENCE

All non-executive directors have an obligation to be independent in judgement and actions. Directors are considered to be independent if they satisfy established criteria, including:

- They are not a substantial shareholder of Fortescue, or an officer of, or otherwise affiliated with, a substantial security holder of the entity
- They have not been employed in an executive capacity by Fortescue or there has been a period of three years between ceasing such employment and serving on the Board
- They have not, within the last three years, been a principal of a material adviser or consultant to Fortescue
- They have not, within the last three years, been in a material business relationship with Fortescue, or an officer of, or otherwise associated directly or indirectly with, someone with such a relationship
- They do not receive performance-based remuneration or participate in an employee incentive scheme
- They do not have close personal ties with any person who falls within any of the categories described above
- They are a non-executive director of Fortescue and have not been a director for such a period that their independence from management and substantial holders may have been compromised
- Any fees paid to a non-executive director by Fortescue for services provided are not of such amounts that could make the director reliant on such remuneration
- They have no other material contractual relationships with Fortescue other than as directors of Fortescue
- They are free from any interest which could reasonably be perceived to materially interfere with their ability to act in Fortescue's best interest.

Directors are required to disclose circumstances that may affect, or be perceived to affect, their ability to exercise independent judgement so that the Board can make regular assessments of independence. If a circumstance arises whereby a director may consider a matter in which the director has a material personal interest, that director shall cease to be involved in the decision-making regarding that matter.

As at 30 June 2025, the Board had nine non-executive directors. Based on the above criteria, all nine are considered to be independent.

Director	Executive/ Non-Executive	Independent
Dr Andrew Forrest AO	Executive	No
Mark Barnaba AM CitWA	Non-Executive	Yes
Dr Larry Marshall	Non-Executive	Yes
Dr Jean Baderschneider	Non-Executive	Yes
Penelope Bingham-Hall	Non-Executive	Yes
Lord Sebastian Coe CH, KBE	Non-Executive	Yes
Elizabeth Gaines	Executive	No
Yifei Li	Non-Executive	Yes
Noel Pearson	Non-Executive	Yes
Noel Quinn	Non-Executive	Yes
Usha Rao-Monari	Non-Executive	Yes

Note: Yasmin Broughton was appointed Non-Executive Director on 1 July 2025.

The table left shows the composition of the Board as at 30 June 2025 by reference to their executive/non-executive status and whether they are considered to be independent.

The Board has duly assessed whether the length of director service will impact with the directors' capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Fortescue as a whole. The Board has concluded that non-executive directors remain appropriately classified as independent. Furthermore, the Board also recognises that Fortescue's interests are well served by having a mix of directors, some with a longer tenure with a deeper understanding of Fortescue's business and some directors with a shorter tenure who bring fresh perspectives to the Board.

The Board considers that it has independent directors involved in all areas of Board activity where director independence is critical.

Changes in Board membership and composition will occur from time to time which may impact on the overall ratio of independent versus non-independent Board members. A majority of independent directors has been maintained during the year. The Board is satisfied that it operates in a manner which ensures directors exercise independent judgement and the interests of shareholders are always at the forefront when important decisions are made.

Mr Barnaba holds the position of Deputy Chairman. The Deputy Chairman's role includes chairing the Board and shareholder meetings when the Executive Chairman is unable to do so, approving meeting agendas and ensuring a consistent quality of information is provided to the Board.

Mr Barnaba also acted as the Lead Independent Director until the date of the 2024 Annual General Meeting, 6 November 2024. Dr Larry Marshall was appointed as Lead Independent Director, effective 6 November 2024. The Lead Independent Director role includes:

- Representing the Board as the senior independent director when the Executive Chairman is unable to do so due to his non-independent status
- Acting as principal liaison between the independent directors and the Executive Chairman.

Transactions during the financial year which are classified as material related party transactions with directors or director-related entities are disclosed in Note 17 to the financial statements in accordance with International Financial Reporting Standards (IFRS).

2.10 EVALUATING BOARD AND BOARD COMMITTEE PERFORMANCE

The Board and each of its Board Committees have established a process to evaluate their performance annually. The process is based on a formal questionnaire covering a range of performance topics. The process is managed by the Company Secretary under the direction of the Lead Independent Director. The most recent review was undertaken in June 2025.

The results and recommendations from the evaluation of the Board and Board Committees are reported to the full Board for further consideration and action, where required.

The entire Board agrees on improvement actions, where appropriate, and these are acted upon utilising support from the Company Secretary.

The individual performance of directors is considered during the Board and Board Committee performance evaluation process in addition to ongoing consultation between the Executive Chairman, Deputy Chairman, Lead Independent Director and the relevant directors, as required.

2.11 REMUNERATION AND EXECUTIVE PERFORMANCE

The Board, through the People, Remuneration and Nomination Committee, periodically reviews the performance of senior executives. A review was performed in FY25 and the results have been incorporated into the Remuneration Report. Details of the remuneration policies and the remuneration paid to directors (executive and non-executive) and executives are set out in the Remuneration Report section of this Annual Report.

2.12 USE OF INFORMATION

The Board has implemented a Code of Conduct and Integrity designed to ensure that all directors and employees act ethically and do not use confidential information for personal gain.

2.13 INDEPENDENT ADVICE

Directors in connection with the discharge of their responsibilities, have the right to seek independent professional advice at Fortescue's expense. Prior written approval of the Executive Chairman or the Lead Independent Director is required in these circumstances, with such approval not to be unreasonably withheld.

2.14 NON-ENGLISH SPEAKING DIRECTORS

Appropriate access to experienced translators and interpreters is provided to ensure that non-English speaking directors understand, and are able to participate in, Board meeting discussions so that they can properly discharge their directors' duties and obligations. Fortescue does not presently have any non-English speaking directors.

2.15 COMPANY SECRETARY

The Company Secretary is directly accountable to the Board through the Executive Chairman on all matters regarding the proper functioning of the Board. The Company Secretary is appointed and removed by the Board.

The Company Secretary is also responsible for ensuring compliance of Board procedures and advising the Board on governance matters. All directors have access to the Company Secretary for advice and support services as required. In addition to these responsibilities, the Company Secretary is responsible for oversight of the share registry services provided by MUFG Corporate Markets.

3. BOARD COMMITTEES AND MANAGEMENT

The Board has established Board Committees to assist in the execution of its duties and to ensure important and complex issues are given the detailed consideration they require

Fortescue's culture and Values operate within a strong governance framework and are the foundation of delivering on our commitments for the benefit of all stakeholders.

The 'tone at the top' is set by the Board so that it promotes effective and transparent governance practices through a well-structured governance framework that delegates consideration of specific matters to nominated Board Committees. The Board Committees are responsible for providing robust oversight and challenge, and supporting management in the execution of the business strategy.

3.1 BOARD COMMITTEES

As at 30 June 2025, the Board Committees of the Board are:

- Audit, Finance and Risk Management Committee (AFRMC)
- People, Remuneration and Nomination Committee (PRNC)
- Safety and Sustainability Committee (SSC)

Each Board Committee has its own charter approved by the Board, under which the Board delegates authority. Each Board Committee is required to report the outcomes of its deliberations to the Board so that it is fully informed. The Charters for the Board Committees are available from the Corporate Governance section of our website **fortescue.com**.

	Members	Composition requirements	Responsibilities include oversight of the following
AUDIT, FINANCE AND RISK MANAGEMENT COMMITTEE	• Mark Barnaba AM CitWA (Chair) • Dr Jean Baderschneider • Penny Bingham-Hall • Dr Larry Marshall • Noel Quinn[4] • Usha Rao-Monari	• Minimum three non-executive directors • Majority independent directors • Chair must be an independent director	• Corporate governance • Financial reporting and tax compliance • External and internal audit • Risk management, internal control framework, insurance and cyber security • Business integrity, anti-bribery and corruption, sanctions and whistleblower reporting and investigations • Related party transactions • Material investment and financing decisions that have a potentially significant impact on Fortescue, including: - Capital markets and other debt issues or repayment - Major acquisitions and disposals
PEOPLE, REMUNERATION AND NOMINATION COMMITTEE	• Penny Bingham-Hall (Chair) • Mark Barnaba AM CitWA[1] • Dr Jean Baderschneider • Lord Sebastian Coe CH, KBE • Yifei Li • Dr Larry Marshall[2]	• Minimum three non-executive directors • Majority independent directors • Chair must be an independent director	• Remuneration strategy • Non-Executive Director remuneration • Chief Executive Officer, Executive Director remuneration • Senior Executive remuneration • Short-term and long-term incentive plans • Performance management • Annual remuneration report • Succession planning and talent management • Diversity strategy, targets, policy and practices • Gender pay equity • Matters relating to recruitment, retention and termination policies • Non-Executive Director skills • Board membership and diversity • Nomination and review of applicants for Board Director positions and CEO • Board Committee member appointments
SAFETY AND SUSTAINABILITY COMMITTEE	• Dr Jean Baderschneider (Chair) • Mark Barnaba AM CitWA • Penny Bingham-Hall • Dr Larry Marshall • Noel Pearson[3] • Usha Rao-Monari	• Minimum three non-executive directors • Majority independent directors • Chair must be an independent director	• Monitoring and performance of environmental, safety, sustainability and heritage frameworks • Safety strategy • Sustainability strategy and material sustainability matters • Mandatory and voluntary sustainability disclosure • Nature related issues including water, biodiversity and circularity • Environmental management • Adaptation, resilience and mitigation in response to climate change • Human rights including modern slavery • Protection and management of heritage • Community engagement including with First Nations communities • Community investment framework

[1] Mark Barnaba stepped down as a Member of the PRNC in November 2024.
[2] Dr Larry Marshall was appointed as a Member of the PRNC in November 2024.
[3] Noel Pearson was appointed as a Member of the SSC in November 2024.
[4] Noel Quinn was appointed as a Member of the AFRMC in May 2025.

3.2 MANAGEMENT

The Board has delegated responsibility for day-to-day activities to the executive team. Financial limits associated with that delegation are set out in the Delegations of Authority established by the Board.

Management has been delegated responsibility for instilling, reinforcing and living our Values, executing our business strategy, managing business performance, reviewing and managing material risks, and leading and developing people and talent within the organisation.

Management sets the 'tone at the top' in terms of how we operate in a manner consistent with the Values, Code of Conduct and Integrity, and the risk appetite set by the Board. Management provides the Board with accurate and timely information on Fortescue's operations, including compliance with relevant legal and regulatory requirements.

The Board also acknowledges management's role in promoting a strong ethical culture and providing regular information on any conduct that is considered to be materially inconsistent with our Values, Code of Conduct and Integrity and related policies. This includes information on how any material ethical issues, where relevant, have been investigated and resolved.

Prior to appointing any key executive, a rigorous process of evaluation is undertaken to ensure the executive's suitability and capacity to discharge their duties. The Board ensures the management team is appropriately qualified and experienced to discharge its responsibilities and has procedures in place to assess the performance of the CEOs and key executives. Appointment of senior executives is by way of a written agreement which sets out the terms of their appointment, including the basis of remuneration.

The Board sets annual performance targets, which include business and individual performance objectives under the executive remuneration plan (detailed in the Remuneration Report of this Annual Report). These performance targets are determined by the People, Remuneration and Nomination Committee on behalf of the Board and are cascaded through the management teams. The performance of key executives is evaluated against the agreed performance targets annually.

4. RISK MANAGEMENT

At Fortescue, we foster and maintain a strong risk culture to promote risk awareness and informed decision making across all our activities

4.1 CORPORATE CULTURE AND VALUES

Our risk culture emanates from our Values, builds on Fortescue's Code of Conduct and Integrity and is operationalised through the Fortescue Risk Management Framework (FRMF). It translates into the risk-and-control knowledge and behaviours shared by all employees and serves to influence appropriate risk-taking.

To support leaders in driving success in their teams through our unique Fortescue culture, we have implemented a Values induction for all new leaders and have made our Values central to our recruitment, onboarding and people processes. Our Values are promoted through strong internal messaging across all communication channels, including company-wide weekly meetings, digital channels, posters, websites, internal and external publications and forums, to maintain visibility, encourage increased engagement and build on our positive culture.

The Group Risk, Assurance and Insurance team reinforces Fortescue's risk culture by ensuring risk transparency and fostering open discussion and challenge of Fortescue's risk-taking and risk management processes.

During performance reviews, each employee is assessed on the demonstration of our Values in their roles and behaviours. Fortescue also has a range of incentive programs that reflect the long-term nature of our business by rewarding consistent long-term performance over immediate results. This approach fosters mutual alignment of interests between shareholders and employees.

Further information on our corporate culture and Values is available on our website at **fortescue.com**.

4.2 POLICIES AND PROCEDURES

To instill a commitment to effective risk management, we have developed various policies and procedures that set out the expected behaviours of our people. These expectations are consistent with our corporate culture and Values.

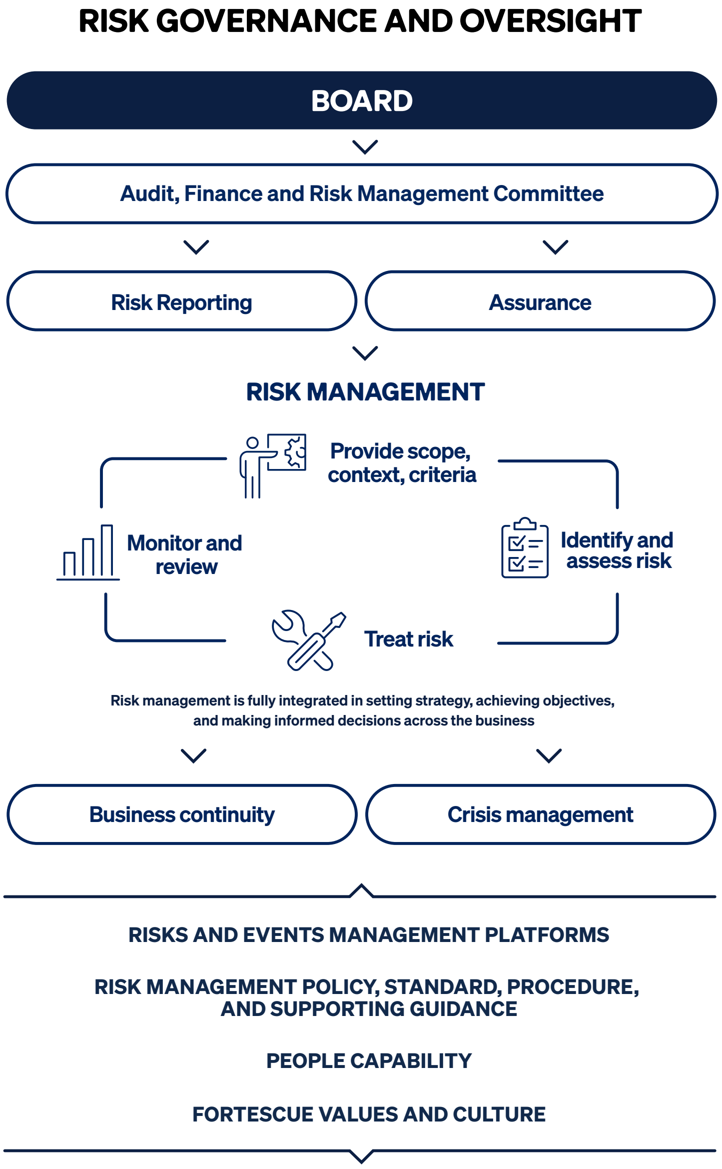
Our key policies are available from the Corporate Governance section of our website at **fortescue.com**.

4.3 RISK MANAGEMENT

The Board recognises that risk management and internal control are key elements of strong corporate governance. The Board is accountable for overseeing the effectiveness of Fortescue's risk management framework, including the strength of Fortescue's internal control environment as designed and implemented by management.

The directors, through the AFRMC, regularly review the effectiveness of the systems that have been established, assess the evolving nature of Fortescue's risk profile and monitor that necessary actions have been taken to remedy any significant findings or weaknesses.

The AFRMC regularly reports to the Board to enable the Board to confirm that Fortescue continues to operate a sound risk management framework and risks are being managed within the risk appetite set by the Board. While risk is recognised as inherent to our business, effective management of risk is seen as vital to delivering on our objectives and continued growth. Fortescue is committed to managing risks in a proactive and effective manner.



4.4 FORTESCUE RISK MANAGEMENT FRAMEWORK

It is the role of the Group Risk, Assurance and Insurance team to maintain the FRMF. In addition, the function's role is to support, verify and provide insights on the effective application of the FRMF and associated management of risks, including strategic, operational and compliance risks.

The FRMF consists of a Risk Management Policy, Risk Management Standard and Risk Management Procedure. The FRMF is aligned to the international standard for risk management (ISO 31000) and provides a consistent approach to identifying, assessing and treating risks, monitoring associated controls and reviewing the continued effectiveness of risk management across the business. The FRMF is further supported by standards on planning for business continuity and responding to potential crisis events.

Our approach to risk management is underpinned by our Values and culture. This emphasises that management, employees and contractors are collectively responsible for being aware of the risks related to their activities at every level and are accountable for ensuring those risks are effectively managed and transparently reported.

We operate in a dynamic business environment where we accept and manage a range of business risks to generate sustainable shareholder returns. Our risk appetite varies depending on the nature of activities undertaken and may change over time. Our appetite for various classes of risk is reflected and/or captured in a range of documentation and processes that set parameters for risk-taking within the organisation and is reflected in the operation of the FRMF and the collective decision-making processes of the Board and management.

The FRMF sets a framework which aligns risk management activity at all levels of the business with a three-tiered focus as follows:

- Achievement of our strategic, operational and growth objectives
- Maintaining a business that meets our obligations for health and safety, environment, heritage, sustainability and community
- Building and maintaining a resilient business capable of achieving critical objectives in the face of extreme events which may impact business as usual conditions.

We do this by:

- Embedding risk management into critical business activities, processes and decisions
- Understanding threats to, and opportunities for, achievement of our objectives
- Applying a structured approach to risk management (through the FRMF) which establishes common understanding, definitions and methodologies
- Considering all types of risks and applying robust risk analysis to support informed decision making
- Using the outcomes of risk assessments to drive actions that manage risks consistent with our risk appetite
- Maintaining a strong focus on the resilience of our business through reliance on effective recovery plans for material adverse events
- Reporting regularly to the executive team and the Board on the outcomes of risk management activities.

The AFRMC reviews the FRMF on an annual basis. The most recent review was conducted in May 2025. The AFRMC is satisfied that the framework supports a sound system of risk management and internal control, with due regard to the risk appetite of the Board and the executive team.

4.5 MATERIAL RISK EXPOSURES

We operate in a dynamic business environment which presents a range of uncertainties that have the potential to impact, both positively and negatively, on our corporate objectives. We take risk for strategic reward in the pursuit of our strategy, in line with the Board's risk appetite, to sustainably grow the business. Understanding the risks that can materially impact our strategic objectives is essential to support informed business decisions critical to protecting and enhancing shareholder value.

Consistent with prior risk updates, material risks have been grouped according to the following themes:

- Economic risks driven by external factors such as geopolitics, market changes and government policy and regulations, as well as business factors such as business performance and execution of our business strategy, including business development activities and major project delivery
- Operational events that could negatively impact on our operations, people and legal and social licence to operate
- Social and environmental sustainability risks, including environmental pollution, hazards to health, safety and security, impacts on communities and threats to biodiversity and cultural heritage.

The material risks that have been identified by management and the Board could substantially impact our ability to create or preserve value for stakeholders over the short, medium or long-term. These risks, individually or collectively, could threaten our strategy, business model, future performance, solvency or reputation. Over time these risks will continue to evolve, as we progress our portfolio of renewable energy and green technology projects globally, and as we expand our mining operations outside Australia.

Fortescue is also exposed to other risks that are not described in this section.

Along with the material risks described in this section, we have described the key controls to manage them. These controls are not exhaustive and many company-wide controls (such as the FRMF, the Code of Conduct and Integrity, Health and Safety and other policies) help to provide additional support in the management of risks in line with our risk appetite. While we implement preventative and/or mitigating controls to reduce the likelihood of a threat from occurring and minimise the impacts if it does, these may not be effective.

ECONOMIC RISK

CONTEXT	KEY MANAGEMENT ACTIONS
Global political and economic uncertainty impacting the business	
Significant changes in areas such as tax policy, industrial relations laws, and environmental regulations, or the ability to secure governmental approvals in a timely manner, may materially impact the viability of strategic growth options, the carrying value of existing assets, or Fortescue's financial performance. This includes actions undertaken at both State and Commonwealth levels in Australia and international jurisdictions. Positive engagement with government is necessary for both securing and maintaining an enabling environment for Fortescue's operations and projects. Adverse or sub-optimal engagement may limit Fortescue's ability to influence government policy and support. Escalating geopolitical and global trade tensions present potential challenges that could impact international trade, weigh on business confidence and constrain global investment. In particular, the implementation of economic sanctions, tariffs or other protectionist policies among China, USA and/or any of their major trading partners could result in increased global costs, disrupt supply chains and reduce trade efficiency. This could then have a material adverse effect on Fortescue's business, operational results and financial position. Ongoing military conflicts globally have increased volatility and uncertainty across global energy and commodity markets, and supply chains. Prolonged, expanded, or emerging conflicts may adversely impact Fortescue's ability to source critical materials, fuels and equipment to sustain its operations or access freight carriers to transport its iron ore, and cause business disruptions.	• We monitor regulatory changes in the jurisdictions we operate in, and assess their impact on our operations • We participate in industry associations and advocacy groups to influence policy development • We continue to monitor political and economic conditions closely and are focused on maintaining strong relationships with our partners and stakeholders in all key markets.
Volatility in Chinese iron ore demand and commodity prices could adversely impact our financial results and future cash flows	
China is the largest global importer of seaborne iron ore, making Fortescue's business highly dependent on continuing demand from China's steel industry. The demand for Australian-sourced iron ore could be impacted by increased supply from non-Australian iron ore producers and by adverse economic, geopolitical or regulatory developments in China. A slowdown in China's economic growth, particularly in steel-intensive sectors, may ultimately result in lower demand for Fortescue's iron ore and lower iron ore prices. Commodity prices have been volatile and may continue to fluctuate significantly. Fortescue has strong competitors that have significant capacity to respond to competitive pressures and market dynamics. Fortescue may face challenges in effectively responding to these pressures and competitive actions of the other major suppliers materially affect Fortescue's business, results of operations and financial position.	We have a strong balance sheet and access to significant liquidity that should enable us to weather demand-side shocks. There is also flexibility to adjust operational capacity and costs to align with changes in market demand for iron ore. In addition: • We continue to review our product strategy and align this to both market developments and our resource base • We have an agile, integrated operations and marketing strategy, which enables us to respond quickly to market dynamics • We continue to pursue and promote strong relationships with all levels of the Chinese government • We maintain strong relationships with our customers to ensure supplies of iron ore meet their expectations in terms of quality, consistency and reliability of supply • We drive sustainable productivity and efficiency gains throughout our business to ensure we remain a competitive, low-cost producer.

ECONOMIC RISK

CONTEXT	KEY MANAGEMENT ACTIONS
Fluctuations in currency exchange rates and interest rates, and access to funding may adversely impact our financial results and future cash flows	
Fortescue's functional currency is the US dollar (USD) and a majority of revenue from iron ore sales and Fortescue's financing arrangements are denominated in USD. However, a significant portion of operating costs, including expenses for Fortescue's current or future projects, are incurred in Australian dollars (AUD). Appreciation of the AUD against the USD or prolonged periods of exchange rate volatility could adversely affect Fortescue's profitability and financial position. Fortescue's exposure to fluctuations in the value of other currencies relative to the USD will increase as we grow our business and supply chain internationally. To manage liquidity and fund growth, Fortescue may need to secure funding from the banking or debt capital markets. The availability of funding and pricing from these markets is subject to general economic conditions and lender credit assessments of the resources industry, the Group and its projects. During periods of rising interest rates, funding costs may be negatively impacted if linked to floating rates.	• We actively monitor interest and foreign currency exchange rate risks and manage these risks in accordance with Treasury policies • We use natural hedges where possible to offset any foreign currency exchange risk through the matching of assets and liabilities by underlying currency • We hedge short-term transactional foreign exchange rate risk for operations and committed exposure for projects • Our exposure to interest rate movements is managed by holding up to 75 per cent fixed interest rate debt and investing in maturities that match short-term liabilities • Our debt liability management strategy contemplates refinancing debt prior to it becoming reported as a current liability • As part of our capital management policy, we have developed target ranges for financial indicators (including gearing, net gearing, debt to Underlying EBITDA and interest coverage ratio), which are monitored together with non-financial indicators as part of capital management. Target ranges for the financial ratios vary depending on the investment and commodity cycles • We maintain strong relationships with debt investors and lenders and proactively manage the various channels to accessing external capital.
Supply disruptions and cost pressures could impact profit margins and future cash flows	
Fortescue's operations are resource intensive and as a result, our costs and operating margins could be materially affected by a disruption in, lack of availability or increased cost of energy (including electric power), water, fuel (including natural gas and diesel fuel), tyres, skilled labour or other key inputs. Most of Fortescue's operations are located in a remote part of Western Australia and as a result, Fortescue may experience interruptions to the supply or increases in prices for its key inputs (such as the rapid escalation of the diesel fuel price as a result of global economic or geopolitical factors) that it may not be able to offset with productivity improvements. Changing economic conditions, including periods of growing inflationary pressures, as well as geopolitical tensions, trade constraints and heavy reliance on international suppliers for critical assets, can have a pervasive effect on Fortescue's input costs, including in key areas such as labour, fuel, transport and maintenance. This could negatively impact profit margins and future cash flows.	• We have a strong culture of innovation which empowers our people to develop and implement productivity and efficiency improvements that ensure we maintain our industry-leading cost position • We adopt a risk-based approach to the approval of major capital and operational expenditure which ensures the optimal allocation of financial resources to support our business strategy • We use a portfolio of procurement strategies, including fixed-price contracts, index-based pricing, and spot-market purchasing, to manage cost volatility • We are focused on building strong strategic partnerships with our suppliers, on a long-term and mutually beneficial basis • We explore opportunities to optimise existing supply sources and identify alternative sources for critical goods and services to diversify our supply chain • Our diversity in energy sources and supplier arrangements minimises the short-term and long-term supply risks • We are actively transitioning to renewable energy sources to sustain and support our operations' emissions reduction targets.

OPERATIONAL RISKS

CONTEXT	KEY MANAGEMENT ACTIONS
Project execution across domestic and international operations	
Fortescue is continuing to execute its growth strategy, which includes the decarbonisation of its Pilbara operations and expansion into new jurisdictions. Some of these new regions present risks that are either absent or more pronounced compared to similar activities in Australia. Fortescue has a comprehensive portfolio of large-scale projects, including: • A range of projects supporting the decarbonisation of Fortescue's iron ore operations and renewable energy transition • Development of high performance battery systems to power mining fleet and rail fleets • Continued expansion and maintenance of Pilbara iron ore operations • Domestic and international exploration, including iron ore studies in Gabon. Delivering Fortescue's growth strategy relies on the ability to develop resources faster and more competitively than others. Project development involves complex, multi-year studies and execution plans, carrying significant delivery risks. Known and emerging uncertainties that may challenge the timely and successful execution of the projects can include regulatory approval timeframes, permitting delays, supply chain disruptions, high inflation and activism. When developing technology products for growth projects, it is essential to balance product performance, cost and competitive advantage to achieve successful and timely commercialisation. The manufacturing of technology products can also lead to statutory and non-statutory warranty obligations, which may incur additional costs and impact Fortescue's reputation.	• Board approval process ensures decisions are aligned to Fortescue's strategic objectives • We have robust project funding and gating requirements established through purpose-built Fortescue standards • We perform testing and validation of new technology prior to full scale deployment • We have appropriate training and support programmes • We have redundancy and backup systems • We have robust governance over Decarbonisation program including reporting to Decarbonisation Steering Committees and Board • We perform country risk assessments, including completion of thorough due diligence.

OPERATIONAL RISKS

CONTEXT	KEY MANAGEMENT ACTIONS
Major unplanned disruptions to operations	
Fortescue engages in activities that have the potential to cause harm to our people and/or to the communities and environment in which we operate. This can include serious injuries, fatalities, loss of infrastructure and damage to the environment and sites of cultural significance. An unplanned major operational event has the potential to impact financial performance, result in litigation or class actions and cause long-term damage to our licence to operate and reputation. The impacts of operational events may be amplified if prevention controls are unsuccessful in minimising the likelihood and severity of events. Major unplanned disruptions to operations can arise from events such as: • Natural disasters and climate change (such as the increasing intensity or frequency of cyclones and flooding events) • Geotechnical events (such as a pit slope failure) • Transportation events (such as aircraft crashes, vessel collisions or groundings, or train derailments) • Occupational or process safety events (such as the loss of containment of hazardous materials that can result in fires or explosions) • Unplanned fire events • Disruptions to energy supplies • Operational events experienced by third parties which could impact our infrastructure (such as a third party incident at a public level crossing across our railway line or vessel blockage in the Port Hedland channel) • Tailings Storage Facility (TSF) failure incidents • Prolonged industrial disputes and a range of other accidents which could result in damage to port, rail or mine infrastructure.	• We plan, design, construct, operate, maintain and monitor our mines, infrastructure and equipment in a manner designed to maintain structural integrity, prevent incidents and protect our people, assets, communities and the environment • We comply with manufacturer operating specifications, industry codes and relevant standards • We undertake regular safety inspections and independent geotechnical audits • We use advanced technologies that continuously monitor the safe operation of our mines, processing facilities and equipment, including asset health monitoring • We have a comprehensive contingency plan, including business continuity and crisis management plans in place to manage major unplanned disruptions • Our diversity in both fuel sources (i.e. gas and diesel) and supplier arrangements minimises the risk related to the continuation and reliability of long-term energy supplies • Independent engineering reviews are undertaken every year on all TSFs maintained by Fortescue. All activities and work are carried out in compliance with the requirements of the Western Australian Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) and the Australian National Committee on Large Dams (ANCOLD) • Property and business continuity insurances partially mitigate the financial impact of major unplanned disruptions arising from potential TSF failure.

OPERATIONAL RISKS

CONTEXT	KEY MANAGEMENT ACTIONS
Uncertainties exist in reserves and resource estimates, and we may not fully exploit existing reserves or discover new reserves	
Resource and reserve estimates are based on the interpretation of limited information and sampling results, and are a judgement based on knowledge, experience and industry practice. Substantial time and expenditure is required to establish Mineral Resources and Ore Reserves, and it can take a number of years to achieve production, during which the economic feasibility of progressing to production may change. Prior valid assumptions may change in light of new information, which can potentially change the economic viability of some Ore Reserves. Volatility in commodity prices may result in adjustments to our recognition of Ore Reserves. Failure to generate sufficient reserves to meet our future production could detrimentally impact long-term shareholder returns. Fortescue's operations or future expansions may also affect land which contains First Nations sites or objects of cultural significance. Fortescue consults with relevant First Nations stakeholders and applies for Ministerial consents under relevant legislation. The time taken to complete such consultations, obtain such authorisations or approvals, or the inability to reach agreement with relevant First Nations groups could materially affect Fortescue's existing business or any future expansions, resulting in an increase in operating costs, reduced revenue and negative impact on estimates of future Mineral Resources and Ore Reserves. Fortescue is currently evaluating exploration and business development opportunities both inside and outside Australia. There are a range of risks in emerging markets (such as military conflict, terrorism, industrial and civil unrest, judicial activism, extortion, community opposition, onerous regulatory obligations, restrictions on repatriation of earnings or capital, expropriation of assets, fraud and corruption) that may result in those opportunities not being viable, either economically or based on the Board's risk appetite.	• We have a defined and comprehensive approach to estimating our published Ore Reserves and Mineral Resources. Our robust, well-established methodology includes systematic peer review and calibration against operational outcomes • The process is also supported by Competent Persons as defined in the JORC Code and is subject to independent technical reviews and audits. For further information, see the Ore Reserves and Mineral Resources section of this Annual Report • We have a program of exploration and mining which identifies and exploits new ore bodies and supports the expansion of existing ore bodies • We have developed innovative exploration techniques which enable us to commercialise previously unexploited tenements and invest in new sources of ore, including magnetite deposits • We actively engage with all stakeholder groups and genuinely seek mutually beneficial outcomes • We undertake new country entry risk assessments and actively monitor and evolve management action plans as the level of work in a new country progresses • We have strong relationships with First Nations people which are built on open and transparent engagement, mutual respect and the development and ongoing operation of comprehensive Native Title agreements • We seek to establish co-management agreements that establish partnerships and seek advice and involvement of Traditional Custodians in all the main phases of the resources life cycle.

OPERATIONAL RISKS

CONTEXT	KEY MANAGEMENT ACTIONS
Performance of key business partners is not aligned with our expectations and they do not meet their obligations	
Fortescue relies on vendors, contractors and sub-contractors to conduct aspects of its operations and projects and is exposed to risks related to their activities. Counterparties failing to meet their obligations may unfavourably impact our cost and production performance and may expose Fortescue to third-party liability or reputational harm. The growing inflationary pressures on operating costs, including rising interest rates, have also placed financial strain on many businesses. There is an ongoing risk of business failures which could cause disruption to our supply chain.	• We maintain a rigorous pre-qualification and tender evaluation process for new contractors and suppliers, which assesses their financial capacity, safety performance, technical capability, and alignment with our corporate and ethical standards prior to engagement • We incorporate clear performance expectations in our contracts and include remedies for non-performance and performance securities • We require our all our suppliers to adhere to our Code of Conduct and Integrity, which outlines our non-negotiable expectations for safety, environmental management, business integrity, and human rights. We monitor compliance with this code to protect our operational and reputational integrity • We regularly revisit the proper ratio of insourced/outsourced resources to better control performance and introduce greater flexibility within our contractual arrangements, where appropriate • We have robust mechanisms in place to regularly review and engage with our major suppliers to assess their financial stability and contractual performance.
Information technology security breach or unsuccessful technological innovation impacting competitive advantage	
Fortescue's operations are dependent on information technology (IT) systems across divisions including mining, processing, rail and port operations, as well as corporate activities. These systems are integral to our operational efficiency and to ensuring the safety and security of our facilities and personnel. As digital threats continually evolve, they become more sophisticated and frequent. Our IT systems could be compromised from both internal and external sources. Potential consequences of such breaches may include the loss of sensitive data, increased litigation risk, reputational damage and significant financial losses. Specific risks include unauthorised access to our intellectual property and operational technology, which could result in major operational disruption, erode our competitive advantage and jeopardise our strategic goals. Supply chain and third-party vulnerabilities are also areas where Fortescue is exposed to cyber threats, as Fortescue expands geographically and advances its decarbonisation strategy. Our ability to maintain a competitive advantage is contingent on our capacity to innovate and integrate advanced technologies, including those aimed at reducing carbon emissions in line with our emissions reduction commitments. Failures in keeping pace with technological evolution could lead to operational inefficiencies, inability to meet stakeholder expectations, and vulnerabilities in IT security. Our strategic approach to managing these risks is integrated into our governance frameworks, ensuring that we not only mitigate risks but also seize opportunities to lead in the global mining and energy markets.	• We have cybersecurity measures in place with a focus on areas dealing with operations and intellectual property. This includes moving towards a zero-trust security model, enhancing insider threat programs, and implementing stringent access controls • We collaborate with government agencies and industry peers to monitor cyber threat landscapes. Our proactive measures include regular cyber threat simulations to prepare and respond to incidents effectively • Our IT infrastructure is designed with segregated networks to minimise the risk of cross-contamination from cyber-attacks. Cyber policies govern data movement across these segregated networks, enhancing security • Regular updates to our software and infrastructure are managed through a well-defined change management process, ensuring minimal operational disruption • We have established an artificial intelligence (AI) governance framework aligned with international standards such as the NIST AI RMF, GDPR and ISO 42001. This framework guides our deployment of AI technologies, ensuring ethical, secure and effective usage • New programs have been initiated to bolster data protection, focusing on safeguarding personal and sensitive information against unauthorised access and breaches • We maintain an evaluation framework for IT innovation projects to assess their technical and commercial viability. This includes partnerships that enhance our implementation capabilities.

SOCIAL AND ENVIRONMENTAL RISKS

CONTEXT	KEY MANAGEMENT ACTIONS
Managing workforce capacity and capability to meet our current and future skill requirements	
Automation, digital platforms and other innovations are changing the fundamental nature of work, resulting in industries evolving at a rapid pace. Any sustained disruptions to the free flow of skilled labour can amplify existing shortages in some industry wide sought after skills and rapidly escalate labour costs. Our ability to identify, attract and retain key talent is fundamental to establishing sufficient workforce capacity and capability to support the delivery of current and future strategic priorities.	• We have robust approaches to talent and recruitment management, remuneration, skills development and succession planning • We work to strengthen our reputation and status in the community as an employer of choice through community engagement programs • Employee engagement is a key priority, and we are committed to ensuring our employees are provided with opportunities to help shape the way that we conduct our business • We are committed to building and maintaining a workplace that is diverse and inclusive of everyone • We seek to remunerate all our employees in a fair and equitable manner to promote high levels of employee engagement and productivity • Our unique corporate culture and Values make us an attractive place to work and our strategic plans to become an integrated green energy and resources company differentiate us in the market.

SOCIAL AND ENVIRONMENTAL RISKS

CONTEXT	KEY MANAGEMENT ACTIONS
Risks associated with climate change and transition to a low carbon economy	
Fortescue acknowledges climate change as a significant and material issue for the business. Fortescue faces exposure to climate-related risks either directly through our operations and infrastructure, or indirectly through our mission to drive global transition to a low carbon economy, which includes eliminating emissions from our own value chain. Without immediate action to reduce global emissions, the impacts of climate change will continue to worsen. Fortescue operates significant assets within the Pilbara region of Western Australia, which is already subject to severe weather events, including extreme temperatures, cyclones, storm surges, extreme rainfall and flooding. Climate change will increase the frequency and severity of these weather events, which may increase our risk of asset damage or operational disruptions, impacting Fortescue's ability to ship iron ore to our customers. These factors and any prolonged downtime of Fortescue's production or transportation facilities could materially impact our ability to satisfy contractual obligations, potentially impacting our operational and financial position. Our ambitious emissions reduction targets shape our key transition risks, particularly in the context of a volatile political and economic landscape. This risk is largely driven by the technical and operational complexity of deploying zero-emissions technologies across our operations and managing critical dependencies such as land access, transmission infrastructure, and regulatory approvals. We are also exposed to potential timing mismatches between the availability of green products, market demand, evolving regulatory requirements, and our own ambition. We view our Real Zero Target transition not only as a corporate responsibility but as a strategic advantage, and failure to deliver on these commitments would pose significant reputational risks. The transition to a low-carbon economy and the growing demand for low-emission solutions presents Fortescue with a range of opportunities. Our business strategy is designed to capitalise on and accelerate this shift by delivering the products, technologies, services and energy required for industrial decarbonisation, creating new pathways for growth and diversifying our revenue beyond traditional iron ore.	• We have set industry leading targets for Scope 1, Scope 2 and Scope 3 • We are investing in renewable energy and battery storage to profitably eliminate the use of diesel and gas in our iron ore operations, and by developing renewable energy and technology products • We closely monitor policy and regulatory developments and proactively engage with government bodies, regulators and industry associations to influence favourable policy and regulatory outcomes • We apply scenario analysis to evaluate possible changes and their effect on our business model, financial performance and competitive position • We are embedding climate risk into our enterprise risk management framework with a focus on building resilience to protect assets and minimising operational downtime from extreme weather events • We manage the risk to the health and safety of our people through relevant hazard control standards and management procedures detailing requirements for prevention, preparedness and response • Additional information on our targets and management of climate-related risks are set out in the Climate Change Report within this Annual Report.

SOCIAL AND ENVIRONMENTAL RISKS

CONTEXT	KEY MANAGEMENT ACTIONS
Breaches of our legal and regulatory obligations may lead to fines and potential loss of licence to operate	
The regulatory environment in which Fortescue operates remains complex, with onerous compliance obligations in all jurisdictions. Fortescue may be subject to potential fraud, bribery, corruption and modern slavery risks associated with its business, employees, third-party suppliers and customers in the geographic locations in which we operate. Corresponding compliance obligations have become more stringent in recent years. Environmental laws and regulations have also become increasingly stringent over time in line with community and stakeholder expectations. Such laws and regulations and the resulting licence conditions govern many aspects of our operations, and compliance with such requirements could cause delays or require capital outlays in excess of those anticipated, causing a material adverse effect on Fortescue's results of operations and cash flows. Fortescue's business may be restricted by economic sanctions and export controls imposed by Australia and other jurisdictions. Our international operations subject Fortescue to these laws and regulations, which are complex, restrict business dealings with certain countries, governments, entities and individuals and are constantly changing. Penalties for non-compliance with these complex laws and regulations can be significant and include substantial fines, sanctions or civil and/or criminal penalties, and violations can result in adverse publicity, which could harm our business, financial condition or results of operations. In some cases, a non-compliance could also result in a temporary or permanent loss of our licence to operate.	• We have a robust business integrity policy and compliance framework which details the controls in place for the mitigation of risks associated with bribery, corruption, continuous disclosure, securities trading, modern slavery and sanctions. Compliance with this framework is recognised as a collective responsibility at all levels of the organisation • We proactively engage early with all levels of government and with relevant regulators • We have an active program of education, training, monitoring, periodic assessments and reporting within the business • We consider mine closure implications throughout the life of project development and subsequent operations to minimise the potential financial, social and environmental risks of mine closure. Our standard operating procedures include progressive rehabilitation activities to ensure the required environmental performance objectives are met on closure • We have incorporated the ISO14001:2016 criteria to manage legal environmental obligations into our Environment Policy and Standard.
Our operations could adversely impact the community, including First Nations heritage sites	
Our relationship with the communities in the areas in which we operate is an essential part of ensuring the success of our existing operations and the development of new projects. Our operations have the potential to cause damage to sites of cultural significance which could adversely affect Fortescue's reputation and impact its existing business or future expansion activities.	• Our primary objective at all times is to prevent inadvertent damage to cultural heritage • We consult closely with our Native Title partners and Commonwealth and State governments to identify, manage and protect places of significant First Nations cultural heritage, and comply with all applicable legislation • Our Native Title land access agreements and First Nations heritage agreements establish detailed processes for the conduct of First Nations cultural heritage surveys, consultation, project planning, impact mitigation and negotiation • We strive to create economic opportunities within the regions in which we operate by employing local people and purchasing local products and services. We recognise the need to create vibrant and flourishing communities that will attract and retain a mining workforce and their families.

4.6 ANNUAL EXECUTIVE CERTIFICATIONS

In accordance with the requirements of ASX Principle 4 'Safeguard integrity in corporate reporting' and section 295A of the *Corporations Act 2001* 'Contents of annual financial report', an extensive executive certification process was undertaken for the year ended 30 June 2025. The process requires certifications from our most senior executives to support the declaration to the Board by the CEOs and the CFO pursuant to ASX Principle 4 and section 295A of the *Corporations Act 2001*.

The executive certifications are broad and consider the key elements of the control environment. The Board, through the AFRMC, uses this process as a means of identifying areas of the control environment where there are opportunities for improvement. Improvement actions identified through this process are monitored by the AFRMC until actions are completed.

5. ASSURANCE FUNCTIONS

Effective assurance functions are a critical part of ensuring that a strong internal control environment is maintained across our business

5.1 INTERNAL AUDIT

The internal audit function is carried out by the Group Risk, Assurance and Insurance (GRAI) team and its operations are governed by an Internal Audit Charter that has been approved by the AFRMC. The GRAI team provides assurance on whether risk management, internal control and governance processes are appropriately designed and operating at the level expected by the Board.

The AFRMC evaluates the GRAI team's scope of work and staffing levels to ensure that they are appropriate in light of the key risks we face. It also approves the annual internal audit plan, reviews internal audit findings and monitors that remedial actions have been implemented by the accountable management teams.

The AFRMC approves the appointment and dismissal of the Head of Global Risk, Assurance and Insurance and assesses their performance, independence and objectivity.

The Head of Global Risk, Assurance and Insurance reports to the AFRMC with functional oversight provided by the Group Chief Financial Officer.

While internal and external audit activities are separate and independent of each other, there is strong collaboration between both audit functions to maximise the effectiveness of the wider program of audit activity and minimise duplication of effort and resources.

5.2 EXTERNAL AUDITOR

Appointment and rotation of auditor

In accordance with the *Corporations Act 2001*, Fortescue has appointed an external auditor whose primary role is to form an opinion as to the truth and fairness of the annual financial statements. Any appointed external auditor must demonstrate a high quality of service and independence in accordance with all relevant legal and regulatory requirements.

PricewaterhouseCoopers (PwC) is the current external auditor. PwC rotates audit engagement partners every five years in accordance with the *Corporations Act 2001*. Mr Chris Dodd assumed the role of external audit partner effective from 22 November 2022.

PwC attends AFRMC and SSC meetings by invitation and reports annually to the AFRMC on its independence and the outcomes of the external audit. The AFRMC reviews the scope of the annual audit plan and related audit fees.

Independence declaration

The auditor's independence declaration, as required under section 307C of the *Corporations Act 2001*, has been received from PwC and is set out in the Financial Report section of this Annual Report.

Non-audit services

The Board of Directors is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and does not compromise the auditor independence requirements of the *Corporations Act 2001*.

Details of the amounts paid or payable to the auditor, PwC Australia and related entities, for audit and non-audit services provided during the year are set out in Note 19 of the financial statements.

Attendance at Annual General Meeting

The audit partner from PwC attends the Annual General Meeting and is available to answer questions from shareholders in relation to the audit.

5.3 OTHER ASSURANCE

In addition to external and internal audit, there is a range of additional assurance activities associated with our financial and operational activities. In some cases, this assurance may be mandated by relevant government agencies and/or regulation. Our internal policies and standards may also require some form of assurance be undertaken over specific activities. Assurance activities may be undertaken by internal teams or external parties, depending on the nature of the subject matter and any regulatory requirements.

Examples of other assurance activities include assessments of compliance with Fortescue's health and safety standards, independent reviews of reported emissions data, validation of publicly reported information and assurance over system implementations.

This framework provides an additional layer of strength to our corporate governance framework. Any material assurance reports or issues arising are provided to the AFRMC for review and consideration.

6. SECURITY HOLDERS

The Board represents our shareholders and is accountable for delivering value to them through the development and achievement of strategic objectives as well as performance excellence

We have developed an investor relations strategy to facilitate engagement and effective, timely communication with the investment community. Shareholders are encouraged to attend the AGM, which is the forum for shareholders to vote on key business issues, including election of directors, periodic changes to our Constitution, adoption of Fortescue's annual financial report and incentive arrangements. All substantive resolutions at shareholders' meetings, including the AGM, are decided by a poll.

Information is communicated to shareholders with respect to all resolutions tabled at the AGM, including election and/or re-election of directors.

We have implemented a Continuous Disclosure and Market Communications Policy which is available from the Corporate Governance section of our website **fortescue.com**. The policy includes a verification process of the integrity of corporate reports released to the market that have not been audited or reviewed by the external auditor.

Effective communication with shareholders, debt investors and other members of the investment community throughout the year is a key part of our strategy.

Measures used are outlined below:

- Timely and balanced disclosures of all relevant matters to ensure an informed marketplace for trading in our securities
- A dedicated investor relations function to manage investor engagement and respond to shareholder, investor and analyst queries
- The publication of financial and production reports and media announcements, including the annual reporting suite and quarterly production reports
- The publication of a new and substantiative investor or analyst presentation
- Participation in various investor and industry forums, conferences and investor roadshows
- Engagement with proxy advisors with respect to remuneration policy and environmental, social and governance (ESG) issues
- Investor, analyst and media calls following the release of key operating and financial information
- Periodic tours of our operations for the institutional investment community and media
- Maintenance of our website **fortescue.com**, which contains relevant information, including a section on the website setting out Shareholder Communications information, with contact details for Fortescue's share registry. The share registry provides the facility for shareholders to have the option to receive communications electronically.

7. BUSINESS INTEGRITY

We are focused on maintaining a strong culture of transparency and accountability

Our longstanding commitment to doing business lawfully, ethically and responsibly is built on our Values, the professionalism of our employees and our collective determination to act with integrity at all times. Our Values are available on our website **fortescue.com.**

The Board has adopted a Code of Conduct and Integrity, Anti-Bribery and Corruption Policy, Securities Trading Policy, Continuous Disclosure and Market Communications Policy and Whistleblower Policy (Code and Policies), which detail frameworks for acceptable corporate behaviour. There have been no material breaches of the Code and Policies by Fortescue.

The Code and Policies are internally promoted on a regular basis and training programs have been developed to instill and reinforce our Values and expected behaviours. The Code and Policies are subject to periodic review and are available from the Corporate Governance section on our website **fortescue.com.**

7.1 CODE OF CONDUCT AND INTEGRITY

We understand the importance of acting with integrity and in compliance with all applicable laws and regulations wherever we operate.

Everyone who works for us, including directors, employees, contractors and suppliers, is expected to comply with the Code of Conduct and Integrity. In addition, they are expected to ensure that other parties under their supervision or direction are aware of, and comply with, the Code of Conduct and Integrity.

New employees are required to read and formally acknowledge the requirements of the Code of Conduct and Integrity before they commence work with us. Any material breaches of the Code of Conduct and Integrity are reported to the Board through the AFRMC.

Further information on our approach to business integrity is set out in the FY25 Sustainability Report available on our website **fortescue.com**.

7.2 WHISTLEBLOWER PROGRAM

We provide various avenues for raising concerns about unethical or illegal business conduct, including behaviour which may not accord with our Values or Code of Conduct and Integrity, and we offer protection to anyone who reports concerns in good faith. This applies to directors, employees, contractors, suppliers and other third parties in all jurisdictions in which we operate.

A number of options are available to employees who have questions or who wish to report suspected violations of the law, the Code of Conduct and Integrity or related policies and standards. In addition to reporting any concerns to their line manager, employees and contractors have the ability to raise concerns with our Company Secretary, the Governance and Compliance team or via our external Whistleblower platform.

Our Whistleblower platform is an independent and confidential system for reporting any breaches of company policy or law.

All disclosures received through this platform are investigated and reported to the executive team and the Board by the Senior Manager, Governance and Compliance (after all identifying details have been removed). Depending on the nature of the disclosure, investigative reports may include recommendations for remedial or disciplinary action.

7.3 ANTI-BRIBERY AND CORRUPTION

Fortescue has a reputation for acting with integrity and honesty wherever it does business. Fortescue is committed to a zero tolerance approach to bribery and corruption. Our reputation is built on our Values and our robust culture of compliance.

Bribery and corruption undermines legitimate business activities, distorts competition and exposes Fortescue and its employees to significant risks. We are committed to conducting business ethically and in compliance with all applicable laws and regulations. Any actual or suspected breach of the Anti-Bribery and Corruption Policy is reported to the Board.

Our Code of Conduct and Integrity provides an outline of employee obligations with regard to reporting unethical behaviour and declaring actual, potential or perceived conflicts of interest. We prohibit bribery and corruption, in any form, whether direct or indirect, whether in the private or public sector, anywhere in the world.

7.4 SECURITIES TRADING

The Board has established a Securities Trading Policy that outlines the policy for directors and employees when trading in Fortescue shares. Under the policy, certain people are identified as designated persons and are required to comply with the policy with regard to explicit non-trading periods set around financial and production reporting periods.

The Securities Trading Policy summarises insider trading and related legislation, and also sets out the restrictions on dealing in securities by people who work for, or who are associated with Fortescue.

8. MARKET DISCLOSURES

The Board understands the importance of keeping shareholders and other stakeholders fully informed of material information in relation to our activities on a timely basis

For this purpose, we have established a Continuous Disclosure and Market Communications Policy, a copy of which is available from the Corporate Governance section of our website **fortescue.com**. The policy summarises the processes that have been adopted to ensure we comply with our disclosure obligations.

This policy applies to all directors, employees, contractors, suppliers and business partners, and is regularly reviewed to ensure it remains effective in guiding disclosure in accordance with our disclosure obligations.

Our external auditor, PwC, reviews the annual Directors' Report, annual Remuneration Report, our annual GHG Scope 1, 2 and 3 emissions data, and the annual and half yearly Financial Statements. The balance of periodic corporate reports, including quarterly production reports, the annual Corporate Governance Statement, the annual Modern Slavery Statement, the annual Reserves and Resources Report and the annual Sustainability Report, are subject to internal verification processes approved by the relevant functional areas.

Copies of announcements to the ASX, investor briefings, half-yearly Financial Reports, quarterly production reports, the Annual Report and other relevant information are available on our website **fortescue.com**.

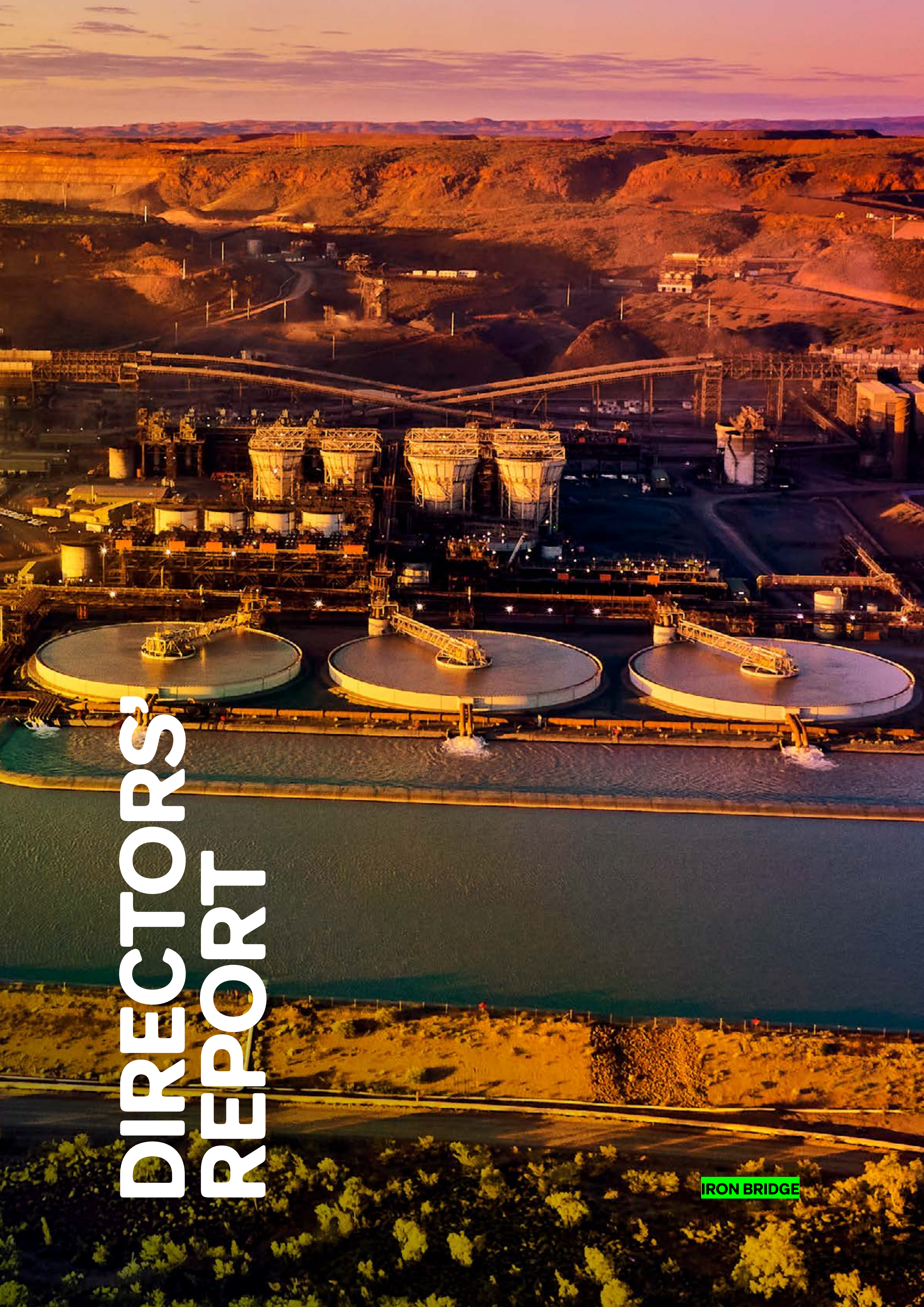
9. COMPLIANCE WITH CORPORATE GOVERNANCE STANDARDS

Fortescue supports the intent of the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Principles and Recommendations)

Our compliance with the Principles and Recommendations and a checklist cross-referencing these Principles and Recommendations to the relevant disclosures are outlined within ASX's *Appendix 4G: Key to Disclosures - Corporate Governance Council Principles and Recommendations*.

Unless otherwise disclosed, we have adopted the requirements of the Principles and Recommendations. This is available from the Corporate Governance section on our website **fortescue.com**.

DIRECTORS' REPORT



DIRECTORS' REPORT

At 30 June 2025

Directors

The Directors of Fortescue in office during the year and until the date of this report, their qualifications, experience and directorships held in listed companies at any time during the last three years, are set out on pages 9 to 15.

The Directors' meetings, including meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2025 and the number of meetings attended by each Director are shown in section 2.3 of the Corporate Governance Statement.

The relevant interests of each Director in the shares and share rights issued by Fortescue as notified by the Directors to the Australian Securities Exchange in accordance with section 205G(1) of the *Corporations Act 2001*, at the date of this report are as follows:

Director	Ordinary shares	Share rights
Dr Andrew Forrest AO	1,131,365,000	–
Mark Barnaba AM CitWA	44,377	–
Dr Larry Marshall	16,738	–
Dr Jean Baderschneider	138,000	–
Penny Bingham-Hall	65,721	–
Yasmin Broughton (appointed 1 July 2025)	–	–
Lord Sebastian Coe CH, KBE	12,000	–
Elizabeth Gaines	341,294	–
Yifei Li	–	–
Noel Pearson (appointed 1 August 2024)	–	–
Noel Quinn (appointed 12 March 2025)	–	–
Usha Rao-Monari	269	–

The remuneration of Directors and Key Management Personnel is detailed in the Remuneration Report on pages 129 to 167.

Operating and financial review

Fortescue's principal activities during the year were exploration, development, production, processing and sale of iron ore, and the transition to become a green technology, energy and metals company.

The overview of Fortescue's operations, including a discussion of strategic priorities and outlook, key aspects of operating and financial performance and key business risks are contained in the following sections of the Annual Report: Overview on pages 4 to 21, Operating and Financial Review on pages 22 to 42 and Corporate Governance Statement section 4 Risk Management.

DIRECTORS' REPORT
At 30 June 2025

DIVIDENDS

	2025
Profit	**US$m**
Net profit after tax	3,366
Declared and paid during the year:	**A$ cents**
Final ordinary dividend for the year ended 30 June 2024 – paid in September 2024	89
Interim ordinary dividend for the year ended 30 June 2025 – paid in March 2025	50
Total – declared and paid during the year	139
Declared since the end of the financial year:	
Final ordinary dividend for the year ended 30 June 2025 – to be paid in September 2025	60

Environmental regulation and compliance

Fortescue is committed to minimising the environmental impacts of its operations, with an appropriate focus placed on continuous monitoring of environmental matters and compliance with environmental regulations.

The details of Fortescue's environmental performance including compliance with the relevant environmental legislation are presented in Fortescue's FY25 Sustainability Report[1].

Greenhouse gas emissions

Fortescue complies with the Australian Government's *National Greenhouse and Energy Reporting Act 2007* (Cth) and recognises its responsibility to actively improve energy use and minimise greenhouse gas emissions to reduce its contribution to climate change and impact on the environment.

The details of greenhouse gas emissions strategy, compliance and reporting are presented in Fortescue's FY25 Climate Change Report on pages 57 to 90 of this Annual Report.

Shares under option

As at the date of this report, there were no unissued ordinary shares under options, nor were there any ordinary shares issued during the year ended 30 June 2025 as a result of the exercise of options.

Company Secretary

Navdeep (Mona) Gill is the Company Secretary of Fortescue. Details of Mona Gill's qualifications and experience are set out on page 15 of this report.

[1]FY25 Sustainability Report is available on Fortescue's website at **www.fortescue.com**

Directors' and Officers' indemnities and insurance

Fortescue has paid premiums to insure the Directors and Officers of Fortescue.

The liabilities insured are legal costs that may be incurred in defending civil proceedings that may be brought against the Officers in their capacity as Officers of Fortescue, and any other payments arising from liabilities incurred by the Officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the Officers or the improper use by the Officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to Fortescue.

It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities. Conditions of the policy also preclude disclosure to third parties of the amount paid for the policy.

Non-audit services

Fortescue may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor has relevant expertise and experience and where the auditor's independence is not compromised.

Details of the amounts paid or payable to the auditor PricewaterhouseCoopers Australia and related entities for audit and non-audit services provided during the year are set out in note 19 to the financial statements.

The Board of Directors has considered the position and, in accordance with advice received from the Audit, Finance and Risk Management Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Audit, Finance and Risk Management Committee to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

The auditor's independence declaration, as required under section 307C of the *Corporations Act 2001*, is set out on page 236 and forms part of this report.

Future developments

The Operating and Financial Review section set out on pages 22 to 42 of this Annual Report provides an indication of the Group's likely developments and expected results. In the opinion of the Directors, disclosure of any further information about these matters and the impact on Fortescue's operations could result in unreasonable prejudice to the Group and has not been included in this report.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of Fortescue, other than those disclosed in this report.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of Fortescue, or to intervene in any proceedings to which Fortescue is a party, for the purposes of taking responsibility on behalf of Fortescue for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001.*

DIRECTORS' REPORT

At 30 June 2025

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Financial report. Amounts in the Financial report have been rounded off in accordance with that instrument to the nearest million dollars, unless otherwise stated.

Events occurring after the reporting period

Dividend

On 26 August 2025, the Directors declared a final dividend of 60 Australian cents per ordinary share payable in September 2025.

RMB Syndicated Term Loan Facility

On 8 August 2025, Fortescue announced the successful syndication of a Renminbi-denominated (RMB) Syndicated Term Loan Facility ("the Facility") of RMB 14.2 billion with participation from leading Chinese, Australian and international lenders. Proceeds will be used for general corporate purposes and support Fortescue's decarbonisation agenda, including partnerships with Chinese suppliers and technology leaders. Fortescue is a core supplier of iron ore to China and generates RMB revenues through its iron ore sales. The unsecured Facility has an availability period of 12 months, fixed interest rate of 3.8% per annum and tenor of five years. Principal repayments will be 0.5% every 6 months, in arrears (commencing 18 months after financial close). The Facility is guaranteed by Fortescue Ltd and certain material subsidiaries. The Facility remains undrawn as at the date of this report.

This report has been made in accordance with a resolution of the Directors.

Dr Andrew Forrest AO

Executive Chairman

Dated in Perth this 26th day of August 2025.

REMUNERATION REPORT

FROM THE PEOPLE, REMUNERATION AND NOMINATION COMMITTEE CHAIR

Dear Shareholders,

On behalf of the Directors of Fortescue, I am pleased to present our Remuneration Report (the Report) for the year ended 30 June 2025 (FY25).

FY25 PERFORMANCE

FY25 was a year of strong operational performance, delivered against a backdrop of ongoing volatility in iron ore markets which in turn impacted shareholder returns. Despite the challenging pricing environment, we exceeded key targets across safety, production and cost, demonstrating the resilience of our core business and the strength of our team.

Safety continues to be the foundation of everything we do. In FY25, we recorded a Total Recordable Injury Frequency Rate (TRIFR) of 1.3, exceeding the stretch target set by the business and reflecting the safety-first culture embedded across our operations.

Our core iron ore business achieved record shipments of 198.4Mt, the highest annual volume in Fortescue's history – driven in part by an increasing magnetite contribution from Iron Bridge. This outstanding performance, delivered despite weather-related disruptions, reinforces our track record of operational excellence. We cemented our industry leading cost position with a Hematite C1 cost of US$17.99/wmt and met all aspects of our market guidance.

We also maintained a disciplined financial position, delivering net profit after tax of US$3.4 billion and preserving balance sheet strength. This provides flexibility to invest in future growth while continuing to deliver value for shareholders.

Our team is actively pursuing global growth opportunities with a clear commercial focus across metals, critical minerals, energy and technology.

FY25 also marked significant progress in our decarbonisation journey. Electric excavators and a drill are now operational and our prototype electric haul truck is undergoing site-based testing. This equipment is supported by a fully commissioned 100MW solar farm near Iron Bridge and 460km of high voltage transmission lines and associated substations.

Construction also began on a 190MW solar farm and DC-coupled battery energy storage system at Cloudbreak. These investments are enabling real reductions in emissions and demonstrating that decarbonisation of industry is both achievable and economic. Our Green Metal Project at Christmas Creek is also progressing, with first production expected in FY26.

Over the past year, we sharpened our focus on commercial outcomes for the global project pipeline. That has meant making some tough decisions, including not proceeding with the Arizona Hydrogen and PEM50 projects. This reflects today's market conditions, not a loss of confidence in the technology or the opportunity. We continue to advocate for stronger policy settings to unlock the conditions needed for success.

Fortescue remains committed to building a diverse, inclusive and values-led workforce. We achieved steady progress in increasing female and First Nations participation, with diversity targets partially met across the business. While voluntary employee turnover remains low at approximately eight per cent, employee engagement targets were not met in FY25. Strengthening inclusion and engagement remain a key priority for the Board.

KEY MANAGEMENT PERSONNEL (KMP) CHANGES

In May 2025 we announced further refinements of our leadership structure in support of the continued evolution of our One Fortescue operating model. Dino Otranto assumed an expanded role of Chief Executive Officer (CEO) Metals and Operations, with operational responsibility for global electrification and decarbonisation, and production of hydrogen products, in addition to his existing responsibilities.

We also announced the retirement of Mark Hutchinson, Chief Executive Officer Energy, and Shelley Robertson, Chief Operating Officer, effective 1 July 2025. Mr Hutchinson will continue to provide support to the Board over his 12 month notice period in a special advisory capacity.

Agustin (Gus) Pichot has been appointed Chief Executive Officer Growth and Energy, effective 1 July 2025. He will be responsible for the Company's green energy development and growth projects. Since joining Fortescue in 2018, Gus has served as President Latin America, developing Fortescue's mining, energy and infrastructure business. Most recently Gus has been responsible for reviewing and streamlining Fortescue's global project portfolio. Both Gus and Dino will report to the Board through its Executive Chairman.

We were pleased to welcome two additional non-executive directors to the Board in FY25. As disclosed in last year's report, Noel Pearson was appointed in August 2024, and we subsequently announced the appointment of Noel Quinn in March 2025. Mr Quinn brings extensive experience across banking and financial services, where he has been involved in a number of industry wide initiatives to facilitate public and private sector financing solutions for large infrastructure projects, particularly sustainable infrastructure.

In July 2025 we announced the appointment of Yasmin Broughton as a non-executive director. Ms Broughton has over 25 years' experience in Executive and Non-Executive roles across the mining and energy sectors. These appointments help ensure that the Fortescue Board remains highly diverse in terms of skills and experience, gender, age, ethnicity, and tenure.

FY25 REMUNERATION FRAMEWORK AND OUTCOMES

Fortescue's remuneration framework is designed to be competitive in attracting and retaining the best talent, while also delivering outcomes valued by shareholders by setting challenging stretch targets and rewarding for performance.

When assessing outcomes, the Board maintains a holistic view of performance. Consideration is given to what the Board determines to be a fair outcome in the circumstances, taking account of what was delivered by executives, how it was delivered in alignment with Fortescue's Values, and the experience and expectations of shareholders.

FY25 Framework changes

As flagged in last year's remuneration report, a number of changes were implemented in FY25 to ensure Fortescue's executive remuneration framework remains competitive and aligned with shareholder interests. Further details of these changes are outlined in the report and include:

- Consolidation of Metals and Energy scorecards to single One Fortescue scorecards for the Executive and Senior Staff Incentive Plan (ESSIP) and Long Term Incentive Plan (LTIP).
- Introduction of a mandatory two-year deferral of 50 per cent of the ESSIP award for Key Management Personnel (KMP).
- Restructuring of LTIP measures and targets:
  - Removal of outperformance opportunity on LTIP measures, with the outcome for each measure now capped at 100 per cent.
  - Removal of the Return on Equity (ROE) measure and increased weighting of the relative Total Shareholder Return (rTSR) measure (from 33 per cent to 70 per cent).
  - Implemented a more challenging vesting schedule for rTSR with threshold and target set at the 60th percentile and 90th percentile respectively, higher than standard market practice.
  - Introduced an absolute TSR gateway, such that where absolute TSR is negative, the outcome for the rTSR performance measure will be capped at a maximum of 50 per cent.
  - Decreased the weighting of Strategic Measures from 34 per cent to 30 per cent.

FY25 Fixed remuneration changes

Fortescue positions fixed remuneration for executives with reference to the median of ASX50 and ASX resources peer groups.

Effective 1 January 2025, Dino Otranto's total fixed remuneration (TFR) was increased to A$2,080,000 to align with Mark Hutchinson's remuneration and that of previous CEO's, supported by market benchmarking, the Board's assessment of the size and scope of Dino Otranto's role, and his performance.

On her appointment as Group Chief Financial Officer, Apple Paget's total fixed remuneration was set at A$950,000.

Further detail regarding these changes is outlined in section 4.

FY25 Executive and Senior Staff Incentive Plan (ESSIP) outcomes

The Board set stretch targets for the FY25 ESSIP to drive outperformance in business operations including safety, production, and financial performance, aimed at maximising shareholder value. For FY25 one consolidated ESSIP scorecard was used across the business. The scorecard is designed around our strategic Mission Pillars of Metals, Energy, and Decarbonisation, our Enablers, being Safety, Engagement and Diversity, and individual KPIs specific to individual KMP roles and responsibilities.

Overall, the FY25 ESSIP outcomes for the CEOs and other KMP ranged from 73.7 per cent to 93.7 per cent of target, reflective of our strong performance across safety, production, cost, and decarbonisation. Section 4 of the Report provides further detail regarding the targets and their achievement.

FY23 Long Term Incentive Plan (LTIP) outcomes

Vesting of the FY23 LTIP is assessed over a three-year performance period from 1 July 2022 to 30 June 2025. For the FY23 LTIP there were separate scorecards for our Metals and Energy businesses.

The Metals scorecard consisted of Return on Equity (ROE), relative Total Shareholder Return (rTSR), and Strategic Measures aligned with the Company's long-term objectives. Performance conditions were tested and vested at 65 per cent. The result is reflective of partial achievement of rTSR and ROE performance measures, driven by challenging iron ore prices, and good progress against strategic measures that are critical to our future success.

The Energy scorecard consisted of rTSR and Strategic Measures aligned with the Company's long-term objectives. The performance conditions were tested and vested at 17.5 per cent. The result reflects partial achievement of the rTSR measure. The Board assessed achievement of the Energy Strategic Measures as below threshold, resulting in a nil vesting outcome for this element of the LTIP.

FY26 REMUNERATION CHANGES

Looking forward to FY26, there is no planned increase to Dino Otranto's remuneration under the FY26 annual salary review. A market review of Apple Paget's remuneration will be undertaken to ensure her remuneration remains competitive against market peers. Gus Pichot's remuneration package will be set at the same AUD value as Dino Otranto, noting delivery will be in USD. Greater detail will be disclosed in the FY26 Annual Report.

I invite you to read our Report and trust you will find that it outlines the links between our strategy, culture, performance and remuneration outcomes.

On behalf of the Directors, we look forward to welcoming you and receiving your feedback at our 2025 AGM.

Yours sincerely,

Penny Bingham-Hall

People, Remuneration and Nomination Committee Chair

1. INTRODUCTION AND FY25 KEY MANAGEMENT PERSONNEL

THIS REPORT OUTLINES THE REMUNERATION ARRANGEMENTS FOR FORTESCUE'S KEY MANAGEMENT PERSONNEL (KMP)

KMP are defined as 'those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity'. Within this Remuneration Report reference to Executives includes Executive Directors and Other KMP.

The information provided in this Remuneration Report has been prepared in accordance with requirements under the *Corporations Act 2001* and Australian Accounting Standards. This report forms part of the Directors' Report and unless otherwise indicated the following sections have been audited in accordance with section 308 (3c) of the *Corporations Act 2001*. Certain non-IFRS financial information, including C1 cost, Underlying EBITDA, Underlying return on equity, sustaining capital expenditure and TSR, is presented throughout this report and where included has not been subject to audit.

All Executives are paid in Australian dollars. The value of remuneration is presented in US dollars in line with the rest of the Annual Report. To assist with readability, remuneration values are also presented in Australian dollars, with the conversion rate used clearly disclosed.

THE KMP OF THE GROUP FOR FY25 WERE:

Name	Position	Time as KMP
Non-Executive Directors		
Mark Barnaba AM	Deputy Chair	Full year
Dr Larry Marshall	Lead Independent Director	Full year
Dr Jean Baderschneider	Non-Executive Director	Full year
Penny Bingham-Hall	Non-Executive Director	Full year
Lord Sebastian Coe CH, KBE	Non-Executive Director	Full year
Yifei Li	Non-Executive Director	Full year
Noel Pearson	Non-Executive Director	Part year from 1 August 2024
Noel Quinn	Non-Executive Director	Part year from 12 March 2025
Usha Rao-Monari	Non-Executive Director	Full year
Executive Directors		
Dr Andrew Forrest AO	Executive Chairman	Full year
Elizabeth Gaines	Executive Director and Global Ambassador	Full year
Other Key Management Personnel (Executives)		
Dino Otranto	Chief Executive Officer, Metals	Full year
Mark Hutchinson	Chief Executive Officer, Energy	Full year
Apple Paget	Group Chief Financial Officer	Full year
Shelley Robertson	Chief Operating Officer	Full year

In May 2025 it was announced that Mark Hutchinson and Shelley Robertson would retire from their roles effective 1 July 2025, ceasing to be KMP from that date.

Gus Pichot was appointed to the role of Chief Executive Officer, Growth and Energy with effect from 1 July 2025.

In July 2025 it was announced that Yasmin Broughton had been appointed to the Board as a non-executive director with effect from 1 July 2025.

There have been no other changes to KMP after the reporting date.

2. REMUNERATION SNAPSHOT

REMUNERATION STRATEGY PRINCIPLES

OUR VALUES DRIVE OUR REWARD STRATEGY, WHICH SEEKS TO:

Build a high performance oriented culture that supports the achievement of our strategic vision

Performance and outperformance focus
Provide fair reward in line with individual and company achievements.

Shareholder and executive alignment
Reward sustained performance and deliver awards aligned with shareholder returns.

Strategic alignment
Support delivery of long-term business strategy and growth aspirations.

Attract, retain, and motivate employees by providing market competitive fixed remuneration and incentives

Drive the right culture and encourage high levels of share ownership
Ensure the alignment of employee and shareholder interests.

Market competitive remuneration
Attract and retain key talent with remuneration competitive against relevant comparable companies.

Fit for purpose
Include flexibility to reflect clear linkage to business strategy and the cyclical nature of the industry without constraint by market practice.

OUR VALUES

- FAMILY
- EMPOWERMENT
- FRUGALITY
- STRETCH TARGETS
- INTEGRITY
- ENTHUSIASM
- SAFETY
- COURAGE AND DETERMINATION
- GENERATING IDEAS
- HUMILITY

FY25 REMUNERATION FRAMEWORK

OUR REMUNERATION FRAMEWORK IS DESIGNED TO SUPPORT FORTESCUE'S VALUES AND TO BRING TO LIFE OUR REMUNERATION STRATEGY

	Fixed component	Variable / At risk	
	Total Fixed Remuneration (TFR)	**Short-Term Incentive (ESSIP)**	**Long-Term Incentive (LTIP)**
Purpose	Market competitive remuneration to attract and retain executives. Comprises base salary, superannuation and salary sacrifice benefits.	Annual variable incentive opportunity that provides awards against stretch short-term operational objectives.	Long-term incentive opportunity focused on shareholder value creation through growth strategy and long-term priorities over a three year performance period.
Link to Values and remuneration strategy	Supports the execution of business strategy based on role, qualifications, experience, accountability and responsibility.	Share rights are granted at the start of the performance period with value realised at time of vesting. Performance is assessed against a balanced scorecard with targets set at stretch levels to promote outperformance. Delivered as a maximum 50% cash with the remainder granted as share rights, with executives able to elect up to 100% of the award in share rights. 50% of the award is subject to a two year deferral, with 25% released on the first anniversary of the vesting date and the remaining 25% released on the second anniversary of the vesting date.	Share rights are granted at the start of the performance period with value realised at time of vesting. Vesting is subject to achievement of stretch performance targets under multiple measures. Share rights are exposed to movement in share price over the three years ensuring strong correlation with shareholder returns. A Maximum Value Limit of 50% of share price growth from the grant price applies at vesting.
FY25 Approach:	Benchmarked annually against comparator group at median or above for outstanding performance. Comparators: ASX 25, ASX 50 and resources companies in the ASX 100.	For FY25 a single ESSIP scorecard was applied across Fortescue. **Mission pillars (60%)** – Production, cost, energy projects and decarbonisation **Enablers (20%)** – Safety, engagement and diversity **Individual KPIs (20%)**	For FY25 a single LTIP scorecard was applied across Fortescue. **Relative Total Shareholder Return (70%)** **Key strategic measures (30%)**

MINIMUM SHAREHOLDING REQUIREMENT
CEOs: 200% of TFR, CEO direct reports: 100% of TFR, NEDs: 100% of annual base fee

The framework visualised

The following diagram sets out the remuneration structure and the delivery timing for the CEOs and other KMP.

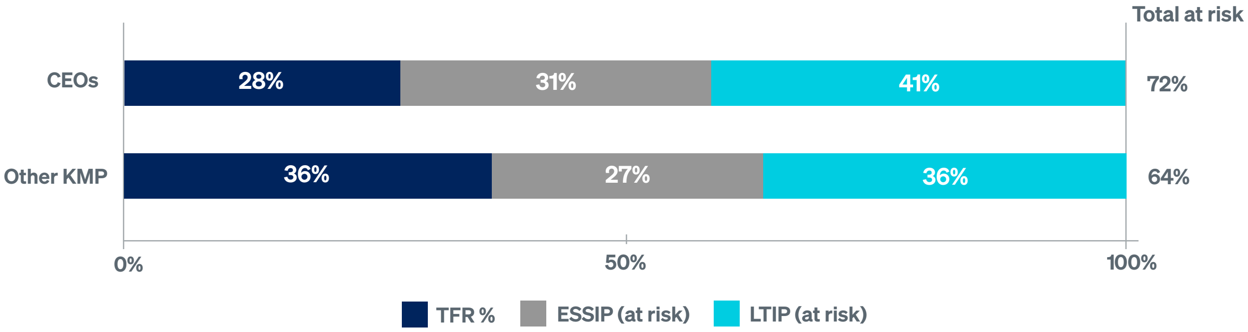
Component	Year 1	Year 2	Year 3	
TFR	Base salary, superannuation and benefits			
ESSIP[1] *Minimum 50% awarded in Performance Rights, with the balance awarded in cash*	FY25 ESSIP	25% of award deferred for one year	25% of award deferred for two years	
LTIP[1,2] *Awarded in Performance Rights*	FY25 LTIP (three year performance period)			
	ESSIP and LTIP share rights granted at the start of the performance period	ESSIP vests to the extent targets are met	Restrictions on 25% of deferred ESSIP lift	LTIP vests to the extent targets are met Restrictions on remainder of deferred ESSIP lift

[1] All awards under the ESSIP and LTIP both vested and unvested, are subject to malus/clawback (as relevant), Board discretion, and the Director and Executive Shareholding Policy, which includes the Minimum Shareholding Requirement.

[2] All awards under the LTIP are subject to the Maximum Value Limit.

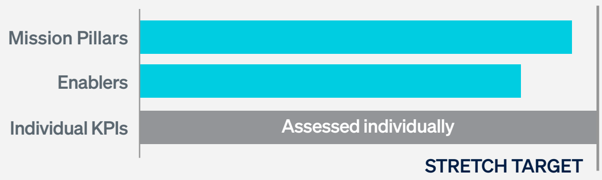
Remuneration mix

The chart below shows the remuneration mix for superior performance where stretch targets have been met for the CEOs, the Chief Operating Officer and the Group Chief Financial Officer (other KMP).



FY25 Remuneration Outcomes

FY25 ESSIP vesting outcomes



FY25 ESSIP awards reflect achievement of:

- Strong production results and financial discipline
- Consistent, market leading safety performance
- Good progress against decarbonisation objectives
- Partial achievement of Energy KPIs
- Partial achievement of diversity and engagement objectives

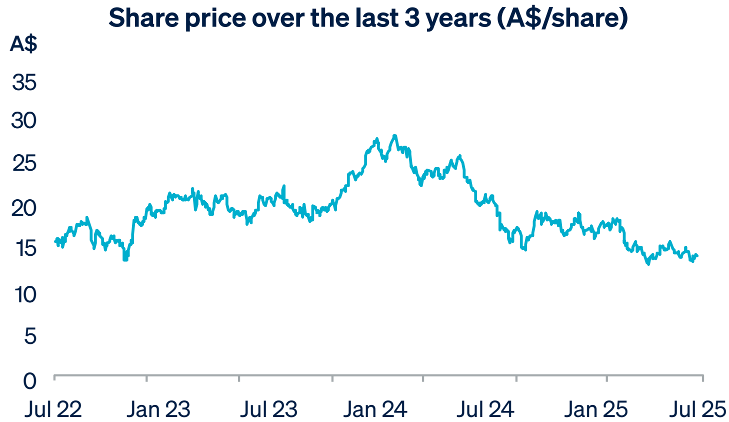
FY23 LTIP vesting outcomes – Metals

Measure	Weighting %	Result	Vesting %
rTSR	33	65th percentile	14.4
ROE	33	27.7%	21.6
Strategic measures	34	9 out of 10	28.9
Total			**65.0**

FY23 LTIP vesting outcomes – Energy

Measure	Weighting %	Result	Vesting %
rTSR	40	65th percentile	17.5
Strategic measures	60	4.3 out of 10	0.0
Total			**17.5**

Share price over the last 3 years (A$/share)



The Maximum Value Limit on the LTIP award means that executives may only benefit from 50 per cent growth in the share price from the initial grant value.

The Maximum Value Limit is not applicable for the FY23 LTIP as the value at vesting does not exceed 150 per cent of the value at grant.

3. BUSINESS PERFORMANCE

Underpinned by our unique culture and Values, and a focus on operational excellence and cost discipline, Fortescue delivered another year of strong performance in FY25, exceeding stretch targets across safety, production, and financial metrics.

Safety remains a core value at Fortescue, underpinning everything we do. In FY25, we achieved a Total Recordable Injury Frequency Rate (TRIFR) of 1.3, an industry-leading result that surpassed our target of 1.8. While we are proud of this milestone, our efforts remain firmly directed towards continuous improvement. We are committed to strengthening our proactive safety measures and advancing the use of leading indicators to drive world-class safety outcomes.

As part of this commitment, Fortescue introduced a new proprietary lead indicator, the Leading Safety Index (LSI), to provide a balanced measure of safety performance, accounting for both promoters and detractors. We exceeded our internal target of 100, achieving an impressive score of 140.5. We also tracked our Critical Incident Frequency Rate (CIFR), with an FY25 target of 0.08. Fortescue outperformed this goal, recording a record low CIFR of 0.02. These results reflect our unwavering pursuit of safety excellence and reinforce our ambition to be a global leader in safety performance.

Iron ore shipments totalled 198.4Mt in FY25 – the highest annual volume in Fortescue's history. This result, delivered despite significant weather-related disruptions, reflects the resilience, capability and dedication of our team. Production exceeded our stretch target for hematite shipments and ensured we met our overall production guidance. Strong demand for Fortescue's products continues, with a hematite revenue realisation of 84 per cent of the Platts 62% CFR Index.

The staged ramp-up of the Iron Bridge magnetite ore processing facility progressed well throughout the year, with an optimisation assessment undertaken on the dry plant and the raw water pipeline. Iron Bridge met its FY25 market guidance for both shipments and operating costs but fell short of our stretch target for production.

We maintained our industry leading cost position, with a Hematite C1 cost of US$17.99/wmt in FY25, marking the first annual reduction since FY20. This strong cost performance contributed to the achievement of our stretch target for both hematite costs and magnetite expenditure.

Our financial performance reflected the strength of our operations, customer demand and disciplined approach to capital and cost management. This resulted in an attributable net profit after tax (NPAT) of US$3.4 billion and earnings per share of 110 US cents.

The Company's balance sheet remains strong, with cash on hand of US$4.3 billion and net debt of US$1.1 billion at 30 June 2025.

Reinforcing our commitment to delivering shareholder returns, the Board has declared a fully franked final dividend of A$0.60 per share, bringing total dividends declared for FY25 to A$1.10 per share. This represents a payout ratio of 65 per cent of net profit after tax, in line with Fortescue's dividend policy of returning between 50 and 80 per cent of net profit after tax to shareholders.

We continued our progress on decarbonisation throughout FY25. This included commissioning a 100MW solar farm at North Star Junction, which is now supplying around 25% of Iron Bridge's current power requirements with renewable energy. As part of the Pilbara Energy Connect (PEC) program, we delivered an additional 140km of high voltage transmission infrastructure, bringing the total network to 460km. Site electrification also advanced, supported by the deployment of seven electric excavators and one electric drill, with more zero-emissions mobile equipment due in FY26. Additionally, Fortescue's prototype electric haul truck "Europa" arrived at Christmas Creek for site-based testing and construction is also underway on a 190MW solar farm at Cloudbreak.

Construction of the Green Metal Project at Christmas Creek is progressing well, with first production targeted for FY26. This project will play a central role in our strategy to decarbonise iron making and position Fortescue at the forefront of green iron production.

We continue to optimise our energy portfolio, ensuring strategic alignment and capital discipline. This included the decision that the Arizona Hydrogen and PEM50 projects will not proceed in the form originally approved, reflecting our commitment to pursuing high-quality, commercially viable opportunities.

Through Fortescue Zero, we are developing the solutions required to decarbonise industry. In FY25, we successfully secured new and repeat commercial contracts for breakthrough technology in battery packs, battery management systems, and battery intelligence software, marking important early steps in our pathway to a commercially integrated technology solution. The Elysia Ecosystem is the first true cloud-supported battery management platform in the automotive industry, seamlessly connecting on-board intelligence with off-board analytics. In FY25 a multi-year contract was signed with Jaguar Land Rover to use Elysia in its next generation vehicles.

Fortescue remains focused on delivering long-term, sustainable growth with discipline and purpose – to the benefit of all stakeholders.

SAFETY
1.3
TOTAL RECORDABLE INJURY FREQUENCY RATE

SHIPMENTS
198.4Mt
METALS TOTAL INCLUDING MAGNETITE

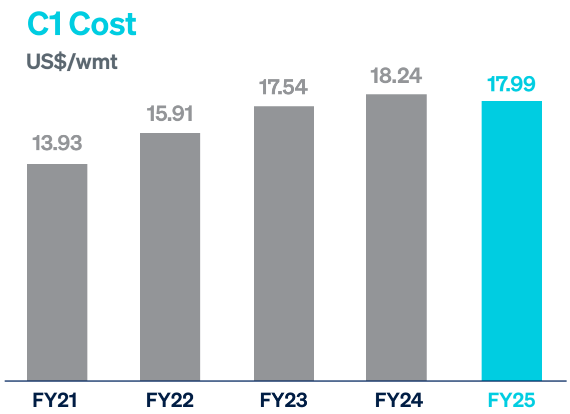
C1 COST
US$17.99/wmt
HEMATITE

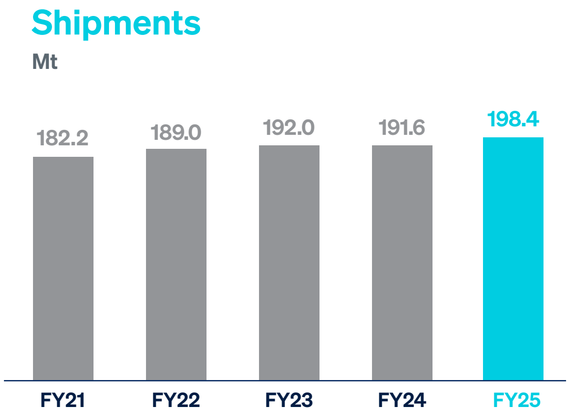
CASH ON HAND
US$4.3bn

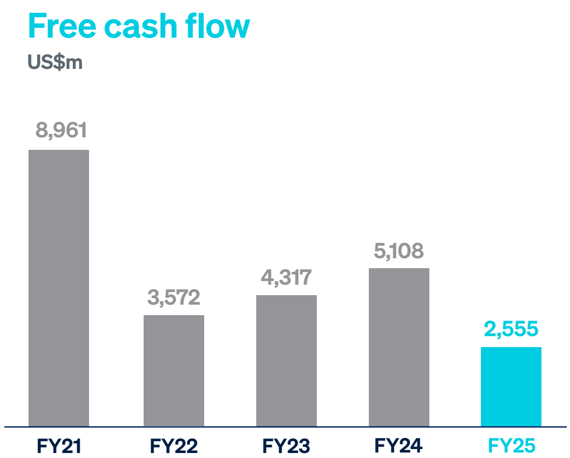
REVENUE
US$15.5bn

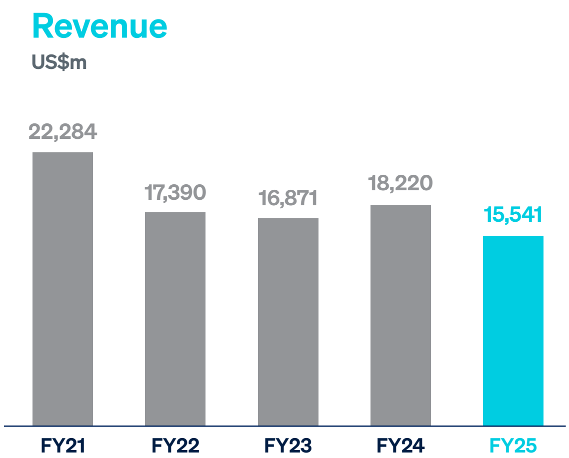
DIVERSITY
24.8%
FEMALE

The following graphs show our Group performance against key financial measures in FY25:

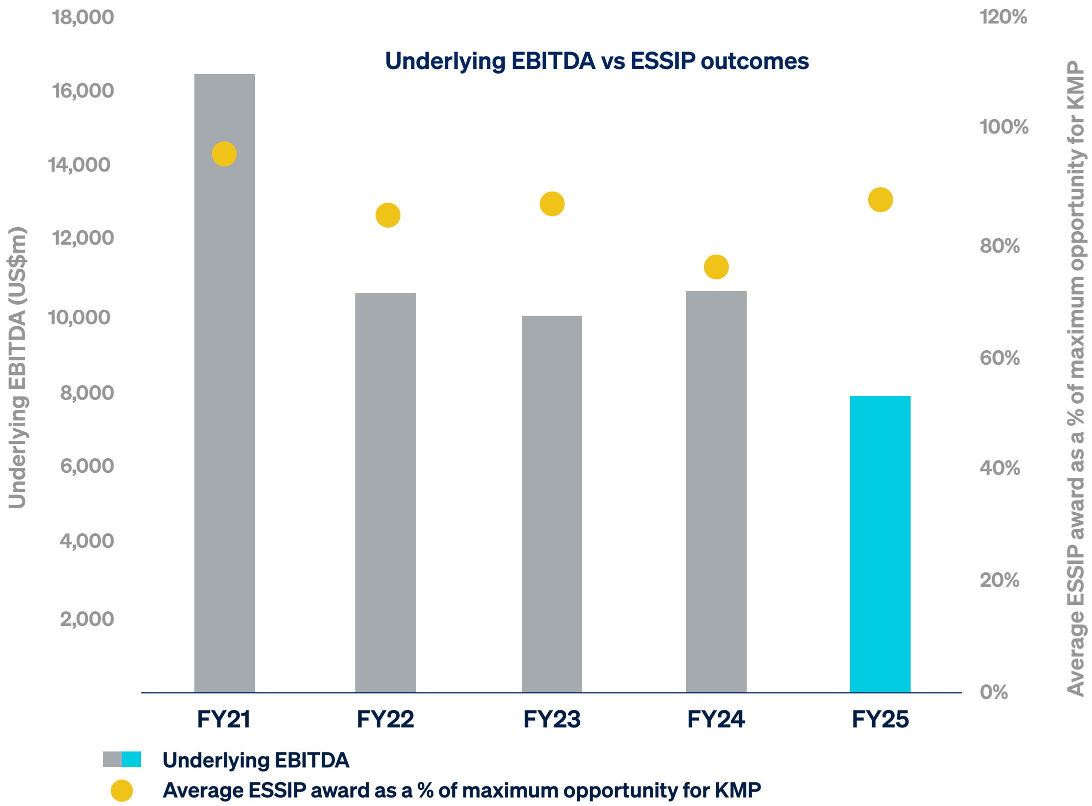


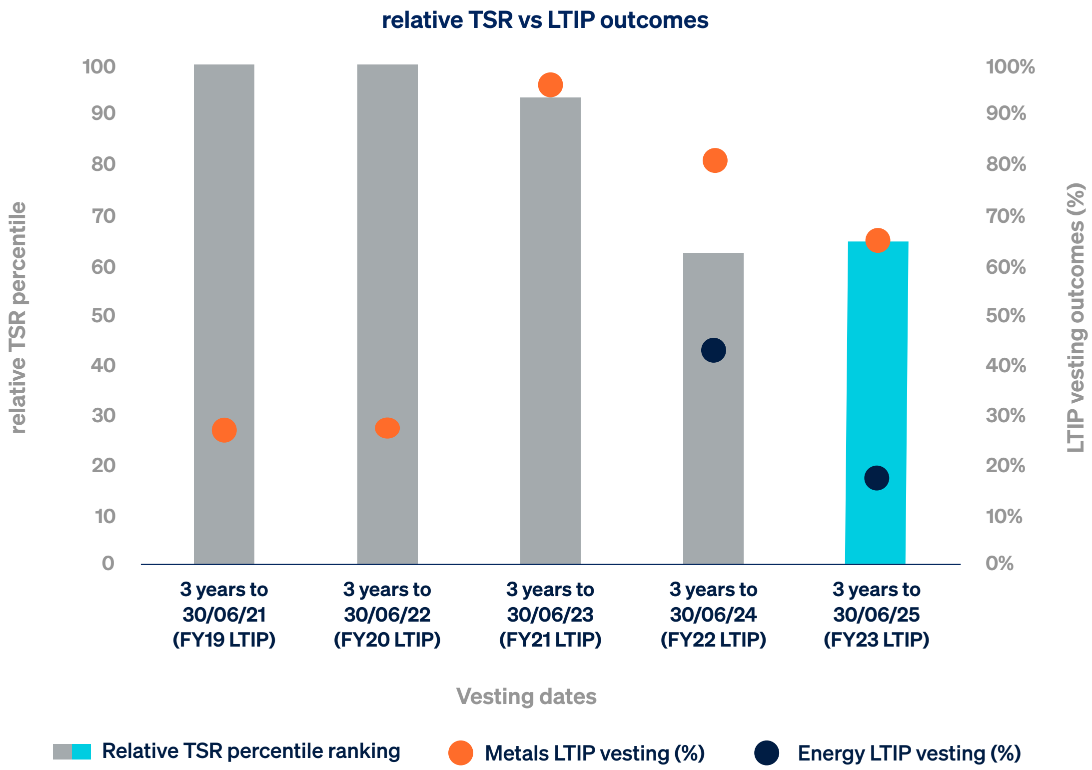






The graphs below show Fortescue's EBITDA vs ESSIP outcomes and relative TSR vs LTIP outcomes over the last five years.





The values for FY19, FY20, and FY21 LTIP vesting outcomes in the chart above reflect the application of the LTIP Maximum Value Limit which reduced overall vesting due to the increase in the share price over the respective performance periods. The actual performance outcome for the FY19, FY20 and FY21 LTIP was 100%.

a. Five year Group performance

Fortescue continues to deliver operational and financial improvements across the business. Our performance across key financial measures for FY25 and the five years FY21 to FY25 inclusive are set out below.

UNDERLYING EBITDA	NET PROFIT AFTER TAX	UNDERLYING RETURN ON EQUITY	FY25 DIVIDENDS
US$7.9bn	US$3.4bn	19.0%[2]	A$1.10 per share

	2025	2024	2023	2022	2021
Total tonnes shipped (wmt)	**198.4**	191.6	192.0	189.0	182.2
Revenue (US$m)	**15,541**	18,220	16,871	17,390	22,284
Underlying EBITDA	**7,941**	10,708	9,963	10,561	16,375
Net profit after tax (US$m)	**3,366**	5,664	4,796	6,197	10,295
Underlying net profit after tax (US$M)[1]	**3,366**	5,664	5,522	6,197	10,349
Underlying return on equity (%)	**19[2]**	31[2]	33[2]	38[2]	67
Gearing (book value of debt/debt + equity) (%)	**21**	22	23	26	19
Dividends declared (A$ per share)	**1.10**	1.97	1.75	2.07	3.58
Share price at 30 June (A$)	**15.28**	21.41	22.18	17.53	23.34
Change in share price (A$)	**(6.13)**	(0.77)	4.65	(5.81)	9.49
Change in share price (%)	**(28.6)**	(3.5)	27	(25)	69

[1] Underlying net profit after tax refers to results adjusted for the removal of significant non-cash and non-recurring items.

[2] Underlying return on equity excludes Fortescue Energy costs.

4. REMUNERATION OUTCOMES

As reported in Section 3, Fortescue has again delivered strong, consistent results against the majority of our key targets for FY25, underpinned by our Values based culture and the commitment of the entire Fortescue team.

A. FY25 FIXED REMUNERATION CHANGES

A market review of KMP fixed remuneration was undertaken and as a result of that review, and in order to remain competitive against peers in a tight market for talent, the Board approved the below changes to KMP fixed remuneration.

KMP	% Increase	TFR A$
Executives		
Mark Hutchinson	n/a	2,080,000
Dino Otranto[1]	19	2,080,000
Apple Paget[2]	13	950,000
Shelley Robertson[2]	31	950,000
Elizabeth Gaines	n/a	500,000

[1] Dino Otranto's remuneration increased effective 1 January 2025, both to align with Mark Hutchinson and based on the Board's assessment of the size and scope of his role, together with his performance.

[2] Apple Paget's and Shelley Robertson's remuneration was set in July 2024 on appointment to their new roles as Group Chief Financial Officer and Chief Operating Officer, respectively. Their remuneration was set with reference to external benchmarks and to reflect the scope of their role.

B. FY25 EXECUTIVE AND SENIOR STAFF INCENTIVE PLAN (ESSIP) PERFORMANCE OUTCOMES

Fortescue's short-term incentive arrangements are designed to focus executives on both 'what' must be achieved (financial targets), as well as 'how' it should be achieved (non-financial targets and individual KPIs). Our ESSIP KPIs have direct and quantifiable impacts on the Company.

Further details of the Fortescue ESSIP approach, scorecards and performance outcomes are included on the following pages.

FY25 SCORECARD

The ESSIP performance objectives and outcomes in FY25 are shown in the tables below.

Company wide measures

The table below summarises the measures which apply to the KMP and other executives FY25. The outcome was 73.7% out of a maximum of 80% with a maximum of 20% allocated to individual KPIs.

Measure	Detail	Stretch target	Assessed outcome	Commentary	Results
Mission Pillars - 60%					
Metals	Total hematite iron ore shipped	190.6Mt	Exceeded	Hematite shipments of 191.3Mt exceeded target	28.4 out of 30 (Partially achieved)
	Total magnetite iron ore shipped	7.4Mt	Partially achieved	Magnetite shipments of 7.1Mt were slightly below target	
	Hematite C1 cost	A$27.78/wmt	Exceeded	Hematite C1 cost was A$27.59/wmt, exceeding the target	
	Iron Bridge operating cost	A$1,295m	Achieved	Iron Bridge operating cost was A$1,294m, just below the target set	
	Sustaining CAPEX	A$2,999m	Achieved	A$2,986m sustaining capital expenditure for the full year was lower than the stretch target	
	Ship higher value product volumes	117.9Mt	Achieved	118.0Mt higher value product shipped during the year	
	Green Metal Project	Progress pre-feasibility studies	Achieved	Studies commenced and on-track for completion, key stakeholders selected	
Energy, Technology and Zero	Energy projects	One project to FID, with favourable IRR and pathway to funding in place	Not achieved	Projects did not meet internal stretch targets for returns to progress to FID	12.5 out of 15 (Partially achieved)
	Reduction against OPEX and CAPEX budget	20% combined reduction	Exceeded	Combined reduction of 29% achieved through business wide cost efficiency gains and project consolidation	
	Breakthrough technology	One technology with accelerated pathway to commercial readiness with at least one customer in contract	Achieved	Elysia ecosystem under contract with Jaguar Land Rover	

Company wide measures continued

Measure	Detail	Stretch target	Assessed outcome	Commentary	Results
Mission Pillars - 60%					
Decarbonisation	Reduction in emissions intensity	5% reduction in emissions intensity across Pilbara Haematite operations	Exceeded	5.47% reduction in emissions intensity achieved, exceeding target	16.0 out of 15 (Exceeded)
	Integrated decarbonisation schedule	Delivery of schedule and budget	Partially achieved	Several key milestones successfully met (including operational deployment of cable electric drill and commencement of battery electric locomotive trials), however some delays with delivery of power system	
Enablers - 20%					
Safety[1]	TRIFR	≤1.8	Exceeded	Industry leading TRIFR of 1.26 achieved	6.7 out of 6.7 (Achieved)
	Critical Incident Frequency Rate (CIFR)	≤0.08	Exceeded	CIFR of 0.02 achieved	
	Leading Safety Indicator (LSI)[2]	>100	Exceeded	LSI of 140.5 achieved	
Engagement	Survey participation rate	≥90%	Exceeded	96% participation rate achieved	4.3 out of 6.7 (Partially achieved)
	Employee engagement index	≥82%	Not achieved	Employee engagement outcome of 71%	
Diversity	Female employment rate	≥26%	Partially achieved	Female employment rate of 24.8% achieved	5.8 out of 6.7 (Partially achieved)
	GM & above female employment rate	≥40%	Achieved	GM & above female employment rate 40.0% achieved	
	Indigenous employment rate (Pilbara Operations)	>15.8%	Exceeded	Indigenous employment rate 16.2% achieved	
				Total outcome	**73.7 out of 80**

[1] In the event of a fatality, no award is made for the safety KPI.

[2] The Leading Safety Indicator is a proprietary tool developed by Fortescue's safety and data science teams that measures the presence and balance of safety by tracking both positive safety factors (including risk reduction, exposure reduction, change request management, hazard management, and workplace inspections) and negative safety factors (including overdue actions, proportion of unplanned work, and fatigue events) in a statistically significant manner. Where positive and negative factors are equal, a score of 100 is achieved, a score of greater than 100 indicates that positive factors outweigh negative factors.

The non-IFRS financial information included in the table above has not been subject to audit.

Individual KPIs

The table below illustrates the individual KPIs for KMP, outcomes are scored out of a maximum of 20%.

Chief Executive Officer Metals	
Stretch target	**Commentary**
Iron Bridge: Strategic plan for Iron Bridge developed and approved by the Board, with clear line of sight to optimised production and cost profile.	Achieved. Iron Bridge met market guidance for shipment with 7.1mt of magnetite iron ore shipped. The revised Iron Bridge ramp up plan was approved by the Board in May 25 with a focus on innovative solutions to lift and optimise performance to achieve nameplate capacity in FY28.
Gabon: Studies and exploration on schedule, and alignment with government on relevant conditions.	Achieved. Studies and exploration for the Belinga iron ore project in Gabon are on schedule with the feasibility study expected to be complete by December 2026 pursuant to the Belinga Mining Convention.
People: Material improvement in senior leadership people experience survey results.	Achieved. The Metals business delivered the strongest employee engagement outcomes across the Group, reflecting sustained improvements across a broad range of key measures.
Green Iron: On track for delivery of Christmas Creek Green Iron Plant by end CY25 within current budget.	Achieved. Construction of the Green Iron Plant at Christmas Creek is progressing well. Hydrogen facilities are built, the Iron making plant has bulk earthworks and underground services complete, and concrete and steel works are underway. The project remains on schedule, with scope expanded to showcase two hydrogen reduction technologies, targeting first metal production in Q1 CY26.
Individual KPI outcome:	**20.0%**
Company outcome:	**73.7%**
Total ESSIP outcome:	**93.7%**

Chief Executive Officer Energy	
Stretch target	**Commentary**
Fortescue Zero: Demonstrate turnaround in people and culture, revenue generation, and business plan targets.	Not achieved. Fortescue Zero performance remain below business plan targets.
People: Material improvement in senior leadership people experience survey results..	Not achieved. People engagement metric in the Energy business remained disappointing.
Morocco: Constitute the joint venture and secure projects through the JV.	Not achieved. Whilst the Joint Venture with OCP in Morocco was approved by the Board, projects have not been secured.
Sales: On track to deliver targeted sales orders from third party customers consistent with return objectives.	Not achieved. Sales pipeline not delivered.
Individual KPI outcome:	**0.0%**
Company outcome:	**73.7%**
Total ESSIP outcome:	**73.7%**

Individual KPIs continued

Group Chief Financial Officer	
Stretch target	**Commentary**
Cost Saving: Achieve stretch cost savings targets and improve financial acumen across the business.	Achieved. Cost reductions achieved significant savings which contributed to a full-year C1 of $17.99, an industry low and Fortescue's first reduction since FY20. A company-wide finance education initiative was successfully launched across the group.
People: Material improvement in senior leadership people experience survey results.	Achieved. There was a 6% improvement in senior leadership results since December 2024.
Funding: Achieve material low-cost funding outcomes.	Achieved. Initiated and successfully negotiated a Renminbi-denominated Term Loan Facility of RMB 14.2 billion (~US$2 billion) at a low-cost, fixed rate of 3.8 per cent representing the lowest cost of debt in Fortescue's history.
Individual KPI outcome:	**20.0%**
Company outcome:	**73.7%**
Total ESSIP outcome:	**93.7%**

Chief Operating Officer	
Stretch target	**Commentary**
Cost Saving: Achieve stretch cost savings targets and improve financial acumen across the business.	Achieved. Cost reductions achieved significant savings which contributed to full-year C1 of $17.99, an industry low and Fortescue's first reduction since FY20. A company-wide finance education initiative was successfully launched across the group.
People: Material improvement in senior leadership people experience survey results.	Achieved. There was a 6% improvement in senior leadership results since December 2024.
Values: Deliver Values forums globally and at the operational sites. Demonstrate an improvement in employee culture and understanding of the Fortescue Values.	Partially achieved. Values Forums were held across various locations attended by over 2,500 employees.
Individual KPI outcome:	**15.0%**
Company outcome:	**73.7%**
Total ESSIP outcome:	**88.7%**

FY25 ESSIP CASH AND SHARES OUTCOMES

The table below details the maximum ESSIP cash and share awards against the actual outcomes for FY25.

FY25								Nominal value of ESSIP vested rights[2]		Nominal total ESSIP value[2]	
US$	TFR	Maximum ESSIP opportunity (% of TFR)	Weighting in shares (%)[1]	Maximum ESSIP cash opportunity	Maximum ESSIP shares opportunity	ESSIP outcome %	Total ESSIP cash awarded	Share price at grant A$22.0159	Share price at vesting A$15.953	Share price at grant A$22.0159	Share price at vesting A$15.953
D Otranto[3]	1,240,863	112.5%	100%	-	97,786	93.7	-	1,307,090	947,134	1,307,090	947,134
M Hutchinson	1,347,778	112.5%	100%	-	106,286	73.7	-	1,117,456	809,723	1,117,456	809,723
A Paget[3]	612,611	75%	50%	230,839	16,181	93.7	216,296	216,281	156,720	432,577	373,016
S Robertson[3]	612,088	75%	100%	-	32,362	88.7	-	409,495	296,726	409,495	296,726

Remuneration values have been translated from Australian dollars to US dollars using an average exchange rate of 0.64797.

FY25								Nominal Value of ESSIP vested rights[2]		Nominal total ESSIP value[2]	
A$	TFR	Maximum ESSIP opportunity (% TFR)	Weighting in shares (%)[1]	Maximum ESSIP cash opportunity	Maximum ESSIP shares opportunity	ESSIP outcome %	Total ESSIP cash awarded	Share price at grant A$22.0159	Share price at vesting A$15.953	Share price at grant A$22.0159	Share price at vesting A$15.953
D Otranto[3]	1,915,000	112.5%	100%	-	97,786	93.7	-	2,017,207	1,461,694	2,017,207	1,461,694
M Hutchinson	2,080,000	112.5%	100%	-	106,286	73.7	-	1,724,549	1,249,630	1,724,549	1,249,630
A Paget[3]	945,432	75.0%	50%	356,250	16,181	93.7	333,806	333,783	241,863	667,589	575,669
S Robertson[3]	944,624	75.0%	100%	-	32,362	88.7	-	631,966	457,931	631,966	457,931

Elizabeth Gaines is not eligible to participate in the ESSIP and as such has not been included in the table. The Executive Chairman does not receive a salary or participate in any incentive plans and as such has not been included in the table.

[1] Participant's elected weighting in shares (minimum 50 per cent of the total award) divided by the strike price used to determine the number of share rights granted being the VWAP of Fortescue shares traded over the first five days of the plan year (A$22.0159).

[2] Nominal value of ESSIP vested rights is non-IFRS financial information and has not been subject to audit.

[3] TFR and ESSIP values for Dino Otranto, Apple Paget and Shelley Robertson are pro-rated based on changes to their TFR throughout the year.

C. FY23 LTIP PERFORMANCE OUTCOMES

Each LTIP performance measure has a minimum performance hurdle for vesting with increasing levels applicable to each individual measure. There is an ability to earn up to 150 per cent of any individual measure by achieving stretch performance, however the overall cap for the LTIP is 100 per cent of the maximum number of share rights granted. The FY23 LTIP was tested over the period from 1 July 2022 to 30 June 2025.

The terms of the FY23 LTIP include a Maximum Value Limit on the vested value of the LTIP to prevent executives receiving a windfall gain as a result of growth in Fortescue's share price over the allocation value of the award. Given the value at vesting, the cap has not been applied.

FY23 Metals LTIP

The Company has achieved the performance measures shown in the table below, resulting in 65 per cent of share rights vesting.

FY23 LTIP Performance Outcomes					
Measure	**Weighting %**	**Threshold**	**Result**	**Achieved %**	**Outcome %**
rTSR	33	60th percentile	65th percentile	43.8	14.4
ROE	33	25%	27.7%	65.5	21.6
Strategic measures	34	5 out of 10	9 out of 10	85.0	28.9
FY23 LTIP vesting outcome	**100**				**65.0**

Further detail relating to the vesting schedule for the LTIP performance measures is set out below.

Performance measure and objective	Result	Achieved %	Comment
rTSR (33%)			
In line with the Company's approach to setting stretch targets, the Board determined that a vesting schedule more aggressive than standard market (local and global) practice was required to align executive reward for this performance measure with superior shareholder returns. The vesting criteria: • threshold at the 60th percentile, resulting in 25% of rights vesting • target at the 80th percentile, resulting in 100% of rights vesting • stretch at the 100th percentile, resulting in 150% of rights vesting.	65th percentile	43.8	Fortescue achieved an rTSR of 8.8% and ranked at the 65th percentile achieving a result between threshold and target.
ROE (33%)			
The vesting criteria: • threshold was set at 25%, resulting in 25% of rights vesting • target was set at 30%, resulting in 100% of rights vesting • 150% of rights will vest for greater than 35%.	27.7%	65.5	Fortescue's ROE averaged 27.7% over the three year period, achieving a result between threshold and target.

Performance measure and objective	Result	Achieved %	Comment
Strategic measures (34%)			
Strategic measures	9 out of 10	85.0	Achieved a score of 9, between the threshold of 5 (25%) and target of 10 (100%) which equalled 85% vesting for this measure.
Decarbonisation Endorsed at least 1.5GW of combined wind and solar renewable energy generation capacity and have commenced construction of the first tranche of this generation capacity. Endorsed the zero emissions solutions plan for Fortescue's entire mining fleet (excavators, drills and trucks), including supporting charging and maintenance infrastructure, and commenced implementation by securing at least 45 per cent of requisite mining fleet. Deliver the first electric haul trucks developed by Fortescue's Green Fleet team in conjunction with WAE (now Fortescue Zero) and Liebherr to at least one Fortescue site. Fortescue remaining on track to deliver the Board approved US$6.2 billion (real basis) capital expenditure decarbonisation programme.		Achieved	Over 2GW of solar and wind generation capacity endorsed, with the North Star Junction solar farm fully commissioned in August 2024 and construction underway for the Cloudbreak solar farm. Partnerships with Liebherr, Epiroc and XCMG provide solutions for transition of the mining fleet with first deliveries of electric drill platform implemented and commissioning of prototype battery electric and hydrogen fuel cell haul truck completed in FY25.
Green Metal Commenced the construction of a green demonstration plant facility, whether wholly owned or through a partnership, for at least one emerging green metal-making technology.		Achieved	Construction of the Green Metal project to demonstrate two technologies at Christmas Creek has commenced. Bulk earthworks and underground services installation is complete. Concrete slabs and footing installation has begun with fabrication of steel also having commenced.
Belinga Iron Ore Development Identified a target resource of at least 2 billion tonnes of Iron Ore. Progressed the study for the broader development of the Belinga Project to be in a position to take a final investment decision.		Partially achieved	Drilling, analysis and further studies of the target resource will continue through FY26. Feasibility Study is targeted to be complete for Investment Decision by December 2026 pursuant to the Belinga Mining Convention. To date, 105,000m of reverse circulation drilling and 12,000m of diamond core drilling have been completed on the project. The first shipment of Belinga Iron Ore from Gabon was achieved.
Pilbara Iron Ore Continue to develop initiatives that enhance the iron ore resource base, including delivery of the exploration program, implementation of beneficiation technologies, acquisitions and accessing inventory.		Achieved	Successfully acquired Redhawk Mining Limited to enable access to the Blacksmith Iron Ore Project with Mineral Resources of 243Mt. Signed Letters of Agreement and Access Deed with a third party.

FY23 Energy LTIP

The Company has achieved the performance measures shown in the table below, resulting in 17.5 per cent of share rights vesting.

FY23 LTIP Performance Outcomes					
Measure	**Weighting %**	**Threshold**	**Result**	**Achieved %**	**Outcome %**
rTSR	40	60th percentile	65th percentile	43.8	17.5
Strategic measures	60	5 out of 10	4.3 out of 10	0.0	0.0
FY23 LTIP vesting outcome	**100**				**17.5**

Further detail relating to the vesting schedule for the LTIP performance measures is set out below.

Performance measure and objective	Result	Achieved %	Comment
rTSR (33%)			
In line with the Company's approach to setting stretch targets, the Board determined that a vesting schedule more aggressive than standard market (local and global) practice was required to align executive reward for this performance measure with superior shareholder returns. The vesting criteria: • threshold at the 60th percentile, resulting in 25% of rights vesting • target at the 80th percentile, resulting in 100% of rights vesting • stretch at the 100th percentile, resulting in 150% of rights vesting.	65th percentile	43.8	Fortescue achieved an rTSR of 8.8% and ranked at the 65th percentile achieving a result between threshold and target.
Strategic measures (34%)			
Strategic measures	4.3 out of 10	0.0	The outcome for strategic measures was assessed as below threshold.
Decarbonisation Endorsed at least 1.5GW of combined wind and solar renewable energy generation capacity and have commenced construction of the first tranche of this generation capacity. Endorsed the zero emissions solutions plan for Fortescue's entire mining fleet (excavators, drills and trucks), including supporting charging and maintenance infrastructure, and commenced implementation by securing at least 45 per cent of requisite mining fleet. Deliver the first electric haul trucks developed by Fortescue's Green Fleet team in conjunction with WAE (now Fortescue Zero) and Liebherr to at least one Fortescue site. Fortescue remaining on track to deliver the Board approved US$6.2 billion (real basis) capital expenditure decarbonisation programme.		Achieved	Over 2GW of solar and wind generation capacity endorsed, with the North Star Junction solar farm fully commissioned in August 2024 and construction underway for the Cloudbreak solar farm. Partnerships with Liebherr, Epiroc and XCMG provide solutions for transition of the mining fleet with first deliveries of electric drill platform implemented and commissioning of prototype battery electric and hydrogen fuel cell haul truck completed in FY25.

Performance measure and objective	Result	Achieved %	Comment
Strategic measures (34%) continued			
Green Industry Six products in production which can directly contribute to the decarbonisation of Fortescue and should be suitable for competitive sale in the open market.		Not achieved	Fortescue continues to make significant progress in developing products that contribute to decarbonisation, however the KPI was assessed as being below threshold.
Projects Two green energy projects to commissioning phase by June 2025 in line with Board approved scope, budget and timeframes.		Not achieved	Fortescue's Green Energy project pipeline continues to be progressed and refined in a disciplined manner that reflects global market conditions and policy settings, however this KPI was assessed as being below threshold.
Gender Diversity 40% female representation in Manager roles and above.		Not achieved	The achievement for this measure was assessed as below threshold.
Revenue Achieve revenue target cumulatively calculated over the performance period.		Not achieved	The achievement for this measure was assessed as below threshold.

D. ACTUAL REMUNERATION PAID (NON-IFRS)

The following tables show the nominal remuneration value realised by the individual and includes fixed remuneration, cash incentives and the nominal value of equity at the time the share rights vest or shares are awarded:

US$	Fixed remuneration[1]	FY25 ESSIP cash paid	Nominal value of FY25 ESSIP vested rights [2,3]	Nominal value of FY23 LTIP vested rights [4,5]	Other payment	Termination payment	Nominal total remuneration earned in FY25
D Otranto	1,240,863	-	947,134	518,646	-	-	2,706,643
M Hutchinson	1,347,778	-	809,723	325,363	-	-	2,482,864
A Paget	612,611	216,296	156,720	-	-	-	985,627
S Robertson	612,088	-	296,726	-	-	-	908,814
E Gaines[6]	323,984	-	-	-	-	-	323,984

Remuneration values have been translated from Australian dollars to US dollars using an average exchange rate of 0.64797, except for the FY23 LTIP which has been translated at 0.65913, which is the three year average exchange rate to reflect the LTIP performance period.

A$	Fixed remuneration[1]	FY25 ESSIP cash paid	Nominal value of FY25 ESSIP vested rights [2,3]	Nominal value of FY23 LTIP vested rights [4,5]	Other payment	Termination payment	Nominal total remuneration earned in FY25
D Otranto	1,915,000	-	1,461,694	786,865	-	-	4,163,559
M Hutchinson	2,080,000	-	1,249,630	493,625	-	-	3,823,255
A Paget	945,432	333,806	241,863	-	-	-	1,521,101
S Robertson	944,624	-	457,931	-	-	-	1,402,555
E Gaines[6]	500,000	-	-	-	-	-	500,000

1 Fixed remuneration includes cash salary, paid leave and superannuation. Values for Dino Otranto, Apple Paget and Shelley Robertson reflect changes to remuneration throughout the year.

2 FY25 ESSIP share rights granted at the beginning of the performance period at a VWAP of A$22.0159.

3 FY25 ESSIP vested rights awarded have a nominal value based on A$15.953 being the five day VWAP at the beginning of FY26. The decrease in share price over the respective performance period has resulted in an unrealised decrease in equity value to KMP in respect to this plan.

4 FY23 LTIP share rights granted at the beginning of the performance period at a VWAP of A$16.9669.

5 FY23 LTIP vested rights awarded have a nominal value based on A$15.953 being the five day VWAP at the beginning of FY26. The decrease in share price over the respective performance periods has resulted in an unrealised decrease in equity value to KMP in respect to these plans.

6 Elizabeth Gaines is not eligible to participate in the ESSIP or LTIP in her role as Executive Director and Global Ambassador.

5. INCENTIVE PLAN OPERATION

The purpose of the ESSIP and LTIP is to incentivise and reward key Fortescue Executives (including KMP) for achieving annual stretch Company and individual performance objectives that drive shareholder value.

A. ESSIP

Below we have set out the key terms of the ESSIP for FY25:

Element	Description
Delivery	At the start of the performance period, participants elect the portion of award they wish to receive in rights with the remaining award to be delivered as cash. The plan allows Executives to elect to receive up to 100 per cent of awards in equity (a minimum of 50 per cent must be elected to be received by way of share rights). Each share right, if vested, entitles the participant to an ordinary share in Fortescue for nil consideration.
Performance period	One year (i.e. 1 July to 30 June)
Valuing awards	The number of ESSIP share rights are calculated based on the VWAP of Fortescue shares traded over the first five trading days of the performance period. As such: • If the share price at the time of vesting is higher, Executives will receive higher value per share right. • If the share price at the time of vesting is lower, the value to Executives is decreased. The value of share rights is therefore aligned with shareholder interests from the beginning of the performance period as executives receive value consistent with share price movements.
Performance measures	The Board continues to recognise the importance of focusing on operational and strategic targets with enablers including safety, engagement and diversity also being a key driver of success. In FY25, the Board set a number of challenging targets for Fortescue. The Board determined the relative weighting and mix of performance objectives for KMP and Executives to deliver long-term sustainable shareholder value. Further details of performance measures for FY25 are disclosed in Section 4. • The operational measures were chosen as they represent the key drivers of financial performance of the Company and provide a framework for delivering long-term shareholder value, irrespective of the iron ore price. • The inclusion of enabling KPIs recognises the importance of supporting the Company's differentiated culture underpinned by its core Values, which is fundamental to success. • Individual KPIs focus on critical objectives and are set at stretch levels of performance with measures and weightings aligned to the individual's ability to influence outcomes such as the delivery of a project and progressing a growth opportunity. Fortescue sets challenging ESSIP stretch targets and uses a sliding scale for each objective with vesting available for threshold, target and stretch levels of performance. The sliding scale does not apply to safety objectives which are either met or not met. When deliberating on performance outcomes, the Board considers the level of achievement against targets and may approve a stretch award on each KPI to reflect the degree of performance by the business. Whilst each individual KPI has the opportunity to achieve stretch levels of performance, the overall outcome is capped at 100%.

Performance	% of Target achieved	% of Target awarded
Below threshold	<90% of Target	Nil
Threshold	90% of Target	10
Between threshold and target	95% of Target	50
Target	100% of Target	100
Stretch	≥120% of Target	150
Outcomes between performance levels are calculated on a linear basis.		

A. ESSIP CONTINUED

Element	Description
Board discretion	Awards under the ESSIP are at all times subject to the Board's discretion. When deliberating on performance outcomes, the Board follows a rigorous assessment process including: • The degree of stretch in the measures and targets and the context in which the targets were set • The level of achievement against the stretch targets • The operating environment over the performance period and management's ability to respond to unforeseen events (i.e. cyclones, floods, fire, pandemic) • Financial performance and shareholder value generated • Global competitiveness and level of improvement compared to global peers during the period • The level of improvement across key business drivers on the prior year • Any other relevant under or over performance or other criteria not stated above including how results have been achieved. In circumstances where performance against stretch targets is not accurately reflected in the level of achievement against stretch targets (whether under or over), the Board may exercise its discretion to increase or decrease the vesting level of the incentive and therefore the value awarded. This exercise of discretion and the reasons for it, will be clearly communicated in our Remuneration Report.
Deferral	On vesting, 50 per cent of the ESSIP award for KMP is subject to deferral for a period of two years starting on the vesting date, with 25 per cent released on the first anniversary of the vesting date and the remaining 25 per cent released on the second anniversary of the vesting date. Should a KMP's employment come to an end during the Deferral Period due to dismissal (excluding redundancy), abandonment of employment or, in certain cases as determined by the Board, resignation, any award under deferral may be subject to forfeiture.

B. LTIP

The LTIP operates under the Performance Rights Plan Rules as approved by Shareholders at the Company's Annual General Meeting on 6 November 2024. The key terms of the FY25 LTIP are set out in the table below.

The strategic measures and outcomes for the FY23 grant are outlined in section 4, and the strategic measures for the FY24 and FY25 grant are provided immediately below the FY25 LTIP key terms table.

KEY TERMS OF THE FY25 LTIP:

Element	Description
Delivery	**Share rights** Each share right entitles Executives (subject to achievement of the performance conditions) to one fully paid ordinary share in Fortescue for nil consideration.
Performance period	Three years
Performance measures – summary	The relative weighting between financial and strategic measures provides the ability to assess performance across a cyclical market. The inclusion of strategic measures is deliberate to ensure alignment between short and long-term value creation by ensuring long-term value is not compromised. **Performance measure breakdown**  Relative Total Shareholder Return (70%) Key Strategic Measures (30%) For FY25 the Company implemented a number of key changes to its LTIP, including the removal of the ability to earn up to 150 per cent on any individual measure, and the removal of ROE as a performance measure. Both LTIP performance measures have a minimum (threshold) performance hurdle for vesting and a maximum (target) performance hurdle, with straight line vesting between threshold and target. Each measure contributes to the overall result with vested rights awarded based on the aggregate of the two measures.
Performance and vesting conditions	**Relative TSR performance measure** Relative TSR is a measure of the performance of the Company's shares over a three year period against the ASX 100 Resources Index. It combines share price appreciation and dividends paid to show the total return to the shareholder expressed as a percentage. Relative TSR hurdles are valuable because the Company needs to outperform a peer group of participants to receive any reward and therefore, is aligned to relative market performance. The comparator group for the FY25 grant comprises the companies in the ASX 100 Resources Index. The ASX 100 Resources Index has been chosen as the comparator group because this is a transparent market indicator, includes Fortescue's ASX Listed commodity market peers and represents the peer group that Fortescue competes with for investment. When formulating the vesting schedule for the rTSR performance measure, the Board considered both local and international market practice. In line with the Company's approach to setting stretch targets, the Board determined that a vesting schedule more aggressive than standard market practice was required in order to align executive reward for this performance measure with superior shareholder returns. The vesting criteria for threshold and target have been set at the 60th percentile and 90th percentile (respectively), higher than standard market practice. The rTSR vesting schedule is as follows:

KEY TERMS OF THE FY25 LTIP CONTINUED:

<table>
<tr><th>Element</th><th>Description</th></tr>
<tr><td>Performance and vesting conditions (continued)</td><td>

LTIP Relative TSR target and vesting schedule

<table>
<tr><th>Performance</th><th>Relative TSR</th><th>Portion of tranche that vests</th></tr>
<tr><td>Below threshold</td><td>Below the 60th percentile</td><td>Nil</td></tr>
<tr><td>Threshold</td><td>At the 60th percentile</td><td>50% of share rights vest</td></tr>
<tr><td>Target</td><td>At the 90th percentile</td><td>100% of share rights vest</td></tr>
<tr><td colspan="3">Vesting between performance levels is calculated on a linear basis.</td></tr>
</table>

Absolute TSR hurdle

The Board acknowledge that an rTSR metric can result in unintended outcomes. The intent is to ensure no windfall gains or undue penalty. In the event that absolute TSR is negative, but the rTSR hurdle is achieved, the outcome for the rTSR performance measure will be capped at a maximum of 50 per cent.

Strategic Measures

Strategic measures are aimed at directing performance toward the achievement of the Company's long-term strategic objectives and not focusing on annual short-term goals alone. The strategic objectives devised by the Board specifically relate to key milestones and objectives that are fundamental to the Company's sustainability, continuing development and growth and delivery of shareholder value.

In line with the recommendations of the People, Remuneration and Nomination Committee, the LTIP performance measures comprise strategic measures with associated key performance indicators for the Company aimed at directing performance towards the Company's long-term objectives (Strategic Measures).

In response to investor feedback, a more fulsome disclosure of the strategic measures has been included. The strategic measures for the FY25 grant are set out below. Whether a strategic measure has been achieved is assessed at the end of the three-year performance period on an outcome basis (and subject to Board discretion) with vesting as follows:

LTIP Strategic Measure target and vesting schedule

<table>
<tr><th>Performance</th><th>Score</th><th>Portion of tranche that vests</th></tr>
<tr><td>Below threshold</td><td><5</td><td>Nil</td></tr>
<tr><td>Threshold</td><td>5</td><td>50% of share rights vest</td></tr>
<tr><td>Target</td><td>10</td><td>100% of share rights vest</td></tr>
<tr><td colspan="3">Vesting between performance levels is calculated on a linear basis</td></tr>
</table>

</td></tr>
<tr><td>Maximum value limit</td><td>The Maximum Value Limit on the LTIP award ensures that the value at vesting does not exceed 150 per cent of the value at grant preventing windfall gains from significant share price growth.</td></tr>
<tr><td>Board discretion</td><td>Awards under the LTIP are at all times subject to the Board's absolute discretion.</td></tr>
</table>

FY24 LTIP STRATEGIC MEASURES

The table below summarises Strategic Measures for the FY24 LTIP.

Fortescue
Pilbara Iron Ore Create a pathway for an incremental 200Mt of iron ore inventory through submitted referrals/approvals so that the tonnes are available to be scheduled as part of the Fortescue Life of Mine Plan, subject to Native Title Party resourcing.
Metals Growth Belinga Iron Ore Project Complete scoping study and progress pre-feasibility in line with Board approved parameters. Critical Minerals Critical minerals activities progressed with a pipeline of exploration and advanced development projects in Copper, Lithium and / or Rare Earth Elements (REEs).
Energy Achieved three value accretive green energy projects with construction complete and commissioning commenced in line with Board approved scope, budget and timeframe.
Technology Fortescue WAE (now Fortescue Zero) to achieve EBITDA target. Fortescue Hydrogen Systems to achieve EBITDA target. >15 AI projects delivered with target ROI over three years, and >500 people trained in advanced machine learning.
Fortescue Capital Build the Fortescue Capital team and brand to serve as a catalyst for the business for green hydrogen and decarbonisation and to market specific investment opportunities generated by Metals or Energy.

FY25 LTIP STRATEGIC MEASURES

The table below summarises Strategic Measures for the FY25 LTIP.

Fortescue
Metals • Address potential access to inventory gaps, including heritage and environmental approvals, to develop a mine life greater than 20 years. • Industry leading C1 unit cost to FY27, with a demonstratable plan to manage industry and mine plan headwinds from FY28 onwards. • Iron Bridge to meet its nameplate capacity run rate. • Complete feasibility study for a green metal project and, if approved by the Board, commence construction for commercial scale production (1Mtpa+) by the end of FY27. • Identify and pursue exploration and advanced projects in critical minerals and high-grade iron ore, with a delineated Mineral Resource on at least two projects, and with at least one project in the study phase.
Energy / Tech / Zero • Three value accretive Energy projects on track to deliver an IRR that exceeds the cost of capital with external project funding capital secured. • Fortescue Zero on track for target sales orders by FY27 with an industry acceptable average gross margin from product sales to external third-party customers. • Deliver US$1 billion of value through AI to Fortescue by FY27.

C. GENERAL TERMS APPLYING TO EQUITY AWARDS

The occurrence of particular events may affect the grant and vesting of the ESSIP and LTIP equity awards. The table below outlines how these awards may be addressed, noting that the Board at all times maintains an overriding and absolute discretion with respect to the incentive plans:

Element	ESSIP	LTIP
What happens on cessation of employment	Unless the Board exercises its discretion under the ESSIP rules, for individuals who leave during the year (i.e. before 30 June), the ESSIP is pro-rated based on service during the period, and made at the usual payment date, which is around September of each year, post release of audited and approved full year results. Individuals who commence during the year similarly will have awards under the ESSIP pro-rated based on service during the performance period.	Unless the Board exercises its discretion under the plan rules, on cessation participants may be entitled to retain a pro rata portion of unvested performance rights, which may vest, subject to satisfaction of the applicable vesting conditions, in accordance with the original terms of their grant at the end of the vesting period.
Clawback policy	Fortescue operates a Clawback Policy which applies to both the ESSIP and LTIP. Clawback will be initiated where in the opinion of the Board: • a Participant has engaged in fraud, dishonesty or gross misconduct, breached his or her obligations to the Group or there is a material misstatement of financial information • an Award, which would not have otherwise vested, vests or may vest as a result of the fraud, dishonesty or breach of obligations of any other person • circumstances have occurred that result in an unfair benefit being obtained by any Participant. The Board's discretion, with respect to the operation of the Clawback Policy, is considered standard market practice and an appropriate mechanism to ensure the Board has sufficient flexibility to respond to changing or unexpected circumstances (should they arise).	
Change of control	The performance period end date will generally be brought forward to the date of the change of control and awards will vest over this shortened period, subject to ultimate Board discretion.	

6. EXECUTIVE CONTRACT TERMS

Executive KMP are employed on a rolling basis with no specified fixed term. All current Executive KMP, with the exception of the Executive Director, are required to provide notice of twelve months (as specified in their individual service agreement) to terminate their employment. Contractual termination benefits for KMP comply with the limits set by the *Corporations Act 2001*.

KMP are remunerated on a TFR basis inclusive of superannuation and allowances. The table below details the remuneration details for KMP at 30 June 2025.

			Maximum ESSIP opportunity		Maximum LTIP opportunity		Nominal value of total remuneration package at maximum
Position	**Executive**	**TFR (A$)[1]**	**% of TFR**	**A$**	**% of TFR**	**A$**	**opportunity A$**
Chief Executive Officer Metals	D Otranto	2,080,000	112.5	2,340,000	150	3,120,000	**7,540,000**
Chief Executive Officer Energy	M Hutchinson	2,080,000	112.5	2,340,000	150	3,120,000	**7,540,000**
Group Chief Financial Officer	A Paget[2]	950,000	75	712,500	100	950,000	**2,612,500**
Chief Operating Officer	S Robertson[3]	950,000	75	712,500	100	950,000	**2,612,500**
Executive Director and Fortescue Global Ambassador	E Gaines	500,000	-	-	-	-	**500,000**

[1] Includes superannuation and allowances. TFR is reviewed annually by the People, Remuneration and Nomination Committee.

[2] Apple Paget was formally appointed to the role of Group Chief Financial Officer in July 2024.

[3] Shelley Robertson was appointed to the role of Chief Operating Officer in July 2024.

7. NON-EXECUTIVE DIRECTOR REMUNERATION

A. NON-EXECUTIVE DIRECTOR REMUNERATION POLICY AND FEES

Fortescue's policy on Non-Executive Director (NED) remuneration requires that Non-Executive Director fees are:

- Not 'at risk' to reflect the nature of their responsibilities and safeguard their independence; and
- Market competitive with fees set at levels comparable with Non-Executive Director remuneration of comparable companies.

The maximum aggregate remuneration payable to Non-Executive Directors is A$4.5 million, which was approved by shareholders at the Annual General Meeting on 22 November 2022. No increases to NED fees or the maximum aggregate fee pool were made in FY25 and there will be no change in FY26.

Most Non-Executive Directors receive fees for both Board and Committee membership. The payment of additional fees for serving on a Committee recognises the additional time commitment required by Non-Executive Directors who serve on a Committee.

Position	Fee A$
Deputy Chair	1,195,000[1]
Lead Independent Director	70,000
Non-Executive Director	230,000
Audit, Finance and Risk Management Committee (AFRMC) Chair	65,000
AFRMC Member	30,000
People, Remuneration and Nomination Committee (PRNC) Chair	65,000
PRNC Member	30,000
Safety and Sustainability Committee (SSC) Chair	65,000
SSC Member	30,000
Fortescue Capital Advisory Board Fee	184,000
Innovation Council Chair Fee[2]	70,000

[1] Inclusive of Committee membership fees.

[2] The innovation Council was established in November 2024.

Non-Executive Directors do not receive retirement benefits, nor do they participate in any incentive programs of the Company.

B. NON-EXECUTIVE DIRECTOR SALARY SACRIFICE SHARE RIGHTS PLAN

Non-Executive Directors may choose to sacrifice a portion or all of their base fees (excluding Committee fees and Company superannuation contributions) to be used to acquire vested rights to Fortescue shares under the Non-Executive Director Salary Sacrifice Share Rights Plan.

Shares, to the gross value of the amount salary sacrificed, are purchased on market twice a year following the announcement of Fortescue's half and full year results in February and August.

The VWAP purchased is used to determine the number of vested rights to be allocated to Non-Executive Directors. Vested rights may be exercised at any time, up to 15 years from date of grant.

Shares will be held by Pacific Custodians (as Trustee) until the vested rights are exercised into shares. Vested rights and shares acquired under this Plan are not subject to performance conditions because they are issued in lieu of salary which would otherwise be payable to the relevant Non-Executive Director.

C. NON-EXECUTIVE DIRECTOR TRAVEL ALLOWANCE

The Non-Executive Director Travel Allowance recognises the increasingly global footprint of Fortescue, the geographic spread of directors, and acts as a mechanism to attract global candidates for director positions. This allowance does not apply to the Chair, Deputy Chair, or Executive Director. The allowance applies to attendance at Board meetings only and is limited to international travel. The amount payable depends on flight duration (one-way); for international flights greater than 5 hours but less than 10 the allowance is A$7,500 and for international flights of more than 10 hours the allowance is A$15,000, with only one allowance paid per round trip.

8. REMUNERATION GOVERNANCE

Fortescue believes that robust governance is critical to underpinning the effectiveness of the remuneration strategy.

A. PEOPLE, REMUNERATION AND NOMINATION COMMITTEE

The People, Remuneration and Nomination Committee (PRNC) operates under a Board-approved Charter. The purpose of the PRNC is to provide assistance and recommendations to the Board to ensure that it is able to fulfil its responsibilities.

The PRNC in FY25 consisted solely of Non-Executive Directors. The Chief Executive Officers and others may be invited to attend all or part of meetings by the PRNC Chair as required but have no vote on matters before the Committee.

A copy of the PRNC Charter is available from the Corporate Governance section of our website at **fortescue.com**

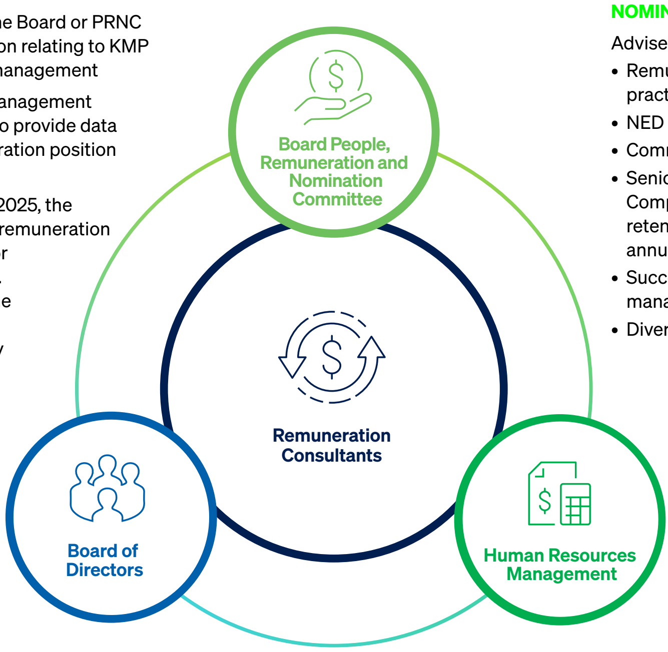
REMUNERATION CONSULTANTS

- May be engaged directly by the Board or PRNC to provide advice or information relating to KMP that is free from influence of management
- Will be engaged directly by management other than in respect of KMP to provide data to ensure Fortescue's remuneration position remains competitive.

During the year ended 30 June 2025, the Committee sought advice from remuneration consultants from time to time for remuneration advisory services. This did not involve providing the PRNC with any remuneration recommendations as defined by the *Corporations Act 2001*.

BOARD OF DIRECTORS

- Approve the remuneration of NEDs and CEO
- Ensure remuneration practices are competitive and strategic and align with the attraction and retention policies of the Company.



BOARD PEOPLE, REMUNERATION AND NOMINATION COMMITTEE

Advise the Board on:

- Remuneration strategy, policies and practices
- NED and senior executive remuneration
- Committee member appointments
- Senior executive recruitment and the Company's recruitment, ESSIP, LTIP, retention and termination policies and annual performance reviews
- Succession planning and talent management
- Diversity strategy and gender pay equity.

HUMAN RESOURCES MANAGEMENT

- Implement of remuneration policies and practices
- Advise the PRNC of changing statutory and market conditions
- Provide relevant information to the PRNC to assist with decisions.

B. MINIMUM SHAREHOLDING CONDITIONS

All Directors and employees are encouraged to own Fortescue shares and the Company enables employee participation as a shareholder through short and long-term incentives, salary sacrifice and dividend reinvestment programs. Directors are not eligible to participate in incentives.

A minimum shareholding policy applies to Directors and Executives to support a long-term focus and further strengthen alignment with shareholders. The minimum shareholding required is as follows:

Non-Executive Directors:	100% of annual base fee
Chief Executive Officer[1]:	200% of total fixed remuneration
Other Executive KMP:	100% of total fixed remuneration

[1] Applies to both Metals and Energy CEOs.

Participants are required to meet their respective minimum shareholding within a reasonable timeframe, generally within five years from the effective date of the policy, or the date of their appointment, if later.

The Directors' and Executives' Shareholding Policy can be accessed from the Corporate Governance section of our website at **fortescue.com**

C. BOARD DISCRETION

The Committee and the Board consider it critical that they are able to exercise full and appropriate discretion in order to ensure that remuneration outcomes for Executives appropriately reflect the performance of individuals, the Group, and meet the expectations of shareholders.

D. SECURITIES TRADING POLICY

Fortescue's Securities Trading Policy provides guidance on how Company securities may be dealt with. The Securities Trading Policy details acceptable and unacceptable periods for trading in Company Securities including detailing potential civil and criminal penalties for misuse of confidential information.

Fortescue's Securities Trading Policy provides guidance on acceptable transactions in dealing in the Company's various securities, including shares, debt notes and options.

The policy also sets out a specific governance approach for how the Chairman and Directors can deal in Company Securities. The Company's Securities Trading Policy can be accessed from the Corporate Governance section of our website at **fortescue.com**

9. STATUTORY DISCLOSURES

Statutory remuneration disclosures are prepared in accordance with Australian Accounting Standards and include share based payments expensed during the financial year, calculated in accordance with AASB 2 Share based payments. The estimated fair value for ESSIP and LTIP performance rights was determined using an option pricing model as disclosed in note 18 of the Financial Report.

A. EXECUTIVE REMUNERATION

Statutory remuneration differs significantly from actual remuneration paid to executives due to the accounting treatment of share-based payments. For details of remuneration actually paid to the Chief Executive Officer and Executives in FY25 refer to Section 4. The tables below include statutory remuneration disclosures for FY25 and FY24. Disclosures are provided in USD and AUD.

As announced in May 2025, Mark Hutchinson and Shelley Robertson have retired from their executive roles with effect from 1 July 2025. Both Mark Hutchinson and Shelley Robertson will continue to receive payment of their normal fixed remuneration in monthly instalments during their twelve month notice periods as per their contracts of employment. As the announcement of their retirement was made in FY25, AASB 119 requires values associated with retirement from office to be accrued and reported in FY25, despite not being fully realised by the employee until the end of FY26, or later in relation to LTIP participation. Values associated with payment of their fixed remuneration during their notice periods are shown in the table below under termination benefits. The expense related to ongoing LTIP eligibility is included in the share based payments values.

US$		Short-term employee benefits				Post employment benefits	Termination benefits	Long-term employee benefits	Share-based payments		Total statutory remuneration
		Cash salary and fees	ESSIP cash value for plan year	Other cash payment	Non-monetary benefits	Superannuation	Other cash payment	Accrued annual and long service leave	ESSIP share value	LTIP share value	Total
Executive Directors											
A Forrest	FY25	-	-	-	-	-	-	-	-	-	-
	FY24	-	-	-	5,925	-	-	-	-	-	5,925
E Gaines	FY25	304,545	-	-	-	19,439	-	-	-	-	323,984
	FY24	727,894	-	-	203	18,033	-	-	-	(53,138)[11]	692,991
Other Key Management Personnel of Fortescue											
D Otranto	FY25	1,221,423	-	-	2,025	19,439	-	143,878	1,069,258	649,985	3,106,008
	FY24	1,008,552	-	-	2,728	18,033	-	36,725	1,005,773	644,129	2,715,940
M Hutchinson	FY25	1,328,339	-	-	744	38,878[1]	1,328,339[2]	95,586	914,130	851,990[3]	4,558,006
	FY24	1,345,947	-	-	45,781	18,033	-	125,810	833,537	937,441	3,306,549
A Paget[4]	FY25	593,172	216,296	-	2,230	19,439	-	61,081	176,928	186,383	1,255,529
	FY24	374,139	101,979	-	2,088	15,028		40,180	113,814	105,810	753,038
S Robertson[5]	FY25	592,649	-	-	353	38,878[6]	699,787[7]	39,405	334,986	163,658[8]	1,869,716
	FY24	343,044	-	-	-	13,525	-	31,126	222,131	-	609,826
F Hick[9]	FY25	-	-	-	-	-	-	-	-	-	-
	FY24	211,350	-	-	1,472	13,525	1,359,027	20,886	-	(404,815)[11]	1,201,445
C Morris[10]	FY25	-	-	-	-	-	-	-	-	-	-
	FY24	122,682	-	-	4,626	4,508	250,395	11,423	-	-	393,634

Remuneration values have been translated from Australian dollars to US dollars using an average exchange rate of 0.65576 for FY24 and 0.64797 for FY25.

A$		Short-term employee benefits				Post employment benefits	Termination benefits	Long-term employee benefits	Share-based payments		Total statutory remuneration
		Cash salary and fees	ESSIP cash value for plan year	Other cash payment	Non-monetary benefits	Superannuation	Other cash payment	Accrued annual and long service leave	ESSIP share value	LTIP share value	Total
Executive Directors											
A Forrest	FY25	-	-	-	-	-	-	-	-	-	-
	FY24	-	-	-	9,035	-	-	-	-	-	9,035
E Gaines	FY25	470,000	-	-	-	30,000	-	-	-	-	500,000
	FY24	1,110,000	-	-	309	27,500	-	-	-	(81,032)[11]	1,056,776
Other Key Management Personnel of Fortescue											
D Otranto	FY25	1,885,000	-	-	3,126	30,000	-	222,044	1,650,166	1,003,109	4,793,445
	FY24	1,537,989	-	-	4,159	27,500	-	56,004	1,533,752	982,263	4,141,667
M Hutchinson	FY25	2,050,000	-	-	1,148	60,000[1]	2,050,000[2]	147,516	1,410,759	1,314,860[3]	7,034,283
	FY24	2,052,500	-	-	69,813	27,500	-	191,854	1,271,101	1,429,549	5,042,318
A Paget[4]	FY25	915,432	333,806	-	3,441	30,000	-	94,265	273,050	287,641	1,937,635
	FY24	570,542	155,512	-	3,185	22,917	-	61,273	173,561	161,355	1,148,344
S Robertson[5]	FY25	914,624	-	-	545	60,000[6]	1,079,968[7]	60,814	516,977	252,571[8]	2,885,499
	FY24	523,125	-	-	-	20,625	-	47,465	338,739	-	929,955
F Hick[9]	FY25	-	-	-	-	-	-	-	-	-	-
	FY24	322,298	-	-	2,245	20,625	2,072,446	31,850	-	(617,322)[11]	1,832,142
C Morris[10]	FY25	-	-	-	-	-	-	-	-	-	-
	FY24	187,083	-	-	7,055	6,875	381,840	17,419	-	-	600,272

[1] Includes superannuation which will be paid to Mark Hutchinson for the 12 months following his retirement from executive office. Inclusion of these values is required by AASB 119.

[2] Represents the value of Mark Hutchinson's cash salary which will be paid for the 12 months following his retirement from executive office. Inclusion of these values is required by AASB 119.

[3] Includes accelerated expense relating to ongoing eligibility to participate in FY24 and FY25 LTIP plans. Values have been calculated based on full participation for the FY24 LTIP and a two-thirds pro-rata performance period for the FY25 LTIP. An assumed performance outcome of 100% has been used, in determining the fair value, however the actual amounts will be determined at the end of the relevant performance period, being 30 June 2026 and 30 June 2027 respectively. Inclusion of these values is required by AASB 2.

[4] Apple Paget was appointed to the role of Chief Financial Officer - Metals on an acting basis from 1 September 2023 and is considered a KMP from that date. She was subsequently appointed to the role of Group Chief Financial Officer on 17 July 2024.

[5] Shelley Robertson commenced employment on 1 October 2023.

[6] Includes superannuation which will be paid to Shelley Robertson during her 12 month notice period. Inclusion of these values is required by AASB 119.

[7] Represents the value of Shelley Robertson's cash salary which will be paid during her 12 month notice period. This value also includes a severance payment of A$159,968 which will be paid at the conclusion of her 12 month notice period. Inclusion of these values is required by AASB 119.

[8] Includes accelerated expense relating to ongoing eligibility to participate in FY25 LTIP plan. The value has been calculated based on a two-thirds pro-rata performance period. An assumed performance outcome of 100% has been used, in determining the fair value, however the actual amounts will be determined at the end of the performance period, being 30 June 2027. Inclusion of these values is required by AASB 2.

[9] Fiona Hick resigned as Fortescue Metals Chief Executive Officer with her last day of employment being 28 February 2024. Fiona Hick remained employed by the company during her six month notice period with remuneration received during this period shown under the termination payment. Following the conclusion of her employment, Fiona Hick was paid an amount equivalent to six months' pay, noting the company elected to impose Fiona Hick's post-employment restraint. This value also shown under termination payment.

[10] Christine Morris ceased employment with Fortescue on 31 August 2023, on cessation of employment she received a payment of A$297,500 in lieu of her three month notice period and a payment of A$94,339.62 to assist with relocation to the United States of America. These values are shown under the termination benefits column.

[11] Negative value relates to reversal of prior year accruals.

B. NON-EXECUTIVE DIRECTOR REMUNERATION

The remuneration of Non-Executive Directors for the year ended 30 June 2024 and 30 June 2025 is detailed below.

US$		Base fees	Committee fees	Other benefits[1]	Superannuation	Total
M Barnaba AM	FY25	770,634	-	1,667	19,439	**791,740**
	FY24	811,503	-	764	18,033	**830,300**
Dr L Marshall	FY25	137,959	103,969	9,720	19,419	**271,067**
	FY24	114,349	14,915	20,437	16,383	**166,084**
Dr J Baderschneider	FY25	149,033	200,223	34,018	-	**383,274**
	FY24	150,825	130,278	34,427	-	**315,530**
P Bingham-Hall	FY25	136,439	74,152	9,720	19,439	**239,750**
	FY24	138,517	64,441	20,437	18,033	**241,428**
Lord S Coe CH, KBE	FY25	149,033	19,439	29,159	-	**197,631**
	FY24	150,825	19,673	19,673	-	**190,171**
Y Li	FY25	149,033	19,439	38,878	-	**207,350**
	FY24	150,825	-	35,191	-	**186,016**
N Pearson	FY25	122,523	11,623	9,720	16,545	**160,411**
	FY24	-	-	-	-	**-**
N Quinn	FY25	56,619	-	9,720	-	**66,339**
	FY24	-	-	-	-	**-**
U Rao-Monari	FY25	149,033	38,878	29,159	-	**217,070**
	FY24	100,550	18,361	9,836	-	**128,747**

Remuneration values have been translated from Australian dollars to US dollars using an average exchange rate of 0.65576 for FY24 and 0.64797 for FY25.

A$		Base fees	Committee fees	Other benefits[1]	Superannuation	Total
M Barnaba AM	FY25	1,189,306	-	2,573	30,000	**1,221,879**
	FY24	1,237,500	-	1,165	27,500	**1,266,165**
Dr L Marshall[2]	FY25	212,910	160,454	15,000	29,969	**418,333**
	FY24	174,376	22,745	31,165	24,983	**253,268**
Dr J Baderschneider[3]	FY25	230,000	309,000	52,500	-	**591,500**
	FY24	230,000	198,667	52,500	-	**481,167**
P Bingham-Hall	FY25	210,563	114,437	15,000	30,000	**370,000**
	FY24	211,231	98,269	31,165	27,500	**368,165**
Lord S Coe CH, KBE	FY25	230,000	30,000	45,000	-	**305,000**
	FY24	230,000	30,000	30,000	-	**290,000**
Y Li	FY25	230,000	30,000	60,000	-	**320,000**
	FY24	230,000	-	53,665	-	**283,665**
N Pearson	FY25	189,088	17,937	15,000	25,533	**247,558**
	FY24	-	-	-	-	**-**
N Quinn	FY25	87,379	-	15,000	-	**102,379**
	FY24	-	-	-	-	**-**
U Rao-Monari	FY25	230,000	60,000	45,000	-	**335,000**
	FY24	153,333	28,000	15,000	-	**196,333**

[1] Other benefits includes the Non-Executive Director travel allowance and reportable fringe benefits.

[2] Dr Larry Marshall FY25 committee fees include the Lead Independent Director Fee and the Innovation Council Fee.

[3] Dr Jean Baderschneider FY24 committee fees include the FFI Board Fee which recognises additional commitments associated with FFI subsidiary Board responsibilities and Fortescue Capital Advisory Board Fee for both FY24 and FY25.

C. DETAILS OF PERFORMANCE GRANTS TO EXECUTIVE DIRECTORS

There were no performance rights granted to Executive Directors in FY25.

D. DETAILS OF SHARE-BASED PAYMENTS RELATING TO LTIP

The following table provides details of the number of share rights granted under the LTIP during the financial years ended 30 June 2023 to 30 June 2025. The value of the rights has been determined using the grant date fair value.

LTIP Plan	Grant date	Performance period	No. share rights granted	Value per share right granted		Value of rights granted at grant date		% Performance achieved	% Vested	No. Vested	Forfeited / lapsed
				US$	A$	US$	A$				
Dino Otranto											
FY23	7/12/2022	1/7/22 to 30/6/2025	75,883	8.03	11.93	609,340	905,284	65.0%	65.0%	49,324	26,559
FY24	4/12/2023	1/7/23 to 30/6/2026	95,578	10.41	15.77	994,967	1,507,265	Determined in 2026			
FY24[1]	29/04/2024	1/7/23 to 30/6/2026	19,884	11.07	16.91	220,116	336,238	Determined in 2026			
FY25	29/11/2024	1/7/24 to 30/6/2027	137,937	5.69	8.78	785,087	1,211,087	Determined in 2027			
Mark Hutchinson											
FY23	7/12/2022	1/7/22 to 30/6/2025	176,814	7.80	11.59	1,379,149	2,049,274	17.5%	17.5%	30,942	145,872
FY24	4/12/2023	1/7/23 to 30/6/2026	142,002	10.41	15.77	1,478,241	2,239,372	Determined in 2026			
FY25	29/11/2024	1/7/24 to 30/6/2027	141,715	5.69	8.78	806,590	1,244,258	Determined in 2027			47,238
Apple Paget											
FY23	-	-	-	-	-	-	-	-			
FY24	4/12/2023	1/7/23 to 30/6/2026	12,194	10.41	15.77	126,940	192,299	Determined in 2026			
FY24[2]	29/04/2024	1/7/23 to 30/6/2026	17,254	11.07	16.91	191,002	291,765	Determined in 2026			
FY25	29/11/2024	1/7/24 to 30/6/2027	43,150	5.69	8.78	245,594	378,857	Determined in 2027			
Shelley Robertson											
FY23	-	-	-	-	-	-	-	-			
FY24	-	-	-	-	-	-	-	-			
FY25	29/11/2024	1/7/24 to 30/6/2027	43,150	5.69	8.78	245,594	378,857	Determined in 2027			14,383

[1] Dino Otranto received an additional LTIP grant in FY24 to recognise an increase in participating TFR in the performance period.

[2] Apple Paget received an additional LTIP grant in FY24 to recognise an increase in participating percentage and TFR in the performance period.

E. KMP SHARE RIGHTS

Share rights granted under the ESSIP at the beginning of FY25 (granted at the VWAP for Fortescue shares traded over the first five trading days of the performance year) based on the participants election of performance rights (ranging from a minimum of 50 per cent up to a maximum of 100 per cent). Share rights granted under the LTIP at the beginning of FY23 which vested in FY25 are shown below. The ultimate value of these share rights to the Executives will reflect either an improvement or decline in the Company's share price over the performance period. The adoption of this approach is specifically to ensure that awards made to Executives have a value which reflects sustainable value of shareholder's investment in the Company. The last column details the actual number of share rights that vested on actual performance.

FY23 LTIP and FY25 ESSIP share rights movement

Executive	Share rights granted	Share rights lapsed	Share rights forfeited	Share rights vested
D Otranto				
FY25 ESSIP	97,786	6,161	-	91,625
FY23 LTIP	75,883	26,559	-	49,324
M Hutchinson				
FY25 ESSIP	106,286	27,954	-	78,332
FY23 LTIP	176,814	145,872	-	30,942
A Paget				
FY25 ESSIP	16,181	1,020	-	15,161
FY23 LTIP	-	-	-	-
S Robertson				
FY25 ESSIP	32,362	3,657	-	28,705
FY23 LTIP	-	-	-	-

Share rights movement in FY25

FY25	Balance at the start of the year	Granted	Exercised / converted	Forfeited / lapsed	Other	Balance at the end of the year	Vested	Unvested
Executive Directors of Fortescue								
E Gaines	51,464	-	(41,840)	(9,624)	-	-	-	-
Other Key Management Personnel of Fortescue								
D Otranto	320,542	235,723	(103,424)	(25,773)	-	427,068	-	427,068
M Hutchinson	425,318	248,001	(53,251)	(100,489)	-	519,579	-	519,579
A Paget	40,240	59,331	(7,077)	(2,163)	(821)[1]	89,510	-	89,510
S Robertson	18,527	75,512	(14,191)	(18,719)	-	61,129	-	61,129

[1]Changes reported under the other column for Apple Paget reflect changes in share rights that were granted to her before she was appointed as KMP.

F. KMP SHAREHOLDINGS

The numbers of shares in the Company held during the financial year by each Director and KMP, including their related parties, are set out below:

FY25	Held at 1 July 2024	Received on conversion of rights	Issued	Purchases	Sales	Transfers	Other	Held at 30 June 2025
Non-executive Directors of Fortescue								
M Barnaba AM	40,300	-	-	4,077	-	-	-	44,377
Dr L Marshall	2,000	-	-	14,838	-	-	185[1]	17,023
Dr J Baderschneider	138,000	-	-	-	-	-	-	138,000
P Bingham-Hall	62,357	-	-	3,364	-	-	-	65,721
Lord S Coe CH, KBE	10,000	-	-	2,000	-	-	-	12,000
Y Li	-	-	-	-	-	-	-	-
N Pearson	-	-	-	-	-	-	-	-
N Quinn	-	-	-	-	-	-	-	-
U Rao-Monari	-	-	-	269	-	-	-	269
Executive Directors of Fortescue								
Dr A Forrest AO	1,131,365,000	-	-	-	-	-	-	1,131,365,000
E Gaines	341,294	41,840	-	-	(41,840)	-	-	341,294
Other Key Management Personnel of Fortescue								
D Otranto	585	103,424	-	278	-	-	-	104,287
M Hutchinson	77,680	53,251	-	1,227	(2,500)	-	(129,658)[2]	-
A Paget	4,863	7,706	-	278	-	-	-	12,847
S Robertson	-	14,191		146	-	-	(14,337)[2]	-

[1] Changes reported under the other column for Dr Larry Marshall relate to shares held by related parties.

[2] Negative amounts reflect the number held at the date of ceasing to be a KMP.

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CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 US$m	2024 US$m
Operating sales revenue	3	15,541	18,220
Cost of sales	5	(9,102)	(8,673)
Gross profit		**6,439**	9,547
Other income	4	82	45
Other expenses	6	(1,313)	(1,103)
Operating profit		**5,208**	8,489
Finance income	7	174	218
Finance expenses	7	(371)	(386)
Share of loss from equity accounted investments	22(c)	(21)	(21)
Profit before tax		**4,990**	8,300
Income tax expense	14	(1,624)	(2,636)
Net profit after tax		**3,366**	5,664
Net profit is attributable to:			
Equity holders of the Company		3,373	5,683
Non-controlling interest		(7)	(19)
Net profit after tax		**3,366**	5,664

	Note	US$ cents	US$ cents
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic earnings per share	8	109.7	184.8
Diluted earnings per share	8	109.5	184.4

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	2025 US$m	2024 US$m
Net profit after tax	3,366	5,664
Other comprehensive income:		
Items that may be reclassified to profit or loss in subsequent periods, net of tax:		
Exchange differences on translation of foreign operations	(29)	7
Items that will not be reclassified to profit or loss in subsequent periods, net of tax:		
(Loss) / gain on investments taken to equity	(96)	16
Other comprehensive income, net of tax	**(125)**	23
Total comprehensive income for the period, net of tax	**3,241**	5,687
Total comprehensive income for the period attributable to:		
Equity holders of the Company	3,248	5,706
Non-controlling interest	(7)	(19)
Total comprehensive income for the period, net of tax	**3,241**	5,687

The above consolidated income statement and consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025

	Note	2025 US$m	2024 US$m
ASSETS			
Current assets			
Cash and cash equivalents	9(b)	4,328	4,903
Trade and other receivables	10(a)	536	654
Inventories	10(c)	1,609	1,527
Other current assets		146	81
Total current assets		**6,619**	7,165
Non-current assets			
Trade and other receivables		8	18
Inventories	10(c)	307	342
Property, plant and equipment	12(a)	22,337	21,682
Intangible assets	12(b)	518	388
Investments accounted for using the equity method	22(c)	71	260
Financial assets measured at fair value		214	104
Other non-current assets	12(c)	441	101
Total non-current assets		**23,896**	22,895
Total assets		**30,515**	30,060
LIABILITIES			
Current liabilities			
Trade and other payables	10(b)	1,595	1,662
Borrowings and lease liabilities	9(a)	220	192
Provisions	13	615	508
Deferred income	10(d)	75	65
Current tax payable	14(c)	223	259
Total current liabilities		**2,728**	2,686
Non-current liabilities			
Borrowings and lease liabilities	9(a)	5,219	5,208
Provisions	13	987	1,026
Deferred income	10(d)	82	84
Deferred tax liabilities	14(d)	1,543	1,525
Total non-current liabilities		**7,831**	7,843
Total liabilities		**10,559**	10,529
Net assets		**19,956**	19,531
EQUITY			
Contributed equity	9(d)	1,087	1,077
Reserves	9(e)	62	175
Retained earnings		18,835	18,300
Equity attributable to equity holders of the Company		**19,984**	19,552
Non-controlling interest		(28)	(21)
Total equity		**19,956**	19,531

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 US$m	2024 US$m
Cash flows from operating activities			
Cash receipts from customers		15,642	18,341
Payments to suppliers and employees		(7,375)	(7,652)
Cash generated from operations		8,267	10,689
Interest received		174	238
Interest paid		(326)	(343)
Income tax paid		(1,641)	(2,665)
Net cash inflow from operating activities	**9(c)**	**6,474**	7,919
Cash flows from investing activities			
Payments for property, plant and equipment - Fortescue		(3,028)	(2,547)
Payments for property, plant and equipment - joint operations		(235)	(287)
Payments of deposits		(457)	(24)
Payments for asset acquisition		(170)	–
Receipt of government grants		3	54
Payments for acquisition of equity accounted investments		(19)	(30)
Purchase of financial assets		(21)	(17)
Other investing activities		8	40
Net cash outflow from investing activities		**(3,919)**	(2,811)
Cash flows from financing activities			
Proceeds from borrowings		275	–
Repayment of borrowings		(23)	(10)
Repayment of leases		(406)	(135)
Finance costs paid		(35)	(38)
Dividends paid		(2,851)	(4,140)
Purchase of shares by employee share trust		(163)	(142)
Other financing activities		17	–
Net cash outflow from financing activities		**(3,186)**	(4,465)
Net (decrease) / increase in cash and cash equivalents		(631)	643
Cash and cash equivalents at the beginning of the period		4,903	4,287
Effects of exchange rate changes on cash and cash equivalents		56	(27)
Cash and cash equivalents at the end of the period	**9(b)**	**4,328**	4,903

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Attributable to equity holders of the Company					
	Contributed equity	Reserves	Retained earnings	Total	Non-controlling interest	Total equity
	US$m	US$m	US$m	US$m	US$m	US$m
Balance at 1 July 2023	1,044	170	16,775	17,989	9	17,998
Net profit after tax	–	–	5,683	5,683	(19)	5,664
Other comprehensive income	–	23	–	23	–	23
Total comprehensive income for the period, net of tax	–	23	5,683	5,706	(19)	5,687
Transactions with owners:						
Purchase of shares under employee share plans	(142)	–	–	(142)	–	(142)
Employee share awards vested	175	(175)	–	–	–	–
Equity settled share-based payment transactions	–	156	–	156	–	156
Return of contributions to non-controlling interests	–	–	–	–	(11)	(11)
Dividends declared	–	–	(4,158)	(4,158)	–	(4,158)
Other	–	1	–	1	–	1
Balance at 30 June 2024	1,077	175	18,300	19,552	(21)	19,531
Balance at 1 July 2024	**1,077**	**175**	**18,300**	**19,552**	**(21)**	**19,531**
Net profit after tax	–	–	3,373	3,373	(7)	3,366
Other comprehensive income	–	(125)	–	(125)	–	(125)
Total comprehensive income for the period, net of tax	**–**	**(125)**	**3,373**	**3,248**	**(7)**	**3,241**
Transactions with owners:						
Purchase of shares under employee share plans	(163)	–	–	(163)	–	(163)
Employee share awards vested	173	(173)	–	–	–	–
Equity settled share-based payment transactions	–	184	–	184	–	184
Dividends declared	–	–	(2,838)	(2,838)	–	(2,838)
Other	–	1	–	1	–	1
Balance at 30 June 2025	**1,087**	**62**	**18,835**	**19,984**	**(28)**	**19,956**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

BASIS OF PREPARATION

01 BASIS OF PREPARATION

The financial statements cover the consolidated group comprising Fortescue Ltd (the Company) and its subsidiaries, together referred to as Fortescue or the Group. The Company is a for-profit company limited by shares and incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), including Australian Interpretations, and the *Corporations Act 2001.*

The financial statements for the year ended 30 June 2025 were authorised for issue in accordance with a Directors' resolution on 26 August 2025.

(a) Compliance with IFRS

The financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(b) Historical cost convention

The financial statements have been prepared under the historical cost convention, except for certain financial instruments, which have been measured at fair value.

(c) Functional and presentation currency

The financial statements are presented in United States dollars, which is the Group's reporting currency and the functional currency of the Company and the majority of its significant subsidiaries.

(d) Critical accounting estimates

The preparation of financial statements requires management to use estimates, judgements and assumptions. Application of different assumptions and estimates may have a significant impact on Fortescue's net assets and financial results. Estimates and assumptions are reviewed on an ongoing basis and are based on the latest available information at each reporting date. Actual results may differ from the estimates.

The areas involving a higher degree of judgement and complexity, or areas where assumptions are significant to the financial statements are:

- Iron ore reserve estimates
- Exploration and evaluation expenditure - recoverable amount
- Development expenditure - recoverable amount
- Property, plant and equipment - recoverable amount
- Rehabilitation estimates
- Revenue
- Joint arrangements
- Fair value measurement of financial assets.

The accounting estimates and judgements applied to these areas are disclosed in note 24.

(e) Rounding of amounts

All amounts in the financial statements have been rounded to the nearest million dollars, except as indicated, in accordance with the ASIC Corporations Instrument 2016/191.

FINANCIAL PERFORMANCE

02 SEGMENT INFORMATION

During the financial year ended 30 June 2025, Fortescue's chief operating decision makers were identified as the Chief Executive Officer of Fortescue Metals and the Chief Executive Officer of Fortescue Energy, and its segments were identified based on the internal reports that were reviewed and used by the Chief Executive Officers in assessing performance and determining the allocation of resources. The following operating segments have been identified:

- Metals: Exploration, development, production, processing, sale and transportation of iron ore, and the exploration for other minerals.
- Energy: Undertaking activities in the global development of green electricity, green hydrogen, green ammonia projects, as well as green technology development and manufacturing.

Corporate includes cash, intercompany loans which eliminate at consolidation, debt and tax balances which are managed at a Group level together with other corporate activities. Corporate is not considered to be an operating segment and includes activities that are not allocated to other operating segments.

Transfer prices between segments and borders are set on an arm's length basis in a manner similar to transactions with third parties. Where segment revenue, expenses and results include transactions between segments, those transactions are eliminated on consolidation and are not considered material.

(a) Underlying EBITDA

Fortescue uses Underlying EBITDA defined as earnings before interest, tax, depreciation and amortisation, exploration, development and other expenses as a key measure of its financial performance. The reconciliation of Underlying EBITDA to the net profit after tax is presented below. The segment information is prepared in conformity with the Group's accounting policies.

		Metals		Energy		Corporate		Consolidated	
		2025	2024	2025	2024	2025	2024	2025	2024
	Note	US$m	US$m	US$m	US$m	US$m	US$m	US$m	US$m
Revenue from external customers	3	15,460	18,129	81	91	–	–	15,541	18,220
Cost of sales	5	(6,528)	(6,478)	(143)	(97)	–	–	(6,671)	(6,575)
Administration expenses	6	(240)	(235)	(193)	(181)	–	–	(433)	(416)
Research expenditure	6	(68)	(37)	(483)	(458)	–	–	(551)	(495)
Other income/(expense)	4,6,22(c)	15	21	(3)	(14)	43	(33)	55	(26)
Underlying EBITDA		**8,639**	**11,400**	**(741)**	**(659)**	**43**	**(33)**	**7,941**	**10,708**
Depreciation and amortisation	5,6							(2,506)	(2,144)
Finance income	7							174	218
Finance expense	7							(371)	(386)
Exploration, development and other	6							(248)	(96)
Income tax expense	14							(1,624)	(2,636)
Net profit after tax								**3,366**	**5,664**

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL PERFORMANCE

02 SEGMENT INFORMATION (CONTINUED)

(b) Segment assets and liabilities

	Metals		Energy		Corporate		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024
	US$m	US$m	US$m	US$m	US$m	US$m	US$m	US$m
Assets under construction	2,146	2,408	49	175	–	28	2,195	2,611
Property, plant and equipment	19,530	18,608	450	293	162	170	20,142	19,071
Intangible assets	175	45	272	228	71	115	518	388
Investments accounted for using the equity method	21	19	50	241	–	–	71	260
Financial assets at fair value	5	5	209	99	–	–	214	104
Other non-current assets	751	451	4	10	1	–	756	461
Total current assets	2,109	2,067	126	153	4,384	4,945	6,619	7,165
Total assets	24,737	23,603	1,160	1,199	4,618	5,258	30,515	30,060
Total liabilities	3,781	3,781	376	314	6,402	6,434	10,559	10,529

(c) Other segmental reporting

	Metals		Energy		Corporate		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024
	US$m	US$m	US$m	US$m	US$m	US$m	US$m	US$m
Capital expenditure and investments (cash basis)	3,618	2,558	312	337	–	–	3,930	2,895

(d) Geographical information

Fortescue operates predominantly in the geographical location of Australia, and this is the location of the vast majority of the Group's assets. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

	2025	2024
	US$m	US$m
Revenue from external customers		
China	13,592	16,082
Other	1,949	2,138
	15,541	**18,220**

(e) Major customer information

Revenue from the two largest customers amounted to US$1,394 million and US$1,006 million respectively (2024: US$1,760 million and US$1,335 million), arising from the sale of iron ore and the related shipment of product.

FINANCIAL PERFORMANCE

03 OPERATING SALES REVENUE

	2025	2024
	US$m	US$m
Iron ore revenue	14,090	16,741
Provisional pricing adjustments - iron ore	(155)	(336)
Total iron ore revenue[1]	**13,935**	16,405
Shipping revenue	1,404	1,556
Provisional pricing adjustments - shipping revenue	11	57
Total shipping revenue[1]	**1,415**	1,613
Manufacturing and engineering services revenue[2]	70	91
Other revenue[3]	121	111
Operating sales revenue	**15,541**	18,220

[1]Certain sales contracts are provisionally priced at the initial revenue recognition (bill of lading) date, with the final settlement price based on a pre-determined quotation period. Operating sales revenue from these contracts each comprise two parts:

(i) Iron ore revenue recognised at the bill of lading date at current prices; and

(ii) Provisional pricing adjustments which represent any difference between the revenue recognised at the bill of lading date and the final settlement price.

Shipping revenue and the provisional pricing adjustments to shipping revenue are recognised over the period during which the shipping service has been provided.

[2]Manufacturing and engineering services revenue is earned from contracts with customers. Revenue is recognised when control of the goods or services are transferred to the customer (over time or at a point in time) at an amount that reflects the consideration to which the Group is entitled in exchange for those goods or services.

[3]Other revenue includes towage services provided by Fortescue which is recognised as performed.

04 OTHER INCOME

	2025	2024
	US$m	US$m
Net foreign exchange gain	44	–
Grants income	3	7
Other	35	38
	82	45

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL PERFORMANCE

05 COST OF SALES

	2025 US$m	2024 US$m
Mining and processing costs	3,421	3,102
Rail costs	290	288
Port costs	280	278
Shipping costs	1,469	1,531
Government royalty	1,002	1,209
Depreciation and amortisation	2,431	2,098
Manufacturing and engineering services costs	137	97
Other operating expenses	72	70
	9,102	8,673

06 OTHER EXPENSES

	2025 US$m	2024 US$m
Administration expenses	433	416
Research expenditure	551	495
Exploration, development and other	248	96
Depreciation and amortisation	75	46
Fair value change in financial instruments	5	10
Net foreign exchange loss	–	31
Other	1	9
	1,313	1,103

Total employee benefits expense included in cost of sales, administration expenses and research expenditure is US$2,098 million (2024: US$1,847 million).

FINANCIAL PERFORMANCE

07 FINANCE INCOME AND FINANCE EXPENSES

	2025 US$m	2024 US$m
Finance income		
Interest income	174	218
	174	218
Finance expenses		
Interest expense on borrowings and lease liabilities	308	313
Discounting on provisions	22	19
Other	41	54
	371	386

08 EARNINGS PER SHARE

	2025	2024
(a) Earnings per share	**US$ cents**	**US$ cents**
Basic	109.7	184.8
Diluted	109.5	184.4
(b) Reconciliation of earnings used in calculating earnings per share	**US$m**	**US$m**
Net profit attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share	3,373	5,683
(c) Weighted average number of shares used as denominator	**Number**	**Number**
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	3,074,807,097	3,075,951,886
Adjustments for calculation of diluted earnings per share:		
Potential ordinary shares	5,493,734	5,204,787
Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted earnings per share	3,080,300,831	3,081,156,673

(d) Information on the classification of securities

Share rights granted to employees under the Fortescue incentive plan are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. Details relating to the share rights are set out in note 18.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT

Fortescue's capital management policy supports its strategic objectives and provides a framework to maintain a strong capital structure to deliver consistent returns to its shareholders as well as invest in future developments and expansion of the business.

Fortescue's capital includes total equity and net debt. Net debt is defined as borrowings and lease liabilities less cash and cash equivalents.

		2025	2024
	Note	US$m	US$m
Borrowings	9(a)	4,835	4,585
Lease liabilities	9(a)	604	815
Cash and cash equivalents	9(b)	(4,328)	(4,903)
Net debt		**1,111**	497
Equity attributable to equity holders of the Company		19,984	19,552
Non-controlling interest		(28)	(21)
Total equity		**19,956**	19,531

Capital management involves a continuous process of:

- Evaluating capital requirements arising from Fortescue's activities and its operating environment
- Raising, refinancing and repaying debt
- Development, maintenance and implementation of the dividend policy.

Fortescue has developed target ranges for a number of financial indicators. These indicators include gearing, net gearing, debt to Underlying EBITDA and interest coverage ratio, and are monitored together with a number of other financial and non-financial indicators. Target ranges for the financial ratios may vary with the investment and commodity cycles. During periods of intensive investment, for example expansion programs, or a commodity downturn, the capital management policy contemplates interim ratio levels returning to a targeted longer term level. Interim levels acknowledge and consider the requirements, in certain circumstances, for remedial actions to be taken.

As per previous disclosures, Fortescue has a share buy-back program in place that is an important part of the capital management strategy. The program was put in place in 2018 and was extended in October 2020 for an unlimited duration. Refer to note 9(d)(iv).

CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT (CONTINUED)

(a) Borrowings and lease liabilities

	2025 US$m	2024 US$m
Senior unsecured notes	33	36
Green senior unsecured notes	10	14
Syndicated term loan	10	10
Secured VLOC term loan	28	–
Lease liabilities	139	132
Total current borrowings and lease liabilities	**220**	192
Senior unsecured notes	2,784	2,778
Green senior unsecured notes	793	789
Syndicated term loan	947	958
Secured VLOC term loan	230	–
Lease liabilities	465	683
Total non-current borrowings and lease liabilities	**5,219**	5,208
Total borrowings and lease liabilities	**5,439**	5,400

(i) Senior unsecured and green senior unsecured notes

As at 30 June 2025, the Company had the following senior unsecured notes on issue:

Date of issue	Date of maturity	Non-call period	Face value US$m	Carrying value US$m	Coupon rate	Currency
September 2019	September 2027	8 years	600	608	4.500%	USD
March 2021	April 2031	10 years	1,500	1,506	4.375%	USD
April 2022	April 2030	8 years	700	703	5.875%	USD
April 2022	April 2032	10 years	800	803	6.125%	USD
			3,600	**3,620**		

The April 2032 US$800 million senior unsecured note is a Green use of proceeds bond.

Fortescue's listed debt instruments are classified as level 1 financial instruments in the fair value hierarchy with their fair values based on quoted market prices at the end of the reporting period. Refer to note 11(d).

(ii) Syndicated term loan

The syndicated term loan was renegotiated during the year and the maturity date was extended to June 2028 (previously June 2026), and as at 30 June 2025 had a carrying value of US$957 million (30 June 2024: US$968 million) with a coupon rate linked to Secured Overnight Financing Rate (SOFR) plus a fixed margin. The facility has principal repayment of one per cent per annum with early repayment of the facility at Fortescue's option without penalty.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT (CONTINUED)

(a) Borrowings and lease liabilities (continued)

(iii) Secured VLOC term loan

During the year, the Group obtained the secured loan to finance the purchase price of Fortescue's eight VLOC which were previously under a leasing arrangement. The secured loan matures in December 2034, and as at 30 June 2025 had a carrying value of US$258 million (30 June 2024: nil) with a coupon rate linked to SOFR plus a fixed margin. The principal will be repaid in 40 equal consecutive quarterly instalments. The loan is secured by the vessels together with their accompanying commercial arrangements as well as the issued shares of Fortescue Shipping Singapore Pte. Ltd (borrower) and each of the vessel owner entities.

(iv) Revolving credit facility

The US$1,025 million revolving credit facility was renegotiated during the period and the maturity date was extended to 28 July 2027. It remained undrawn at 30 June 2025 and 30 June 2024. If drawn, interest accrues based on a variable rate linked to SOFR plus a fixed margin and is payable at the end of the interest period selected (either one, two, three or six months), with the principal due at maturity.

(v) Debt covenants

The secured VLOC term loan is subject to financial covenants which require that the Group maintains a certain level of liquidity and ratio of net worth to total assets. These covenants are tested semi-annually and the Group was compliant during the period. Based on our forecasting, we consider the risk of non-compliance with these covenants to be remote.

The secured VLOC term loan, syndicated term loan and revolving credit facility are subject to various general covenants with which the Group were in compliance as at 30 June 2025 and are expected to be in compliance within 12 months after the reporting date. The non-compliance with these covenants, if not remediated, would permit the lender to immediately call the borrowings.

(vi) Lease liabilities

The Group enters into contractual arrangements for the leases of mining equipment, vehicles, buildings and other assets. Typically, the duration of these contracts is for periods of between 2 and 5 years, some of which include extension options and are recognised within lease liabilities.

	2025 US$m	2024 US$m
Expense relating to short-term leases	113	111
Expense relating to leases of low-value assets that are not shown above as short-term leases	4	4
Expense relating to variable lease payments not included in the measurement of lease liabilities	106	133
Future cashflows from leases not yet commenced	34	94

CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT (CONTINUED)

(a) Borrowings and lease liabilities (continued)

(vii) Summary of movements in borrowings and lease liabilities

	Senior unsecured notes	Green senior unsecured notes	Syndicated term loan	Secured VLOC term loan	Lease liability	Total
	US$m	US$m	US$m	US$m	US$m	US$m
Balance at 1 July 2023	2,810	802	975	–	734	5,321
Additions	–	–	–	–	232	232
Interest expense	137	50	77	–	74	338
Payments	(133)	(49)	(84)	–	(201)	(467)
Disposals	–	–	–	–	(25)	(25)
Foreign exchange loss	–	–	–	–	1	1
Balance at 30 June 2024	2,814	803	968	–	815	5,400
Additions	–	–	–	275	212	487
Interest expense	138	49	64	9	59	319
Payments	(135)	(49)	(74)	(22)	(463)	(743)
Transaction costs	–	–	(1)	(4)	–	(5)
Disposals	–	–	–	–	(12)	(12)
Foreign exchange loss	–	–	–	–	(7)	(7)
Balance at 30 June 2025	**2,817**	**803**	**957**	**258**	**604**	**5,439**

Information about Fortescue's exposure to interest rate risk and foreign exchange rate risk is disclosed in note 11.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT (CONTINUED)

(b) Cash and cash equivalents

	2025 US$m	2024 US$m
Cash at bank	2,313	1,815
Short term deposits	2,015	3,088
	4,328	4,903

The cash and cash equivalents disclosed above and in the consolidated statement of cash flows include US$157 million (2024: US$99 million) which are held by the Iron Bridge Joint Venture and reflects the 69% share of the Group. These cash and cash equivalents are subject to contractual restrictions arising from the joint operation arrangement and are therefore not available for general use by the other entities within the Group.

(c) Cash flow information

Reconciliation of net profit after tax to net cash inflow from operating activities

	2025 US$m	2024 US$m
Net profit after tax	3,366	5,664
Depreciation and amortisation	2,506	2,144
Exploration, development and other	248	96
Share-based payment expense	184	156
Net unrealised foreign exchange gain	(112)	(35)
Rehabilitation expenditure	–	(1)
Depreciation in inventory	51	(1)
Equity accounted investments	21	26
Other non-cash items	113	52
Working capital adjustments:		
(Decrease)/increase in payables	(67)	183
Decrease/(increase) in receivables	128	(136)
Increase in inventories	(47)	(222)
Increase in other assets	(15)	(81)
Increase in deferred income	8	50
Increase in provisions	113	57
Decrease in provision for income taxes payable	(41)	(52)
Increase in deferred tax liabilities	18	19
Net cash inflow from operating activities	**6,474**	7,919

CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT (CONTINUED)

(d) Contributed equity

(i) Share capital

	Issued shares	Treasury shares	Contributed equity	Issued shares	Treasury shares	Contributed equity
	Number	Number	Number	US$m	US$m	US$m
At 1 July 2023	3,078,964,918	(3,078,529)	3,075,886,389	1,195	(151)	1,044
Purchase of shares under employee share plans	–	(10,854,167)	(10,854,167)	–	(142)	(142)
Employee share awards vested	–	10,933,022	10,933,022	–	175	175
At 30 June 2024	3,078,964,918	(2,999,674)	3,075,965,244	1,195	(118)	1,077
Purchase of shares under employee share plans	–	(14,140,364)	(14,140,364)	–	(163)	(163)
Employee share awards vested	–	12,745,988	12,745,988	–	173	173
At 30 June 2025	**3,078,964,918**	**(4,394,050)**	**3,074,570,868**	**1,195**	**(108)**	**1,087**

(ii) Issued shares

Issued shares are fully paid and entitle the holders to one vote per share and the rights to participate in dividends. Ordinary shares participate in the proceeds on winding up of the Company in proportion to the number of shares held.

(iii) Treasury shares

Movements in treasury shares represent acquisition of the Company's shares on market and allocation of shares to the Company's employees from the vesting of awards and exercise of rights under the employee share-based payment plans.

(iv) Share buy-back program

During the period, the Company acquired none of its own shares on market under the share buy-back program, which was extended on 10 October 2020 for an unlimited duration. The maximum number of shares which can be bought back is determined periodically by the Company's 10/12 limit, being that a company cannot buy back more than 10 per cent of its voting shares within the span of any 12-month period.

(e) Reserves

	2025	2024
	US$m	US$m
Share-based payments reserve	113	102
Foreign currency translation reserve	39	68
Financial assets reserve	(75)	21
Other reserves	(15)	(16)
	62	175

(i) Share-based payments reserve

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT (CONTINUED)

(e) Reserves (continued)

(ii) Foreign currency translation reserve

The foreign currency translation reserve is used to recognise the exchange differences arising from the translation of non-US dollar functional currency subsidiaries into US dollar Group presentation currency.

(iii) Financial assets reserve

The financial assets reserve represents the fair value changes on financial assets measured at fair value through other comprehensive income. The Group transfers amounts from this reserve to retained earnings when the relevant financial asset is derecognised.

(iv) Other reserves

The other reserves consists of capital reserve and general reserve.

(f) Dividends

(i) Dividends paid during the year

	2025	2024
	US$m	US$m
Final fully franked dividend for the year ended 30 June 2024: A$0.89 per share (30 June 2023: A$1.00 per share)	1,878	1,975
Interim fully franked dividend for the half-year ended 31 December 2024: A$0.50 per share (31 December 2023: A$1.08 per share)	973	2,183
	2,851	4,158

(ii) Dividends declared and not recognised as a liability

	2025	2024
	US$m	US$m
Final fully franked dividend: A$0.60 per share (2024: A$0.89 per share)	1,201	1,858

(iii) Franking credits

	2025	2024
	A$m	A$m
Franking credit account balance at the end of the financial year at 30% (2024: 30%)	8,103	7,454
Franking credits that will arise from the payment of current tax payable as at the end of the year	308	355
Franking debits that will arise from the payment of the final dividend for the year	(792)	(1,175)
	7,619	6,634

CAPITAL MANAGEMENT

10 WORKING CAPITAL

(a) Trade and other receivables

	2025	2024
	US$m	US$m
Trade debtors	377	429
GST and VAT receivables	102	120
Other receivables	57	105
Total current receivables	**536**	654

Iron ore trade receivables with embedded derivatives for provisional pricing amounting to US$318 million as at 30 June 2025 (2024: US$368 million) are measured at fair value through profit or loss under AASB 9 *Financial Instruments*. The remaining trade and other receivables are recognised at amortised cost using the effective interest method, less an allowance for impairment.

The Group applies the expected credit loss model to all receivables not held at fair value through profit or loss. A provision for doubtful receivables is established based on the expected credit loss model and reviewed on an ongoing basis. Expected credit losses on trade and other receivables held at amortised cost are insignificant and no provision has been recognised at 30 June 2025.

The carrying value of the receivables approximates their fair value. Information about Fortescue's exposure to foreign currency risk, interest rate risk and price risk pertaining to the trade and other receivables balances is disclosed in note 11.

Disclosures relating to receivables from related parties are set out in note 17.

(b) Trade and other payables

	2025	2024
	US$m	US$m
Trade payables	1,058	1,041
Royalty accrual	308	317
Other payables	229	304
Total current payables	**1,595**	1,662

(c) Inventories

	2025	2024
	US$m	US$m
Iron ore stockpiles	979	962
Warehouse stores and materials	630	565
Total current inventories	**1,609**	1,527
Iron ore stockpiles	307	342
Total non-current inventories	**307**	342

Iron ore stockpiles, warehouse stores and materials are stated at cost. Inventories expensed through cost of sales, including depreciation, during the year ended 30 June 2025 amounted to US$6,559 million (2024: US$5,863 million).

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

CAPITAL MANAGEMENT

10 WORKING CAPITAL (CONTINUED)

(d) Deferred income

	2025	2024
	US$m	US$m
Deferred revenue - Iron ore sales	48	44
Deferred revenue - Manufacturing and engineering services	24	17
Deferred income - Government grants	2	2
Deferred income - Others	1	2
Total current deferred income	**75**	65
Deferred revenue - Infrastructure	19	21
Deferred income - Government grants	63	63
Total non-current deferred income	**82**	84

11 FINANCIAL RISK MANAGEMENT

Fortescue is exposed to a range of financial risks, including market risk, credit risk and liquidity risk. Fortescue has established a risk management framework that provides a structured approach to the identification and control of risks across the business, sets the appropriate risk tolerance levels and incorporates active management of financial risks. The risk management framework has been approved by the Board of Directors, through the Audit, Finance and Risk Management Committee. During the financial year ended 30 June 2025, the day-to-day management responsibility for execution of the risk management framework was delegated to the Metals CEO, Energy CEO and Group CFO. Periodically, the Group CFO reports to the Audit, Finance and Risk Management Committee on risk management performance, including management of financial risks.

The key elements of financial risk are further explained below.

(a) Market risk

Market risk arises from Fortescue's exposure to commodity price risk and the use of interest bearing and foreign currency financial instruments. It is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in iron ore price (commodity price risk), interest rates (interest rate risk) or foreign exchange rates (foreign currency exchange risk).

(i) Commodity price risk

Fortescue is exposed to commodity price risk, as its iron ore sales are predominantly subject to prevailing market prices. Fortescue does not directly influence market prices of iron ore and manages the commodity price risk through a focus on improving its cash margins and strengthening its corporate balance sheet through refinancing and early debt repayments.

The majority of Fortescue's iron ore sales contracts are structured on a provisional pricing basis, with the final sales price determined using the iron ore price indices on or after the vessel's arrival to the port of discharge. The estimated consideration in relation to the provisionally priced contracts is marked to market using the spot iron ore price at the end of each reporting period, with the impact of the iron ore price movements recorded as provisional pricing adjustments to revenue. At 30 June 2025, Fortescue had 2.7 million tonnes of iron ore sales (2024: 4.6 million tonnes) that remained subject to provisional pricing, with the final price to be determined in the following financial year.

A one per cent movement in the realised iron ore price on these provisionally priced sales would have an impact on the Group's profit of US$2 million (2024: two per cent movement would have an impact on the Group's profit of US$6 million), before the impact of taxation. This analysis assumes all other factors, including the foreign currency exchange rates, are held constant.

CAPITAL MANAGEMENT

11 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Interest rate risk

The Group's interest rate risk arises from variable rates on the syndicated term loan, the secured VLOC term loan, the revolving credit facility to the extent it is drawn, and the lease liabilities relating to the ore carriers. Changes in rates applicable to cash at bank also give rise to interest rate risk.

Fortescue's policy is to reduce interest rate risk over the cash flows on its long-term debt funding through the use of fixed rate instruments whenever appropriate.

Fortescue's variable rate financial assets and liabilities at the end of the financial year are summarised below:

		2025	2024
	Note	US$m	US$m
Cash and cash equivalents	9(b)	2,313	1,815
Syndicated term loan	9(a)	(957)	(968)
Secured VLOC term loan	9(a)	(258)	–
Lease liabilities		–	(267)
		1,098	580

Management analyses the Group's interest rate exposure on a regular basis by simulating various scenarios which take into consideration refinancing, renewal of existing positions and alternative financing options.

A change of 50 basis points in interest rates in variable instruments would have an impact on the Group's profit of US$5 million (2024: a change of 25 basis points would impact profit by US$1 million), before the impact of taxation.

This analysis assumes that all other factors remain constant, including foreign currency rates.

(iii) Foreign currency exchange risk

Fortescue operates in Australia with a significant portion of its operating costs and capital expenditure incurred and paid in Australian dollars, and as such, is exposed to the movements in the Australian dollar exchange rate.

Fortescue's risk management policy is to target specific levels at which to convert United States dollars to Australian dollars by entering into either spot or short-term forward exchange contracts or structured foreign currency option arrangements (i.e. collars) to fix a portion of the Group's Australian dollar exposure to within a Board-approved range. The Group has not applied hedge accounting to any of these contracts during the year.

CAPITAL MANAGEMENT

11 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(iii) Foreign currency exchange risk (continued)

The carrying amounts of the financial assets and liabilities denominated in Australian dollars and Chinese Yuan (CNY) (expressed in US dollars), are set out below:

	AUD denominated		CNY denominated	
	2025	2024	2025	2024
	US$m	US$m	US$m	US$m
Financial assets				
Cash and cash equivalents	1,103	828	160	222
Trade and other receivables	87	59	14	–
Other financial assets	3	52	–	–
Total financial assets	**1,193**	939	**174**	222
Financial liabilities				
Borrowings and lease liabilities	477	416	2	2
Trade and other payables	885	864	20	10
Current tax payable	160	259	–	–
Total financial liabilities	**1,522**	1,539	**22**	12

A change of two per cent in the Australian dollar exchange rate would have a net impact on the Group's profit of US$7 million (2024: a change of two per cent would have an impact of US$12 million), before the impact of taxation. A change of two per cent in the Chinese Yuan exchange rate would have a net impact on the Group's profit of US$3 million (2024: a change of two per cent would have an impact of US$4 million), before the impact of taxation. This analysis assumes that all other variables, including interest rates and iron ore price, remain constant.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to Fortescue and is managed on a consolidated basis. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions and receivables from customers.

Contracts for iron ore sales allow for pricing mechanisms in which the price can be finalised over multiple periods. On this basis, the Group does not consider in the first instance that the ageing of receivables is an indicator of risk of default, rather an indication of the contractual terms and conditions agreed within the sales contract.

The Group's exposure to customer credit risk for trade receivables other than iron ore trade receivables is influenced mainly by the individual characteristics of each customer. Contracts for iron ore sales are completed under Letter of Credit. New customers are analysed individually for creditworthiness, taking into account credit ratings where available, previous trading experience and other factors. In monitoring customer credit risk, customers are assessed individually by their debtor ageing profile. Monitoring of receivable balances on an ongoing basis minimises the exposure to bad debts. Historically, bad debt write-offs have been insignificant.

At 30 June 2025, the Group had US$7 million (2024: US$5 million) of trade receivables which have not been settled within the normal terms and conditions agreed with the customer. The Group applies a forward-looking expected credit loss model. To measure the expected credit losses, these trade receivables have been grouped based on shared credit risk characteristics. Fortescue allocates each group of trade receivables to a credit risk grade based on data that is determined to be predictive of the risk of loss including but not limited to external ratings and available press information about customers. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default and are aligned to external credit rating definitions from agencies. The Group assesses expected credit losses by considering the risk of default modified for credit enhancements such as letters of credit obtained. On this basis, the resulting expected credit loss on trade receivables is not material.

CAPITAL MANAGEMENT

11 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Fortescue has recognised bad debt expense from trading counterparties of US$7 million for the year ended 30 June 2025 (2024: US$4 million).

The exposure to the credit risk from cash and short-term deposits held in banks is managed by the Group's Treasury department and monitored by the Group CFO. Fortescue minimises the credit risks by holding funds with a range of financial institutions with credit ratings approved by the Board.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due. Fortescue manages liquidity risk by maintaining adequate cash reserves and banking facilities, by continuously monitoring actual and forecast cash flows and by matching the maturity profiles of its assets and liabilities.

The table below analyses Fortescue's financial liabilities into relevant maturity groupings based on the period to the contracted maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 6 months	6 - 12 months	1 - 2 years	2 - 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	US$m	US$m	US$m	US$m	US$m	US$m	US$m
30 June 2024							
Trade and other payables	1,921	–	–	–	–	1,921	1,921
Borrowings	140	130	1,214	1,110	3,319	5,913	4,585
Lease liabilities	98	99	177	363	476	1,213	815
	2,159	229	1,391	1,473	3,795	9,047	7,321
30 June 2025							
Trade and other payables	1,818	–	–	–	–	1,818	1,818
Borrowings	152	142	291	2,884	2,605	6,074	4,835
Lease liabilities	90	89	147	215	300	841	604
	2,060	**231**	**438**	**3,099**	**2,905**	**8,733**	**7,257**

Management monitors rolling forecasts of the Group's cash and overall liquidity position on the basis of expected cash flows.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

CAPITAL MANAGEMENT

11 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Fair values

The carrying amounts and estimated fair values of all the Group's financial instruments recognised in the financial statements are materially the same, with the exception of Fortescue's listed debt instruments. The senior unsecured notes are classified as level 1 financial instruments in the fair value hierarchy, with their fair values based on quoted market prices at the end of the financial year, as outlined below.

	2025		2024	
	Carrying value	Fair value	Carrying value	Fair value
	US$m	US$m	US$m	US$m
Senior unsecured notes	2,817	2,689	2,814	2,599
Green senior unsecured notes	803	808	803	790

The Group enters into derivative financial instruments (foreign currency options and commodity swap contracts) with various counterparties, principally financial institutions with investment-grade credit ratings. It also recognises trade receivables in relation to its provisionally priced iron ore sales contracts at fair value. All derivatives and provisionally priced iron ore trade receivables are valued using valuation techniques which employ the use of market observable inputs, such as foreign exchange spot and forward rates, yield curves of the respective currencies, interest rate curves and forward rate curves of the underlying commodity. Accordingly, these instruments are classified as Level 2. Refer to note 10(a) for the fair value of provisionally priced iron ore trade receivables as at 30 June 2025.

For all fair value measurements and disclosures, the Group uses the following levels to categorise the method used:
Level 1: the fair value is calculated using quoted prices in active markets for identical assets and liabilities.
Level 2: the fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data. The Group does not have material financial assets or liabilities in this category.

For financial instruments that are carried at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between levels during the year.

KEY BALANCE SHEET ITEMS

12 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(a) Property, plant and equipment

	Plant and equipment	Land and buildings	Exploration and evaluation	Assets under development	Development	Right of use assets: Plant and equipment	Right of use assets: Land and buildings	Total
	US$m	US$m	US$m	US$m	US$m	US$m	US$m	US$m
Net carrying value								
At 1 July 2023	10,074	611	815	4,876	3,683	765	150	20,974
Transfers of assets[1]	4,048	142	(13)	(4,849)	562	–	–	(110)
Additions	25	30	190	2,576	–	147	80	3,048
Disposals and write-offs	(48)	–	(37)	–	(6)	–	–	(91)
Depreciation	(1,591)	(63)	–	–	(283)	(125)	(27)	(2,089)
Changes in restoration and rehabilitation estimate[2]	–	–	–	–	(53)	–	–	(53)
Other	–	–	–	8	(5)	–	–	3
At 30 June 2024	12,508	720	955	2,611	3,898	787	203	21,682
Cost	24,704	1,457	955	2,611	6,599	1,517	273	38,116
Accumulated depreciation and impairment	(12,196)	(737)	–	–	(2,701)	(730)	(70)	(16,434)
Net carrying value								
At 1 July 2024	12,508	720	955	2,611	3,898	787	203	21,682
Transfers of assets[1]	3,303	101	(12)	(3,211)	173	(392)	–	(38)
Additions	29	4	205	2,802	–	159	56	3,255
Acquired as part of asset acquisition[3]	–	–	172	–	–	–	–	172
Disposals and write-offs[4]	(142)	(12)	(31)	–	–	(12)	(2)	(199)
Depreciation	(1,939)	(67)	–	–	(297)	(138)	(26)	(2,467)
Changes in restoration and rehabilitation estimate[2]	–	–	–	–	(67)	–	–	(67)
Other	–	2	–	(7)	3	1	–	(1)
At 30 June 2025	**13,759**	**748**	**1,289**	**2,195**	**3,710**	**405**	**231**	**22,337**
Cost	27,894	1,552	1,289	2,195	6,708	1,273	327	41,238
Accumulated depreciation and impairment	(14,135)	(804)	–	–	(2,998)	(868)	(96)	(18,901)

[1] Transfers of assets were made between the categories of property, plant and equipment, intangible assets, exploration and evaluation, development expenditure, right of use assets and assets held for sale classified as other current assets in the consolidated statement of financial position.

[2] Refer to note 13(a) for movements in the restoration and rehabilitation provision.

[3] During the period, the Group acquired Red Hawk Mining Limited for a total cash consideration of US$170 million (inclusive of transaction costs). The Group determined that the transaction did not constitute a business combination in accordance with AASB 3 Business Combinations. The acquisition of net assets meets the definition of, and has been accounted for, as an asset acquisition.

[4] During the period, the Group have made one-off adjustments to the carrying values of several Energy assets of US$158 million including PEM50 project, the Gladstone electrolyser facility automation line and Arizona Hydrogen Project initial development costs.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

KEY BALANCE SHEET ITEMS

12 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (CONTINUED)

(a) Property, plant and equipment (continued)

In accordance with the Accounting Standards and internal policies as described in note 23(q), the Group is required to assess at each reporting date whether there is any indication that its assets may be impaired.

Following an assessment of the dry plant in the ore processing facility at Iron Bridge, the Group provided an update anticipating Iron Bridge shipments of 10 – 12 million tonnes (Mt) in FY26 and for the operation to achieve an annualised production rate of 16–20Mt in H2 FY27 (both on a 100 per cent basis). Iron Bridge's nameplate capacity of 22Mt per annum was revised to be achieved in FY28, with further process optimisation anticipated.

This update represents a material deviation from the prior production ramp up profile to nameplate capacity and has therefore been identified as an impairment indicator.

An impairment test of the Iron Bridge CGU was performed by assessing its fair value less cost of disposal (FVLCD) compared to its carrying amount (refer to note 24(d)(i)). The FVLCD is based on discounted cashflows and is considered to be Level 3 fair value measurements as they are derived from valuation techniques that include inputs that are not based on observable market data.

The outcome of the impairment test was the Iron Bridge CGU's FVLCD recoverable value approximating its US$2.5 billion carrying amount and no impairment charge recognised.

The table below summarises the key assumptions for the Iron Bridge CGU FVLCD assessment, how they have been determined and impacts to the recoverable value from changes to key assumptions that are sources of estimation uncertainty:

Price for Iron Bridge product	Iron Bridge produces concentrate product that trades in low volume comparative to the fines and lump product market and has limited published analyst forward prices as reference point. The Group's assessment of Iron Bridge's forecasted product price is derived with reference to published third-party forward prices adjusted for grade, however incorporates the Group's view of medium to long-term demand for high-grade product, in addition to concentrate specific product premiums for energy efficient magnetite concentrate and market locations. A US$5 per dry metric tonne change to price may result in a US$572 million impact to the recoverable value.
Operating cost	Operating cost for the ramp up period and long term are based on internal budgets and forecasts based on latest life of mine plan. In determining the FVLCD, cash flows related to operating costs and capital expenditures to enhance productivity or reduce costs are included.
Production output	Production volumes are based on the latest detailed life of mine plan factoring in current resources and reserves, recoverable quantities of ore, environmental and heritage factors. Iron Bridge is expected to produce, expressed in wet metric tonnes and on a 100% basis, 12Mt in FY26, 16Mt in FY27 and achieve nameplate production of 22Mt in FY28. Changes in production ramp up cannot be quantified separately given the interrelationship of various assumptions.
Exchange rates AUD/USD	Long term exchange rates are derived with reference to analyst consensus which involved market analysis including equity analyst estimates and internal management estimates. An AU$1 cent movement in the AUD to USD exchange rate may result in a US$121 million impact to the recoverable value.
Discount rates	In calculating FVLCD, a post-tax nominal discount rate was applied to the post tax cash flows. The discount rate is impacted by the risk-free rate and other benchmark interest rates. The discount rate takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is derived based on interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated based on publicly available market data. Asset risk adjustments are applied where risks are not reflected in the underlying cash flows. A 0.5% change in discount rate may result in a US$140 million to the recoverable value.

No impairment indicators were identified for the Group's CGUs for the financial year ended 30 June 2024.

KEY BALANCE SHEET ITEMS

12 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (CONTINUED)

(b) Intangible assets

	Goodwill	Other intangible assets	Total
	US$m	US$m	US$m
Net carrying value			
At 1 July 2023	195	104	299
Transfers	–	88	88
Additions	–	56	56
Amortisation	–	(55)	(55)
At 30 June 2024	195	193	388
Cost	195	465	660
Accumulated amortisation	–	(272)	(272)
Net carrying value			
At 1 July 2024	195	193	388
Transfers	–	38	38
Additions	–	195	195
Disposals	–	(15)	(15)
Amortisation	–	(90)	(90)
Others	–	2	2
At 30 June 2025	**195**	**323**	**518**
Cost	195	685	880
Accumulated amortisation	–	(362)	(362)

In considering impairment, the goodwill recognised from the acquisition of Fortescue Zero Limited by Fortescue is allocated to the CGUs expected to benefit from Fortescue Zero's battery electric technology. Fortescue has allocated the goodwill to its Pilbara Operations CGU reflecting the electrification of its mining and rail fleet.

The Group considered the recoverability of the goodwill in respect to current and forecasted financial performance of the Pilbara Operations CGU and an impairment charge was not required (2024: nil).

(c) Other non-current assets

	2025	2024
	US$m	US$m
Deposits for property, plant and equipment	429	24
Others	12	77
Total other non-current assets	**441**	101

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

KEY BALANCE SHEET ITEMS

13 PROVISIONS

	2025	2024
	US$m	US$m
Employee benefits	589	489
Restoration and rehabilitation	2	7
Others	24	12
Total current provisions	**615**	508
Employee benefits	6	5
Restoration and rehabilitation	981	1,021
Total non-current provisions	**987**	1,026

(a) Provision for restoration and rehabilitation

Movements in the provision for restoration and rehabilitation during the financial year are set out below:

	2025	2024
	US$m	US$m
At 1 July	1,028	1,063
Changes in restoration and rehabilitation estimate	(67)	(53)
Unwinding of discount	22	19
Payments for restoration and rehabilitation activities	–	(1)
At 30 June	**983**	1,028

The provision for restoration and rehabilitation has been made in full for all disturbed areas at the reporting date based on current cost estimates for rehabilitation and infrastructure removal, discounted to their present value based on expected timing of future cash flows.

Payments for restoration and rehabilitation activities exclude ongoing rehabilitation performed as part of normal operations.

TAXATION

14 TAXATION

For the year ended 30 June 2025, Fortescue continues to be a signatory to the Board of Taxation's voluntary Tax Transparency Code (TTC). The TTC recommends a number of additional tax disclosures to be publicly available, in two separate parts. The Part A disclosure requirements are addressed in this note.

(a) Income tax expense

	Consolidated group	
	2025	2024
	US$m	US$m
Current tax	1,603	2,613
Deferred tax	21	23
Income tax expense in the consolidated income statement	**1,624**	2,636

(b) Prima facie income tax expense reconciliation

Fortescue operates in a number of jurisdictions and pays income taxes accordingly. The Company's effective corporate income tax rate is reflective of the statutory corporate income tax rates in each jurisdiction. The majority of the Group's taxes are paid in Australia consistent with the location of its mining operations. The Australian Group comprises Fortescue's wholly owned Australian entities that are members of the Fortescue Ltd income tax consolidated group.

For the year ended 30 June 2025, the Group's global effective tax rate was 32.5 per cent. This is in line with the Australian corporate tax rate of 30 per cent.

	Consolidated group 2025	Australian group 2025	Consolidated group 2024	Australian group 2024
	US$m	US$m	US$m	US$m
Profit before income tax expense	4,990	5,367	8,300	8,492
Tax at the Australian tax rate of 30 per cent (2024: 30 per cent)	1,497	1,610	2,490	2,548
Research and development tax incentive	(8)	(8)	(7)	(7)
Adjustments in respect of income tax expense of prior periods	(8)	(7)	25	25
Foreign exchange variations and other translation adjustments	1	1	3	3
Tax impact of overseas jurisdictions	148	11	98	18
Non-deductible expenditure	22	22	40	40
Share based payments	(26)	(26)	(16)	(16)
Effect of tax losses	(7)	(7)	–	–
Other	5	2	3	–
Income tax expense	**1,624**	**1,598**	2,636	2,611
Effective tax rate	32.5%	29.8%	31.8%	30.7%

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

TAXATION

14 TAXATION (CONTINUED)

(c) Reconciliation of income tax expense to current tax payable

	Consolidated group	
	2025	**2024**
	US$m	**US$m**
Income tax expense in the consolidated income statement	1,624	2,636
Deferred tax benefit	(21)	(23)
	1,603	2,613
Current tax payable at 1 July	259	304
Tax payments made to tax authorities[1]	(1,643)	(2,667)
Impact of foreign exchange on income tax payable[2]	4	9
Current tax payable at 30 June	**223**	259

[1] In Australia, Fortescue pays pay as you go (PAYG) instalments based on a set rate, as advised by the Australian Taxation Office. This rate has been varied to more accurately reflect estimated tax liabilities.
[2] Fortescue's income tax payments are made in the local currency of the country where taxes are due, being predominantly Australian Dollars.

(d) Deferred tax assets and liabilities

Deferred tax assets and liabilities represent the difference between the carrying value of assets and liabilities compared to their income tax base. Deferred tax assets and liabilities are measured at the relevant tax rates enacted for the reporting period. Fortescue's main operations are in Australia and therefore the main taxable income arises in Australia. The Company's major deferred tax assets and liabilities also arise in Australia, predominantly relating to capital investments in the Pilbara region.

	Consolidated group	
	2025	**2024**
	US$m	**US$m**
Deferred tax assets	840	832
Deferred tax liabilities	(2,383)	(2,357)
Net deferred tax liabilities	**(1,543)**	(1,525)

TAXATION

14 TAXATION (CONTINUED)

(d) Deferred tax assets and liabilities (continued)

Composition of and movements in deferred tax assets and liabilities during the year are set out below:

	Deferred tax assets		Deferred tax liabilities		Charged/ (credited) to total comprehensive income	
	Consolidated group		Consolidated group		Consolidated group	
	2025	2024	2025	2024	2025	2024
	US$m	US$m	US$m	US$m	US$m	US$m
Temporary differences arising from						
Exploration expenditure	–	–	(226)	(231)	(5)	39
Development	–	–	(424)	(536)	(112)	(132)
Property, plant and equipment	–	–	(1,438)	(1,344)	94	126
Inventories	–	–	(295)	(246)	49	28
Foreign exchange losses / (gains)	20	30	–	–	10	(1)
Provisions and accruals	462	448	–	–	(14)	(1)
Share based payments	34	31	–	–	(3)	5
Other financial liabilities	249	255	–	–	6	(9)
Other items[1]	75	68	–	–	(4)	(32)
	840	832	**(2,383)**	(2,357)	**21**	23

[1] Deferred tax asset of US$3 million in 30 June 2025 and US$4 million in 2024 was recognised in equity.

(e) Unrecognised tax losses and tax credits

At 30 June 2025, the Group had income tax losses of US$778 million (2024: US$438 million) and tax credits of US$4 million (2024: US$3 million), in respect of which no deferred tax asset has been recognised. The Group recognises the benefit of tax losses and tax credits only to the extent of anticipated future taxable income or gains in relevant jurisdictions. Of the US$778 million of tax losses, US$120 million expires not later than 10 years and US$10 million expires later than 10 years and not later than 20 years. The remaining tax losses and tax credits do not expire.

(f) Pillar Two income taxes

Pursuant to legislation enacted or substantively enacted by 30 June 2025 in Australia and other relevant jurisdictions, the Group has become subject to the Base Erosion and Profit Shifting (BEPS) Pillar Two rules effective from 1 July 2024. These rules seek to ensure a minimum 15% effective tax rate is paid by large multinational groups in each global jurisdiction in which they operate.

No current income tax has been recorded by the Group as at 30 June 2025 in relation to Pillar Two income taxes. Additionally, consistent with AASB 112 *Income Taxes*, the Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

UNRECOGNISED ITEMS

15 COMMITMENTS AND CONTINGENCIES

Contingent liabilities represent a possible obligation arising from past events and whose existence will be confirmed only by occurrence or non-occurrence of uncertain future events not wholly within the control of the Group. These are not provided for on the balance sheet where the likelihood of the contingent liability is assessed as possible rather than probable or remote.

Contingent liabilities may also be a present obligation arising from past events but is not recognised on the basis that an outflow of economic resources to settle the obligation is not viewed as probable, or the amount of the obligation cannot be reliably measured.

(i) Contingent assets and liabilities

On 26 August 2022, Fortescue joined the Native Title Compensation Claim proceedings brought by the Yindjibarndi Ngurra Aboriginal Corporation (YNAC) against the State of Western Australia in the Federal Court of Australia. The Yindjibarndi legal proceedings have concluded following several hearings with the Federal Court of Australia which took place in August 2023 to February 2025. Nevertheless, at the date of this report the outcome of the proceedings remains unclear as Fortescue awaits an outcome from the Federal Court of Australia.

Fortescue remains open to negotiating a Land Access Agreement to the benefit of all Yindjibarndi people on similar terms to the agreements it has in place with other native title groups in the region.

Fortescue occasionally receives claims arising from its activities in the normal course of business. It is expected that any liabilities arising from such claims would not have a material effect on the Group's operating results or financial position.

The Group has issued a number of bank and other performance guarantees for various operational and legal purposes related to its own future performance, which are in the normal course of business. It is not expected that these guarantees will be called on. No liabilities were recognised by the parent entity or the Group in relation to these guarantees. Refer to note 21(b) for further details of guarantees entered into by the parent entity.

(ii) Capital commitments

	2025 US$m	2024 US$m
Within one year	1,502	729
Between one and five years	2,422	301
Later than five years	7	7
Total commitments	**3,931**	1,037

16 EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) Dividend

On 26 August 2025, the Directors declared a final dividend of 60 Australian cents per ordinary share payable in September 2025.

(b) RMB Syndicated Term Loan Facility

On 8 August 2025, Fortescue announced the successful syndication of a Renminbi-denominated (RMB) Syndicated Term Loan Facility ("the Facility") of RMB 14.2 billion with participation from leading Chinese, Australian and international lenders. Proceeds will be used for general corporate purposes and support Fortescue's decarbonisation agenda, including partnerships with Chinese suppliers and technology leaders. Fortescue is a core supplier of iron ore to China and generates RMB revenues through its iron ore sales. The unsecured Facility has an availability period of 12 months, fixed interest rate of 3.8% per annum and tenor of five years. Principal repayments will be 0.5% every 6 months, in arrears (commencing 18 months after financial close). The Facility is guaranteed by Fortescue Ltd and certain material subsidiaries. The Facility remains undrawn as at the date of this report.

OTHER

17 RELATED PARTY TRANSACTIONS

(a) Subsidiaries and joint operations

Interests in significant subsidiaries and joint operations are set out in note 22.

(b) Key management personnel remuneration

	2025	2024
	US$'000	US$'000
Short-term employee benefits	6,722	6,304
Share-based payments	4,347	3,405
Long-term employee benefits	340	266
Post employment benefits	211	153
Termination benefits	2,028	1,609
	13,648	11,737

Detailed information about the remuneration received by each key management person is provided in the remuneration report on pages 129 to 167.

(c) Transactions with personally related entities

Key management personnel of the Group hold or have held positions in other companies (personally related entities) where it is considered they control or significantly influence the financial or operating policies of those entities. Transactions with those entities during the year are reflected below. Amounts owed by the Group to personally related entities at 30 June 2025 is US$5 million (2024: nil).

	2025	2024
	US$'000	US$'000
Amounts received/receivable from personally related entities		
Costs recovered from personally related entities	565	854
	565	854
Amounts paid/payable to personally related entities		
Purchase of goods and services	2,522	2,228
Lease of commercial space	2,113	2,105
Payments under a joint development agreement	6,283	2,967
	10,918	7,300

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

OTHER

18 SHARE-BASED PAYMENTS

(a) Employee share rights plans

During the year ended 30 June 2025, Fortescue issued 1,017,633 (2024: 1,096,921) short term share rights and 2,015,928 (2024: 1,743,806) long term share rights to employees and senior executives, convertible to one ordinary share per right. The short term rights vest over one year, and the long term rights vest over three years.

	2025	2024
	Number	Number
Outstanding at 1 July	6,506,423	7,209,493
Share rights granted	3,033,561	2,840,727
Share rights forfeited or lapsed	(589,395)	(1,523,052)
Share rights converted or exercised	(1,908,942)	(2,020,745)
Outstanding at 30 June	**7,041,647**	6,506,423

The weighted average fair value of share rights granted during the year ended 30 June 2025 and 2024 are presented below:

	2025	2024
	A$/right	A$/right
Short term share rights	18.01	23.87
Long term share rights	8.78	15.77

The estimated fair value of the short term share rights was determined using a binomial option pricing model and the estimated fair value of the long term share rights was determined using a combination of analytical approaches, binomial tree and Monte Carlo simulation. The fair value estimation takes into account the exercise price, the effective life of the right, the impact of dilution, the share price at grant date, expected price volatility of the underlying share, the effect of additional market conditions, the expected dividend yield, estimated share conversion factor and the risk free interest rate for the term of the right.

The weighted average inputs used to determine the fair value of share rights granted during the year ended 30 June 2025 and 2024 were:

	2025	2024
Share price, A$	18.99	25.29
Exercise price, A$	–	–
Volatility, %	37	39
Effective life, years	2.13	1.97
Dividend yield, %	7.0	7.8
Risk free interest rate, %	4.0	4.1

OTHER

18 SHARE-BASED PAYMENTS (CONTINUED)

(a) Employee share rights plans (continued)

Details of share rights outstanding at 30 June 2025 are presented in the following table:

	Exercise price	Balance at the end of the year	Vested and exercisable at the end of the year	Remaining contractual life	Vesting conditions	
	A$	Number	Number	Years	Market	Non-market
Short term share rights 2019	–	130,405	130,405	8.5	–	Yes
Short term share rights 2020	–	50,788	50,788	9.5	–	Yes
Short term share rights 2021	–	49,259	49,259	10.5	–	Yes
Short term share rights 2022	–	41,775	41,775	11.5	–	Yes
Short term share rights 2023	–	212,495	212,495	12.5	–	Yes
Short term share rights 2024	–	163,915	163,915	13.5	–	Yes
Short term share rights 2025	–	1,017,633	–	14.5	–	Yes
Long term share rights 2020	–	300,427	300,427	9.5	Yes	Yes
Long term share rights 2021	–	56,135	56,135	10.5	Yes	Yes
Long term share rights 2022	–	91,176	91,176	11.5	Yes	Yes
Long term share rights 2023	–	1,404,909	–	12.5	Yes	Yes
Long term share rights 2024	–	1,532,843	–	13.5	Yes	Yes
Long term share rights 2025	–	1,989,887	–	14.5	Yes	Yes
		7,041,647	**1,096,375**			

(b) Employee expenses

Total expenses arising from share-based payments transactions recognised during the period as part of employee benefit expense were as follows:

	2025	2024
	US$m	US$m
Share-based payment expense	184	156

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

OTHER

19 REMUNERATION OF AUDITORS

	2025	2024
	US$'000	US$'000
PricewaterhouseCoopers Australia		
Audit and other assurance services		
Audit and review of financial statements	2,152	1,949
Other assurance services	182	55
Total audit and assurance services	**2,334**	2,004
Other services		
Consulting services	268	750
Total remuneration of PricewaterhouseCoopers Australia	**2,602**	2,754
Network firms of PricewaterhouseCoopers Australia		
Audit and other assurances		
Audit and review of financial statements	1,424	968
	1,424	968
Total auditors' remuneration	**4,026**	3,722

OTHER

20 DEED OF CROSS GUARANTEE

Fortescue Ltd and certain of its subsidiaries are parties to a deed of cross guarantee under which each company guarantees the debts of the others. By entering into the deed, the wholly owned entities have been relieved from the requirement to prepare a financial report and Directors' report under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 issued by the Australian Securities and Investments Commission.

Holding entity

- Fortescue Ltd

Group entities

- FMG Pilbara Pty Ltd
- Chichester Metals Pty Ltd
- Fortescue Treasury Pty Ltd[1] (formerly FMG Resources (August 2006) Pty Ltd)
- International Bulk Ports Pty Ltd
- The Pilbara Infrastructure Pty Ltd
- FMG Solomon Pty Ltd
- FMG Nyidinghu Pty Ltd
- FMG Procurement Services Pty Ltd
- Pilbara Gas Pipeline Pty Ltd
- Pilbara Marine Pty Ltd
- Pilbara Power Pty Ltd
- FMG JV Company Pty Ltd
- FMG Ashburton Pty Ltd
- Pilbara Mining Alliance Pty Ltd
- Fortescue Services Pty Ltd
- FMG Personnel Pty Ltd
- FMG Personnel Services Pty Ltd
- FMG Resources Pty Ltd
- CSRP Pty Ltd
- FMG Training Pty Ltd
- Fortescue Green Technologies Pty Ltd
- Fortescue WAE Pty Ltd
- FMG Exploration Pty Ltd
- W Hub Pty Ltd
- IRBR Pty Ltd
- FMG Iron Bridge Ltd
- FMG Iron Bridge (Aust) Pty Ltd
- FMG Magnetite Pty Ltd
- Pilbara Energy (Generation) Pty Ltd[2]
- Pilbara Energy Company Pty Ltd[2]
- FMG Clean Energy Pty Ltd[2]
- WAE Technologies Australia Pty Ltd[2]

[1]The change in company name was effective from 1 July 2025.

[2]These subsidiaries have subsequently joined the deed of cross guarantee by way of an assumption deed during the year ended 30 June 2025, therefore, were only included in the consolidation of the closed group as at and for the year ended 30 June 2025.

(a) Consolidated income statement, consolidated statement of other comprehensive income, summary of movements in consolidated retained earnings (closed group)

The above companies represent a 'closed group' for the purposes of the instrument, and as there are no other parties to the deed of cross guarantee that are controlled by Fortescue Ltd, they also represent the 'extended closed group'.

Set out below is a consolidated income statement, consolidated statement of other comprehensive income, summary of movements in consolidated retained earnings for the year ended 30 June 2025 for the closed group represented by the above companies.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

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20 DEED OF CROSS GUARANTEE (CONTINUED)

Consolidated income statement (closed group)	2025 US$m	2024 US$m
Operating sales revenue	15,409	18,107
Cost of sales	(9,091)	(8,744)
Gross profit	**6,318**	9,363
Other income	305	179
Other expenses	(412)	(286)
Operating profit	**6,211**	9,256
Finance income	181	199
Finance expenses	(340)	(353)
Profit before tax	**6,052**	9,102
Income tax expense	(1,720)	(2,699)
Net profit after tax	**4,332**	6,403

Consolidated statement of other comprehensive income (closed group)	2025 US$m	2024 US$m
Net profit after tax	4,332	6,403
Other comprehensive income:		
Items that may be reclassified to profit or loss in subsequent periods, net of tax:		
Exchange differences on translation of foreign operations	–	2
Other comprehensive income, net of tax	**–**	2
Total comprehensive income for the period, net of tax	**4,332**	6,405

Summary of movements in consolidated retained earnings (closed group)	2025 US$m	2024 US$m
Balance at 1 July	20,089	17,902
Net profit after tax	4,332	6,403
Dividends declared	(2,838)	(4,158)
Adjustments for companies transferred into the closed group	42	(58)
Balance at 30 June	**21,625**	20,089

OTHER

20 DEED OF CROSS GUARANTEE (CONTINUED)

(b) Consolidated statement of financial position (closed group)

Set out below is a consolidated statement of financial position as at 30 June 2025 for the closed group represented by the above companies.

	2025	2024
	US$m	US$m
Cash and cash equivalents	3,820	4,478
Trade and other receivables	1,379	4,350
Inventories	1,559	1,472
Other current assets	105	53
Total current assets	**6,863**	10,353
Trade and other receivables	30	235
Inventories	307	342
Property, plant and equipment	20,881	19,828
Intangible assets	218	140
Financial assets measured at fair value	3	3
Other non-current assets	4,598	560
Total non-current assets	**26,037**	21,108
Total assets	**32,900**	31,461
Trade and other payables	1,369	1,531
Borrowings and lease liabilities	174	195
Provisions	543	480
Deferred income	18	19
Current tax payable	198	235
Total current liabilities	**2,302**	2,460
Borrowings and lease liabilities	5,240	5,222
Provisions	975	991
Deferred income	19	21
Deferred tax liabilities	1,555	1,516
Total non-current liabilities	**7,789**	7,750
Total liabilities	**10,091**	10,210
Net assets	**22,809**	21,251
Contributed equity	1,087	1,077
Reserves	97	85
Retained earnings	21,625	20,089
Total equity	**22,809**	21,251

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

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21 PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

	2025	2024
	US$m	US$m
Current assets	230	269
Non-current assets	12,689	11,518
Total assets	**12,919**	11,787
Current liabilities	230	269
Non-current liabilities	729	599
Total liabilities	**959**	868
Net assets	**11,960**	10,919
Contributed equity	1,087	1,077
Reserves	114	103
Retained earnings	10,759	9,739
Total equity	**11,960**	10,919
Profit for the year	3,858	5,600
Total comprehensive income for the year	**3,858**	5,600

The parent entity's financial information has been prepared using the same basis, including the accounting policies, as the consolidated financial information, except as outlined below:

- Investments in subsidiaries, associates and joint operations have been accounted for at cost, less accumulated impairment losses in the balance sheet; and
- Profit for the year includes dividends received from subsidiaries of US$5,626 million (2024: US$6,080 million).

(b) Guarantees entered into by the parent entity

The parent entity, Fortescue Ltd, is a party to the deed of cross guarantee as described in note 20 and has provided a guarantee to an unrelated party in relation to leases entered into by a subsidiary of the Group, which is not a party to the deed of cross guarantee. It also provided a number of guarantees in respect of the Group companies as outlined below.

Fortescue Ltd has unconditionally guaranteed the payment of principal and premium, if any, and interest related to the senior unsecured and green senior unsecured notes as described in note 9(a)(i) with a total face value of US$3,600 million issued by Fortescue Treasury Pty Ltd (formerly FMG Resources (August 2006) Pty Ltd), a wholly owned subsidiary.

Fortescue Ltd and its wholly owned subsidiaries FMG Pilbara Pty Ltd, Chichester Metals Pty Ltd, FMG Solomon Pty Ltd, International Bulk Ports Pty Ltd and The Pilbara Infrastructure Pty Ltd, have severally, fully and unconditionally guaranteed the payment of the principal and premium, if any, and interest, including certain additional amounts that may be payable in respect of the syndicated term loan as described in note 9(a)(ii) held by a wholly owned subsidiary, Fortescue Treasury Pty Ltd. The guaranteed syndicated term loan had a carrying amount of US$957 million as at 30 June 2025 (30 June 2024: US$968 million). The same parties have severally guaranteed the revolving credit facility as described in note 9(a)(iv) of US$1,025 million (2024: US$1,025 million), which remained undrawn as at 30 June 2025.

OTHER

21 PARENT ENTITY FINANCIAL INFORMATION (CONTINUED)

(b) Guarantees entered into by the parent entity (continued)

Fortescue Ltd and its wholly owned subsidiaries Fortescue Shipping Amanda Pte Ltd, Fortescue Shipping David Pte Ltd, Fortescue Shipping Grace Pte Ltd, Fortescue Shipping Matilda Pte Ltd, Fortescue Shipping Nicola Pte Ltd, Fortescue Shipping Northern Spirit Pte Ltd, Fortescue Shipping Sophia Pte Ltd and Fortescue Shipping Sydney Pte Ltd have irrevocably and unconditionally jointly and severally guaranteed the secured VLOC term loan. The secured VLOC term loan had a carrying amount of US$258 million at 30 June 2025 (30 June 2024: nil).

As part of its Aboriginal Business Development activities, Fortescue Ltd seeks opportunities for Aboriginal businesses to provide replacement equipment or additional equipment as required. Fortescue Ltd is a guarantor of the bank facilities used by the Aboriginal businesses to purchase these assets which are then leased to the Group.

In addition, Fortescue Ltd has issued a number of bank and other guarantees to third parties for various operational and legal purposes, which are in the normal course of business. It is not expected that these guarantees will be called on. No liabilities were recognised by the parent entity or the Group in relation to these guarantees.

(c) Contingent liabilities of the parent entity

The parent entity is a party to the legal proceedings and guarantees disclosed in note 15(i) but otherwise did not have any contingent liabilities at 30 June 2025 or 30 June 2024.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

OTHER

22 INTERESTS IN OTHER ENTITIES

(a) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following significant subsidiaries, in accordance with the accounting policy described in note 23(a)(i):

	Country of incorporation	Class of shares	Equity holding 2025 %	Equity holding 2024 %
Metals Segment				
Chichester Metals Pty Ltd	Australia	Ordinary	100	100
FMG International Pte Ltd	Singapore	Ordinary	100	100
FMG International Shipping Pte Ltd	Singapore	Ordinary	100	100
FMG Insurance Singapore Pte Ltd	Singapore	Ordinary	100	100
FMG Iron Bridge (Aust) Pty Ltd	Australia	Ordinary	100	100
FMG Magnetite Pty Ltd	Australia	Ordinary	100	100
FMG Pilbara Pty Ltd	Australia	Ordinary	100	100
The Pilbara Infrastructure Pty Ltd	Australia	Ordinary	100	100
Pilbara Marine Pty Ltd	Australia	Ordinary	100	100
Karribi Developments Pty Ltd	Australia	Ordinary	100	100
FMG Air Pty Ltd	Australia	Ordinary	100	100
FMG Procurement Services Pty Ltd	Australia	Ordinary	100	100
Pilbara Housing Services Pty Ltd	Australia	Ordinary	100	100
FMG Autonomy Pty Ltd	Australia	Ordinary	100	100
Pilbara Iron Ore Pty Ltd	Australia	Ordinary	100	100
Pilbara Energy Company Pty Ltd	Australia	Ordinary	100	100
Pilbara Energy (Generation) Pty Ltd	Australia	Ordinary	100	100
FMG Clean Energy Pty Ltd	Australia	Ordinary	100	100
FMG Solomon Pty Ltd	Australia	Ordinary	100	100
Fortescue Treasury Pty Ltd (formerly FMG Resources (August 2006) Pty Ltd)	Australia	Ordinary	100	100
Red Hawk Mining Pty Ltd	Australia	Ordinary	100	–
PIOP Mine Co Pty Ltd	Australia	Ordinary	100	–
Fortescue Trading (Shanghai) Co., Ltd	China	Ordinary	100	100
FMG Hong Kong Shipping Ltd	Hong Kong	Ordinary	100	100
FMG Exploration Pty Ltd	Australia	Ordinary	100	100
FMG Resources Pty Ltd	Australia	Ordinary	100	100
FMG International Exploration Pte Ltd	Singapore	Ordinary	100	100
Argentina Fortescue S.A.U.	Argentina	Ordinary	100	100
Ivindo Iron SA	Gabon	Ordinary	72	72

OTHER

22 INTERESTS IN OTHER ENTITIES (CONTINUED)

(a) Subsidiaries (continued)

	Country of incorporation	Class of shares	Equity holding 2025 %	Equity holding 2024 %
Energy Segment				
Fortescue Future Industries Pty Ltd	Australia	Ordinary	100	100
Fortescue WAE Pty Ltd	Australia	Ordinary	100	100
Fortescue Zero Limited	United Kingdom	Ordinary	100	100
FFI USA Investments Inc.	USA	Ordinary	100	100
FFI Phoenix Hub Holdings LLC	USA	Ordinary	100	100
Phoenix Hydrogen Hub LLC	USA	Ordinary	100	100
USA Fortescue Holdings Inc.	USA	Ordinary	100	100
USA Fortescue Energy Holdings LLC	USA	Ordinary	100	100
Australian Fortescue Future Industries Pty Ltd	Australia	Ordinary	100	100
Fortescue Hydrogen Systems Australia Pty Ltd	Australia	Ordinary	100	100
Australian Fortescue Future Industries Holdings Pty Ltd	Australia	Ordinary	100	100
WAE Technologies Australia Pty Ltd	Australia	Ordinary	100	100
Netherlands Fortescue Future Industries Holdings B.V.	Netherlands	Ordinary	100	100
Argentina Fortescue Future Industries S.A.	Argentina	Ordinary	100	100

Entities not included in the list of significant subsidiaries are deemed immaterial in relation to the Group.

(b) Joint operations

The consolidated financial statements incorporate Fortescue's share in the assets, liabilities and results of the following principal joint operations, in accordance with the accounting policy described in note 23(a)(iii).

Joint operations	Country of incorporation	Holding entity	Principal activities	Participating interest 2025	Participating interest 2024
Iron Bridge Joint Venture	Australia	FMG Magnetite Pty Ltd	Development of magnetite assets and production of magnetite concentrate	69%	69%

OTHER

22 INTERESTS IN OTHER ENTITIES (CONTINUED)

(c) Investments accounted for using the equity method

The Group also holds interests in a number of joint ventures and associates that are accounted for using the equity method which are not considered individually material. During the year, significant influence or joint control ceased for certain equity accounted investees. On the date on which significant influence or joint control ceased, these equity accounted investees had an aggregate carrying amount of US$186 million.

	Associate		Joint ventures		Total	
	2025	2024	2025	2024	2025	2024
	US$m	US$m	US$m	US$m	US$m	US$m
Aggregate carrying amount as at 30 June	59	145	12	115	71	260
Aggregate amounts of the Group's share of:						
Loss from operations	(19)	(20)	(2)	(1)	(21)	(21)

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

(a) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, being the entities controlled by the Company. Control exists when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The financial statements of subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All intercompany balances and transactions, including unrealised profits and losses arising from intra-group transactions, have been eliminated in full. Subsidiaries are consolidated from the effective date of acquisition to the effective date of disposal.

The acquisition method of accounting is used to account for the Group's business combinations. Identifiable assets acquired and liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred and included in administration expenses.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position, respectively.

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Principles of consolidation (continued)

(ii) Associates

Associates are all entities where the Group holds significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Associates include entities where the Group holds less than 20% of the voting rights, but has determined that it has significant influence over those entities due to the Group having representation on the Board of directors and participation in decisions over the relevant activities of those entities.

Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint arrangements

A joint arrangement is an arrangement when two or more parties have joint control. Joint control exists when the parties agree contractually to share control over the activities that significantly affect the entity's returns (relevant activities), and the decisions about relevant activities require the unanimous consent of the parties sharing joint control.

Joint arrangements are classified as either joint operations or joint ventures, based on the contractual rights and obligations between the parties to the arrangement.

Joint operations

If the contractual arrangement specifies a right to the assets and the obligations for the liabilities for the parties, the arrangement is classified as joint operation. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenue and expenses.

These have been incorporated in the financial statements under the appropriate headings. Details of the joint operations are set out in note 22(b).

If the contractual arrangement grants the parties the right to the arrangement's net assets, it is classified as a joint venture. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 23(q).

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Employee share trust

The Group has formed a trust to administer its employee share schemes. The trust is consolidated as the substance of the relationship is that the trust is controlled by the Group. Shares held by the share trust are disclosed as treasury shares and deducted from contributed equity.

(c) Foreign currency translation

Transactions in foreign currencies have been converted at rates of exchange at the date of those transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange of the reporting date, with the resulting gains and losses recognised in the income statement, except as set out below:

- For qualifying cash flow hedges, the gains and losses arising on foreign currency translations are deferred in other comprehensive income.
- Translation differences on site rehabilitation provisions are capitalised as part of the development assets.
- Gains and losses on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(d) Revenue recognition

The Group is principally engaged in the business of producing iron ore and providing related shipping services. Revenue is measured at the amount the Group expects to be entitled to in exchange for those goods or services and is recognised at the point at which control of the goods or services is transferred to the customer.

(i) Sale of products

Revenue from the sale of products is recognised when control has passed to the customer, no further work or processing is required by the Group, the quantity and quality of the products have been determined with reasonable accuracy, the price can be reasonably estimated and collectability is reasonably assured.

The above conditions are generally satisfied when title passes to the customer, typically on the bill of lading date when iron ore is delivered to the vessel, or alternatively on collection for port sales.

Revenue is recorded at the invoiced amounts. However, the shipping service represents a separate performance obligation, and is recognised separately from the sale of iron ore over the period during which the shipping service has been provided, along with any associated shipping costs.

Fortescue's iron ore sales contracts, which also include shipping services, may provide for provisional pricing of sales at the time the product is delivered to the vessel with final pricing determined using the relevant price indices on or after the vessel's arrival at the port of discharge. Under AASB 9, the receivable asset is measured at fair value through profit and loss.

(ii) Interest income

Interest income is accrued using the effective interest rate method.

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Deferred income

Deferred income represents payments collected but not earned at the end of the reporting period. These payments are recognised as revenue when the performance obligations are satisfied.

Where deferred income is considered to contain a financing component and if the period of time between the receipt of the upfront cash and the satisfaction of the future performance obligations is greater than 1 year, an interest charge of the upfront amount will be recognised.

(f) Income tax

The income tax expense for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction. Income tax on the profit or loss for the period comprises current and deferred tax.

Current income tax charge is calculated on the basis of the taxation laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Current income tax represents the expected tax payable on the taxable income for the year and any adjustments to tax payable in respect to previous years.

Where the amount of tax payable or recoverable is uncertain, a provision is established based on the Group's understanding of applicable tax law at the time. Settlement of these matters may result in changes to current and deferred income tax if the settlement differs from the provision.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts (subject to the Pillar Two disclosure exception noted below).

However, the deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither the accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for future deductible temporary differences and carry forward of unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Pursuant to legislation enacted or substantively enacted by 30 June 2025 in Australia and other relevant jurisdictions, the Group has become subject to the Base Erosion and Profit Shifting (BEPS) Pillar Two rules effective from 1 July 2024. These rules seek to ensure a 15% minimum effective tax rate is paid by large multinational groups in each global jurisdiction in which they operate. Top-up tax imposed under Pillar Two legislation is treated as an income tax in accordance with AASB 112 *Income Taxes.*

To the extent there is any income tax expense/(income) related to Pillar Two income taxes, it is disclosed separately from income tax expense/(income) related to other income taxes. Additionally, in accordance with AASB 112 *Income Taxes*, the Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Income tax (continued)

Fortescue and its wholly owned Australian controlled entities have implemented the tax consolidation legislation at 1 July 2002, namely the Fortescue tax consolidated group, and are therefore taxed as a single entity from that date. FMG Iron Bridge (Aust) Pty Ltd and its wholly owned Australian controlled entities formed a tax consolidated group, and were therefore taxed as a single entity, from 28 September 2011 to 30 June 2022. On 1 July 2022, the FMG Iron Bridge tax consolidated group merged with the Fortescue tax consolidated group.

The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right.

In addition to its own current and deferred tax amounts, the head entity of the group also recognises the current tax liabilities, or assets, and the deferred tax assets it has assumed from unused tax losses and unused tax credits, of controlled entities in the tax consolidated group.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, short-term deposits and other short-term highly liquid investments that are subject to an insignificant risk of changes in value, and are readily convertible to known amounts of cash.

(h) Trade and other receivables

Trade receivables other than iron ore sales receivables and other receivables are recognised at amortised cost using the effective interest method, less an allowance for impairment. Trade receivables with embedded derivatives for provisional pricing are measured at fair value through profit and loss under AASB 9.

The collectability of trade and other receivables is reviewed on a monthly basis. Uncollectable amounts for iron ore sales trade receivables are considered in the measurement of fair value through the income statement under AASB 9. Trade and other receivables that are measured at amortised cost are determined using the expected credit loss model. Total receivables which are known to be uncollectable are written off by reducing the carrying amount directly. Significant financial difficulties of the customer, probability that the customer will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the receivable may not be collected. The amount of the impairment allowance is the difference between the receivable's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment allowance is recognised in the income statement within administration expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other administration expenses.

(i) Accrued income

Accrued income primarily relates to the Group's rights to consideration for work performed but not billed at the reporting date. The accrued income is transferred to trade receivables in accordance with contractual terms with the customer, when the rights have become unconditional.

Payments from customers are received based on a billing schedule / milestone basis, as established in the contract.

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Inventories

Warehouse stores and materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost for raw materials and stores is determined as the purchase price. Cost of work in progress comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

For partly processed and saleable iron ore, cost is based on the weighted average cost method and includes:

- Materials and production costs, directly attributable to the extraction, processing and transportation of iron ore to the existing location.
- Production and transportation overheads.
- Depreciation of property, plant and equipment used in the extraction, processing and transportation of iron ore.

Iron ore stockpiles represent iron ore that has been extracted and is available for further processing or sale. Quantities are assessed primarily through internal and third party surveys. Where there is an indication that inventories are obsolete or damaged, these inventories are written down to net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Iron ore stockpiles classified as non-current assets reflect stockpiles which are not expected to be utilised within the next 12 months, with the net realisable value calculated on a discounted cashflow basis.

(j) Financial assets

Fortescue classifies its financial assets into the following categories: those to be measured subsequently at fair value, being through either other comprehensive income or through profit and loss, and those that are to be held at amortised cost.

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets held at amortised cost

The Group classifies its financial assets as held at amortised cost only if the asset is held within a business model with the objective to collect the contractual cash flows, and the contractual terms give rise to cash flows that are solely payments of principal and interest. The classification of financial assets held at amortised cost applies to Fortescue's loans and receivables. These debt instruments are initially measured at fair value and subsequently carried at amortised cost. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. At the end of each reporting period, loans and receivables are reviewed for impairment.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Financial assets (continued)

(ii) Financial assets held at fair value through other comprehensive income (FVOCI)

The Group's classification of financial assets held at fair value through other comprehensive income applies to equity investments where the Group has made the irrevocable election to present the fair value gains or losses on revaluation of the asset in other comprehensive income. This election can be made for each investment; however, it is not applicable to equity investments which are held for trading. These assets are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. These instruments are recognised at fair value, with changes in fair value being recognised directly in other comprehensive income.

(iii) Financial assets held at fair value through profit or loss (FVPL)

This category comprises trade receivables including the quotation period for the sale of iron ore, derivatives (unless designated as effective hedging instruments) and equity investments which are held for trading or where the FVOCI election has not been applied. They are carried on the consolidated statement of financial position at fair value with changes in fair value or dividend income recognised in profit or loss with any associated changes in fair value recognised in the income statement. The receivables relating to quotation period for the sale of iron ore are recorded as trade receivables.

(k) Financial liabilities

(i) Trade payables

Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid.

(ii) Borrowings

Borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowings are derecognised when the contractual obligations are discharged, cancelled or expired, or when the terms of an existing borrowing are substantially modified. Any difference between the carrying amount of a derecognised liability and the carrying amount of the new liability is recognised in the income statement.

(l) Property, plant and equipment

(i) Recognition and measurement

Each class of property, plant and equipment is stated at historical cost less, where applicable, any accumulated depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

The cost of self-constructed assets includes the cost of materials and direct labour and any other costs directly attributable to bringing an asset to a working condition ready for its intended use. Assets under construction are recognised in assets under development. Upon commissioning, which is the date when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management, the assets are transferred into property, plant and equipment or development assets, as appropriate.

Cost may also include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Borrowing costs related to the acquisition or construction of qualifying assets are capitalised. Costs required for dismantling and rehabilitation are included in rehabilitation estimates. Further information on rehabilitation is in note 23(p).

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(l) Property, plant and equipment (continued)

(i) Recognition and measurement (continued)

When separate parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

Gains and losses arising on disposal of property, plant and equipment are recognised in the income statement and determined by comparing proceeds from the sale of the assets to their carrying amount.

(ii) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with these subsequent costs will flow to Fortescue and the cost of the item can be measured reliably. Ongoing repairs and maintenance are recognised as an expense in the income statement during the financial period in which they are incurred.

(iii) Depreciation

Depreciation of assets, other than land which is not depreciated, is calculated using the straight-line method or units of production method, net of residual values, over estimated useful lives. Depreciation commences on the date when an asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Assets acquired under leases are depreciated over the shorter of the individual asset's useful life and the lease term.

Straight-line method

Where the useful life is not linked to the quantities of iron ore produced or when doing so results in depreciation charges that do not reflect the asset's useful life, assets are generally depreciated on a straight-line basis. The estimated useful lives for the principal categories of property, plant and equipment depreciated on a straight-line basis are as follows:

- Buildings 10 to 40 years
- Rolling stock 5 to 15 years
- Plant and equipment 1.5 to 25 years
- Rail and port infrastructure assets 3 to 50 years.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

Units of production method

Where the useful life of an asset is directly linked to the extraction of iron ore from a mine, the asset is depreciated using the units of production method, unless doing so results in depreciation charges that do not reflect the asset's useful life and the straight-line basis is the more appropriate method.

The units of production method is an amortised charge proportional to the depletion of the estimated proven and probable reserves at the mines.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(l) Property, plant and equipment (continued)

(iv) Exploration and evaluation expenditure

Exploration and evaluation activities involve the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation expenditure incurred is accumulated and capitalised in respect of each identifiable area of interest, and carried forward to the extent that:

- Rights to tenure of the identifiable area of interest are current.
- At least one of the following conditions is also met:

(i) The expenditure is expected to be recouped through the successful development of the identifiable area of interest, alternatively by its sale; or

(ii) Where activities in the identifiable area of interest have not, at the reporting date, reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and activities in, or in relation to, the area of interest, are continuing.

Exploration and evaluation assets are reviewed at each reporting date for indicators of impairment and tested for impairment where such indicators exist. If the test indicates that the carrying value might not be recoverable, the asset is written down to its recoverable amount. These charges are recognised within exploration, development and other expenses in the income statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation expenditure to development expenditure.

(v) Development expenditure

Development expenditure includes capitalised exploration and evaluation costs, pre-production development costs, development studies and other expenditure pertaining to that area of interest. Costs related to surface plant and equipment and any associated land and buildings are accounted for as property, plant and equipment.

Development costs are accumulated in respect of each separate area of interest. Costs associated with commissioning new assets in the period before they are capable of operating in the manner intended by management are capitalised. Development costs incurred after the commencement of production are capitalised to the extent they are expected to give rise to a future economic benefit.

When an area of interest is abandoned or the Directors decide that it is not commercially or technically feasible, any accumulated cost in respect of that area is written off in the financial period that the decision is made. Each area of interest is reviewed at the end of each accounting period and the accumulated costs written off to the income statement to the extent that they will not be recoverable in the future.

Amortisation of development costs capitalised is charged on a unit of production basis over the life of estimated proven and probable reserves at the mines.

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Stripping costs

(i) Development stripping costs

Overburden and other mine waste materials are often removed during the initial development of a mine in order to access the mineral deposit. This activity is referred to as development stripping and the directly attributable costs, inclusive of an allocation of relevant overhead expenditure, are capitalised as development costs.

Capitalisation of development stripping costs ceases and amortisation of those capitalised costs commences upon commercial extraction of ore.

Amortisation of capitalised development stripping costs is determined on a unit of production basis for each area of interest.

Development stripping costs are considered in combination with other assets of an operation for the purpose of undertaking impairment assessments.

(ii) Production stripping costs

Overburden and other mine waste materials continue to be removed throughout the production phase of the mine. This activity is referred to as production stripping, and the associated costs charged to the income statement, as operating cost, except when all three criteria below are met:

- Production stripping activity provides improved access to the specific component of the ore body, and it is probable that economic benefits arising from the improved access will be realised in future periods.
- The Group can identify the component of the ore body for which access has been improved.
- The costs relating to the production stripping activity associated with that component can be measured reliably.

If all of the above criteria are met, production stripping costs resulting in improved access to the identified component of the ore body are capitalised as part of development asset and are amortised over the life of the component of the ore body.

The determination of components of the ore body is individual for each mine. The allocation of costs between production stripping activity and the costs of ore produced is performed using relevant production measures, typically strip ratios.

Changes to the mine design, technical and economic parameters affecting life of the components and strip ratios are accounted for prospectively.

(n) Intangible assets

The Group capitalises amounts paid for the acquisition of identifiable intangible assets, such as software, licenses, trademarks and patents, where it is considered they will contribute to future periods through revenue generation or reductions in cost. The cost of intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Following initial recognition, intangible assets are carried at cost less amortisation and any impairment losses. Intangible assets with finite lives are amortised on a straight-line basis over their useful lives and tested for impairment whenever there is an indication that they may be impaired. The amortisation period and method is reviewed at each financial year end.

The estimated useful lives for the principal categories of intangible assets amortised on a straight-line basis are as follows:

- Computer software 3 years
- Patents and licenses 5 to 20 years

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

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23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(n) Intangible assets (continued)

(i) Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset only when the Group can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- Its intention to complete and its ability and intention to use or sell the asset.
- How the asset will generate future economic benefits.
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

(ii) Goodwill

Goodwill is measured as described in note 23(a)(i). Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units (CGUs) for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose.

(o) Leases

The Group enters into contractual arrangements for the leases of mining equipment, vehicles, buildings and other assets. The nature of these arrangements can be lease contracts or service contracts with embedded assets. Typically, the duration of these contracts is for periods of between two and five years, some of which include extension options.

Leases are recognised on the statement of financial position as a right of use asset, representing the lessee's entitlement to the benefits of the identified asset over the lease term, and a lease liability representing the lessee's obligation to make the lease payments. Each lease payment is allocated between its liability and finance cost component. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right of use asset is depreciated on a straight-line basis over the shorter of the useful life of the asset and lease term. When the right of use asset is used in the extraction, processing and transportation of ore, depreciation is included in inventory.

Liabilities arising from contractual arrangements which contain leases are initially measured at the present value of the future lease payments. These payments include the present value of fixed payments prescribed in the contract; variable lease payments based on an index or prescribed rate; amounts expected to be payable by the lessor under residual value guarantees; and exercise price of a purchase option if it is reasonably certain that the option will be exercised.

Right of use assets are initially measured at the amount of the initial lease liability plus any lease payments at or before commencement date less incentives received, plus any initial direct costs, and any costs required for dismantling and rehabilitation. Right of use assets are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses, and any adjustment for remeasurement of the lease liability. Lease liabilities are subsequently measured at present value, adjusted for any variations to the underlying contract terms.

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Leases (continued)

Lease payments are discounted using the interest rate implicit in the lease. If this rate cannot be determined, the Group's incremental borrowing rate is used, which is the rate which the Group would have to pay to borrow the funds necessary to obtain an asset of a similar value in a similar economic environment over a similar term and security.

Payments for short-term leases and low value assets are recognised on a straight-line basis as an expense in the income statement. Short-term leases are for a period of 12 months or less and contracts involving low value assets typically comprise small items of IT hardware and minor sundry assets.

(p) Rehabilitation provision

Provisions are recognised when Fortescue has a present legal or constructive obligation as a result of past events. It is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

The mining, extraction and processing activities of Fortescue give rise to obligations for site rehabilitation. Rehabilitation obligations include decommissioning of facilities, removal or treatment of waste materials, land rehabilitation and site restoration.

The extent of work required and the associated costs are estimated using current restoration standards and techniques. Provisions for the cost of each rehabilitation program are recognised at the time that environmental disturbance occurs. Rehabilitation provisions are initially measured at the expected value of future cash flows required to rehabilitate the relevant site, discounted to their present value using Australian Government bond market yields that match, as closely as possible, the timing of the estimated future cash outflows. The judgements and estimates applied for the estimation of the rehabilitation provisions are discussed in note 24.

When provisions for closure and rehabilitation are initially recognised, the corresponding cost is capitalised into the cost of mine development assets, representing part of the cost of acquiring the future economic benefits of the operation. The capitalised cost of closure and rehabilitation activities is recognised within development assets and is amortised based on the units of production method over the life of the mine. The value of the provision is progressively increased over time as the effect of discounting unwinds, creating an expense recognised in finance costs.

At each reporting date, the rehabilitation liability is remeasured to account for any new disturbance, updated cost estimates, inflation, changes to the estimated reserves and lives of operations, new regulatory requirements, environmental policies and revised discount rates. Changes to the rehabilitation liability are added to or deducted from the related rehabilitation asset and amortised accordingly.

(q) Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group conducts an internal review of asset values bi-annually, which is used as a source of information to assess for any indications of impairment. External factors, such as changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment. If any such indication exists, an estimate of the asset's recoverable amount is calculated, being the higher of fair value less direct costs to sell and the asset's value in use. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties.

Fair value for mineral assets is generally determined using independent market assumptions to calculate the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal. These cash flows are discounted using an appropriate discount rate to arrive at a net present value of the asset.

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Impairment of non-financial assets (continued)

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Value in use is determined by applying assumptions specific to the Group's continued use and does not take into account future development.

In testing for indications of impairment and performing impairment calculations, assets are considered as collective groups and referred to as CGUs. CGUs are the smallest identifiable groups of assets and liabilities that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Impaired assets are reviewed at each reporting date whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

(r) Finance costs

Finance costs principally represent interest expense and are recognised as incurred except when associated with major projects involving substantial development and construction periods. In addition, finance costs include losses arising on derecognition of finance liabilities at above their carrying value, unwinding of the discount on provisions and bank charges.

Interest expense and other borrowing costs directly attributable to major projects are added to the cost of the project assets until such time as the assets are substantially ready for their intended use or sale. Where funds are used to finance an asset form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings during the construction period.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(s) Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries recognised in trade and other payables, and non-monetary benefits and annual leave recognised in provisions that are expected to be settled within 12 months of the reporting date, are classified as current liabilities in respect of employee services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in provisions and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, probability of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on Australian Government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The liability for long service leave for which settlement within 12 months of the reporting date cannot be deferred is recognised in the current provision. The liability for long service leave for which settlement can be deferred beyond 12 months from the reporting date is recognised in the non-current provision.

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) Share-based payments

Share-based remuneration benefits are provided to employees under Fortescue's share rights plan, as set out in note 18.

The fair value of rights is measured at grant date and is recognised as an employee benefits expense over the period during which the employees become unconditionally entitled to the rights, with a corresponding increase in equity.

The fair value at grant date is determined using an option pricing model that takes into account the exercise price, the term of the right, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the effect of additional market conditions, the expected dividend yield and the risk free interest rate for the term of the right.

The fair value of the rights granted is measured to reflect expected market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability). Non-market vesting conditions are included in assumptions about the number of rights that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of rights that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the income statement with a corresponding adjustment to equity.

(u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

(v) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing net profit after tax attributable to the ordinary shareholders by the weighted average number of ordinary shares on issue during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share is calculated by dividing net profit after tax attributable to the ordinary shareholders by the weighted average number of ordinary shares on issue during the financial year, after adjusting for the effects of all potential dilutive ordinary shares that were outstanding during the financial year.

(w) Goods and Services Tax (GST) and other taxes on consumption

Revenues, expenses and assets are recognised net of the amount of associated consumptive tax, except where the amount of consumptive tax incurred is not recoverable from the taxation authority. In these circumstances the consumptive tax is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of consumptive tax. The net amount of consumptive tax recoverable from, or payable to, the taxation authority is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the cash flow statement on a gross basis, except for the consumptive tax component of investing and financing activities, which is disclosed as an operating cash flow.

(x) Derivative financial instruments

From time to time, the Group holds derivative financial instruments to hedge its foreign currency and commodity price risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

OTHER

23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(y) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss as other income over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and they are credited to profit or loss as other income on a straight-line basis over the expected lives of the related assets.

(z) Comparatives

Where applicable, certain comparatives have been adjusted to conform with current year presentation.

(aa) New accounting standards and interpretations

(i) New and amended standards adopted by the Group

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 July 2024 and have been adopted by the Group. The amendments listed below did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

- *AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*
- *AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback*
- *AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants*
- *AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements*

(ii) New accounting standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. These standards and interpretations have not been early adopted by the Group. These standards and interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

OTHER

24 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements requires management to make judgements and estimates and form assumptions that affect how certain assets, liabilities, revenues, expenses and equity are reported. At each reporting period, management evaluates its judgements and estimates based on historical experience and on other factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Fortescue has identified the following critical accounting policies where significant judgements and estimates are made by management in the preparation of these financial statements.

(a) Iron ore reserve estimates

Iron ore reserves are estimates of the amount of product that can be economically and legally extracted from Fortescue's current mining tenements. In order to calculate ore reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. Estimating the quantity and grade of ore reserves requires the size, shape and depth of ore bodies or fields to be determined by analysing geological data such as drilling samples. This requires complex and difficult geological judgements and calculations to interpret the data.

As economic assumptions used to estimate reserves change and as additional geological data is generated during the course of operations, estimates of reserves may vary from period to period. Changes in reported reserves may affect Fortescue's financial results and financial position in a number of ways, including the following:

- Asset carrying values may be affected due to changes in estimated future cash flows.
- Depreciation and amortisation charges in the income statement may change where such charges are determined by the units of production method, or where the useful economic lives of assets change.
- The carrying value of deferred tax assets may change due to changes in estimates of the likely recovery of tax benefits.

(b) Exploration and evaluation expenditure - recoverable amount

Fortescue's accounting policy for exploration and evaluation expenditure results in expenditure being capitalised for an area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to the income statement.

(c) Development expenditure - recoverable amount

Development activities commence after commercial viability and technical feasibility of the project is established. Judgement is applied by management in determining when a project is commercially viable and technically feasible. In exercising this judgement, management is required to make certain estimates and assumptions as to future events. If, after having commenced the development activity, a judgement is made that a development asset is impaired, the relevant capitalised amount will be written off to the income statement.

Notes to the consolidated financial statements
FOR THE YEAR ENDED 30 JUNE 2025

OTHER

24 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(d) Property, plant and equipment – recoverable amount

The determination of FVLCD and value in use requires management to make estimates about expected production and sales volumes, commodity prices, reserves (see 'iron ore reserve estimates' above), operating costs, rehabilitation costs and future capital expenditure. Management also considers the impact of material climate-related risks, both transitional and physical, on estimates of future costs and useful lives of assets. Changes in circumstances may alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be impaired and the impairment would be charged to the income statement.

(i) Iron Bridge CGU - recoverable amount

The Group has used the FVLCD approach to assess the recoverable amount of the Iron Bridge CGU when the Group has completed an impairment assessment. The FVLCD is based on discounted cashflows using market-based exchange rates, commodity prices, expected pricing premiums, estimated quantities of recoverable resources, production levels, operating costs and capital requirements and the cost of its eventual disposal, based on CGU budgets and latest Life of Mine (LoM) plans. Where appropriate, the fair value has included probability weighted scenarios in calculating inputs. These cash flows were discounted using a nominal post-tax discount rate that reflected current market assessments of the time value of money and the risks specific to the CGU.

Production outputs, recoverability of resources and operating and capital costs are based on both LoM plans and internal budgets. Mine closure and rehabilitation is based on a combination of internal estimates on disturbance (based on LoM) and independent experts' estimates of fixed infrastructure decommissioning.

(e) Restoration and rehabilitation estimates

Fortescue's accounting policy for the recognition of rehabilitation provisions requires significant estimates including the magnitude of possible works required for the removal of infrastructure and of rehabilitation works, future cost of performing the work, the inflation and discount rates and the timing of cash flows. These uncertainties may result in future actual expenditure differing from the amounts currently provided.

(f) Revenue

(i) Revenue from iron ore sales

The transaction price at the date control passes for sales made subject to the provisional pricing mechanism is estimated with reference to quoted index prices. For sales where the final settlement price is yet to be determined, the value of this revenue is adjusted by considering tonnes subject to price finalisation at the end of the period and applying the closing spot rate.

(ii) Revenue from engineering services

Revenue from engineering services is recognised over time, as the services are provided to the customer, based on costs incurred for work performed to date as a percentage of total estimated costs under the contract or amounts billed as a percentage of the contract value. Judgements made that could have a significant effect on the financial report and estimates with a risk of adjustment in the next year are as follows:
- Determination of stage of completion
- Estimation of total contract revenue and contract costs
- Estimation of project completion date.

OTHER

24 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(g) Joint arrangements

Judgement is required to determine when the Group has joint control, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Group has determined that the relevant activities for its joint arrangements relate to the operating and capital decisions of the arrangement, such as the approval of the capital expenditure program for each year. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries (refer to note 23(a)).

Judgement is also required to classify a joint arrangement as either a joint operation or joint venture. Classifying the arrangement requires the Group to assess its rights and obligations arising from the arrangement. Specifically, it considers:

- The structure of the joint arrangement – whether it is structured through a separate vehicle
- When the arrangement is structured through a separate vehicle, the Group also considers the rights and obligations arising from:
  - the legal form of the separate vehicle
  - the terms of the contractual arrangement
  - other facts and circumstances (when relevant).

This assessment often requires significant judgement, and a different conclusion on joint control, and also whether the arrangement is a joint operation or joint venture, may materially impact the accounting.

(h) Fair value measurement of financial assets

When the fair values of financial assets recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AT 30 JUNE 2025

BASIS OF PREPARATION

The consolidated entity disclosure statement (CEDS) has been prepared in accordance with subsection 295(3A) of the *Corporations Act 2001*. The entities listed in the statement are Fortescue Ltd and all its controlled entities in accordance with AASB 10 *Consolidated Financial Statements*.

	Name of entity	Type of entity	Trustee, partner or participant in JV?[i]	Place of incorporation or formation[ii]	% of issued capital held[iii]	Australian resident?[iv]	Place of foreign residence (if applicable)[v]
1	Argentina Fortescue Future Industries S.A.	Body corporate	No	Argentina	100%	No	Argentina
2	Argentina Fortescue S.A.U.	Body corporate	No	Argentina	100%	No	Argentina
3	Argentina Minera S.A.	Body corporate	No	Argentina	100%	No	Argentina
4	Australian Fortescue Future Industries Holdings Pty Ltd	Body corporate	No	Australia	100%	Yes	
5	Australian Fortescue Future Industries Pty Ltd	Body corporate	No	Australia	100%	Yes	
6	Belinga Joint Venture Company Limited	Body corporate	No	United Kingdom	80%	No	United Kingdom
7	Bougainville Fortescue Limited	Body corporate	No	Papua New Guinea	100%	Yes	Papua New Guinea
8	Brasil Fortescue Mineração Limitada	Body corporate	No	Brazil	100%	No	Brazil
9	Brasil Fortescue Sustainable Industries Limitada	Body corporate	No	Brazil	100%	No	Brazil
10	Cameroon Fortescue Future Industries SAS	Body corporate	No	Cameroon	100%	No	Cameroon
11	Canada Fortescue Future Industries Ltd	Body corporate	No	Canada	100%	No	Canada
12	CD Hub Pty Ltd	Body corporate	No	Australia	100%	Yes	
13	Chichester Metals Pty Ltd	Body corporate	No	Australia	100%	Yes	
14	Chile Fortescue Future Industries SpA	Body corporate	No	Chile	100%	No	Chile
15	Chile Fortescue SpA	Body corporate	No	Chile	100%	No	Chile
16	Colombia Fortescue SAS	Body corporate	No	Colombia	100%	No	Colombia
17	CSRP Pty Ltd	Body corporate	No	Australia	100%	Yes	
18	Democratic Republic of Congo Fortescue Future Industries Ltd	Body corporate	No	Democratic Republic of Congo	100%	No	Democratic Republic of Congo
19	Ecuador Fortescue S.A.	Body corporate	No	Ecuador	100%	No	Ecuador
20	Energy Resources Fortescue Future Industries Pty Ltd	Body corporate	No	Australia	100%	Yes	
21	FFI Ionix, Inc.	Body corporate	No	United States	100%	No	United States
22	FFI Phoenix Hub Holdings LLC	Body corporate	No	United States	100%	No	United States
23	FFI USA Investments Inc.	Body corporate	No	United States	100%	No	United States
24	FGAM Holdings Inc.	Body corporate	No	United States	100%	No	United States
25	FMG Air Pty Ltd	Body corporate	No	Australia	100%	Yes	
26	FMG America Finance Inc.	Body corporate	No	United States	100%	Yes	United States
27	FMG Ashburton Pty Ltd	Body corporate	No	Australia	100%	Yes	
28	FMG Autonomy Pty Ltd	Body corporate	No	Australia	100%	Yes	
29	FMG Chichester Personnel Pty Ltd	Body corporate	No	Australia	100%	Yes	
30	FMG Clean Energy Pty Ltd	Body corporate	No	Australia	100%	Yes	
31	FMG Colombia Operations Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
32	FMG Ecuador Operations Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
33	FMG Ecuador Tenements Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
34	FMG Exploration Pty Ltd	Body corporate	No	Australia	100%	Yes	
35	FMG Hong Kong Shipping Ltd	Body corporate	No	Hong Kong	100%	No	Hong Kong

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

AT 30 JUNE 2025

	Name of entity	Type of entity	Trustee, partner or participant in JV?[i]	Place of incorporation or formation[ii]	% of issued capital held[iii]	Australian resident?[iv]	Place of foreign residence (if applicable)[v]
36	FMG Insurance Singapore Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
37	FMG International Exploration Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
38	FMG International Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
39	FMG International Shipping Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
40	FMG IOC Pty Ltd	Body corporate	No	Australia	100%	Yes	
41	FMG Iron Bridge (Aust) Pty Ltd	Body corporate	No	Australia	100%	Yes	
42	FMG Iron Bridge Limited	Body corporate	No	Hong Kong	100%	Yes	Hong Kong
43	FMG JV Company Pty Ltd	Body corporate	No	Australia	100%	Yes	
44	FMG Magnetite Pty Ltd	Body corporate	Yes	Australia	100%	Yes	
45	FMG North Pilbara Pty Ltd	Body corporate	No	Australia	100%	Yes	
46	FMG Nullagine Pty Ltd	Body corporate	No	Australia	100%	Yes	
47	FMG Nyidinghu Pty Ltd	Body corporate	No	Australia	100%	Yes	
48	FMG Personnel Pty Ltd	Body corporate	No	Australia	100%	Yes	
49	FMG Personnel Services Pty Ltd	Body corporate	No	Australia	100%	Yes	
50	FMG Pilbara Pty Ltd	Body corporate	No	Australia	100%	Yes	
51	FMG Procurement Services Pty Ltd	Body corporate	No	Australia	100%	Yes	
52	FMG Resources (August 2006) Pty Ltd	Body corporate	No	Australia	100%	Yes	
53	FMG Resources Pty Ltd	Body corporate	No	Australia	100%	Yes	
54	FMG Solomon Pty Ltd	Body corporate	No	Australia	100%	Yes	
55	FMG South America Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
56	FMG Training Pty Ltd	Body corporate	No	Australia	100%	Yes	
57	Fortescue Canada Limited	Body corporate	No	Canada	100%	Yes	Canada
58	Fortescue Capital Management LLC	Body corporate	No	United States	100%	No	United States
59	Fortescue Capital Pty Ltd	Body corporate	No	Australia	100%	Yes	
60	Fortescue Energy Hong Kong Investments Limited	Body corporate	No	Hong Kong	100%	No	Hong Kong
61	Fortescue Energy Pty Ltd	Body corporate	No	Australia	100%	Yes	
62	Fortescue Energy Ventures Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
63	Fortescue Future Chemicals Manufacturing Ethiopia PLC	Body corporate	No	Ethiopia	100%	No	Ethiopia
64	Fortescue Future Industries International Pty Ltd	Body corporate	No	Australia	100%	Yes	
65	Fortescue Future Industries Kenya Ltd	Body corporate	No	Kenya	100%	No	Kenya
66	Fortescue Future Industries Middle East Management Limited	Body corporate	No	United Arab Emirates	100%	No	United Arab Emirates
67	Fortescue Future Industries Namibia (Proprietary) Limited	Body corporate	No	Namibia	100%	No	Namibia
68	Fortescue Future Industries Pty Ltd	Body corporate	No	Australia	100%	Yes	
69	Fortescue Future Industries Pty Ltd PSC (Jordan)	Body corporate	No	Jordan	100%	No	Jordan
70	Fortescue Future Industries Technologies Pty Ltd	Body corporate	No	Australia	100%	Yes	

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

AT 30 JUNE 2025

	Name of entity	Type of entity	Trustee, partner or participant in JV?[i]	Place of incorporation or formation[ii]	% of issued capital held[iii]	Australian resident?[iv]	Place of foreign residence (if applicable)[v]
71	Fortescue Future Industries United Kingdom Holdings Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
72	Fortescue Global Asset Management LLC	Body corporate	No	United States	100%	No	United States
73	Fortescue Green Technologies Pty Ltd	Body corporate	No	Australia	100%	Yes	
74	Fortescue Hydrogen Systems Australia Pty Ltd	Body corporate	No	Australia	100%	Yes	
75	Fortescue Hydrogen Technology (Hefei) Limited	Body corporate	No	China	100%	No	China
76	Fortescue International Marketing Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
77	Fortescue Ltd	Body corporate	No	Australia	100%	Yes	
78	Fortescue Ltd Employee Share Trust	Trust	No	N/A	N/A	Yes	
79	Fortescue Metals Pty Ltd	Body corporate	No	Australia	100%	Yes	
80	Fortescue Morocco SARLAU	Body corporate	No	Morocco	100%	No	Morocco
81	Fortescue One Pty Ltd	Body corporate	No	Australia	100%	Yes	
82	Fortescue Services Pty Ltd	Body corporate	No	Australia	100%	Yes	
83	Fortescue Shipping Amanda Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
84	Fortescue Shipping David Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
85	Fortescue Shipping Grace Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
86	Fortescue Shipping Matilda Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
87	Fortescue Shipping Nicola Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
88	Fortescue Shipping Northern Spirit Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
89	Fortescue Shipping Singapore Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
90	Fortescue Shipping Sophia Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
91	Fortescue Shipping Sydney Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
92	Fortescue Trading (Shanghai) Co., Ltd	Body corporate	No	China	100%	No	China
93	Fortescue UK Investment Management Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
94	Fortescue UK IP Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
95	Fortescue UK Services Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
96	Fortescue WAE Pty Ltd	Body corporate	No	Australia	100%	Yes	
97	Fortescue Zero Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
98	Fortescue Zambia Limited	Body corporate	No	Zambia	100%	No	Zambia
99	Gibson Island FFI Holdings Pty Ltd	Body corporate	No	Australia	100%	Yes	
100	Gibson Island H2 Pty Ltd	Body corporate	No	Australia	100%	Yes	
101	Gibson Island NH3 Pty Ltd	Body corporate	No	Australia	100%	Yes	
102	Gladstone H2 Pty Ltd	Body corporate	No	Australia	100%	Yes	
103	Greenland Fortescue A/S	Body corporate	No	Greenland	100%	No	Greenland
104	Holmaneset H2 AS	Body corporate	No	Norway	100%	No	Norway
105	IB Operations Pty Ltd	Body corporate	No	Australia	69%	Yes	

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

AT 30 JUNE 2025

	Name of entity	Type of entity	Trustee, partner or participant in JV?[i]	Place of incorporation or formation[ii]	% of issued capital held[iii]	Australian resident?[iv]	Place of foreign residence (if applicable)[v]
106	International Bulk Ports Pty Ltd	Body corporate	No	Australia	100%	Yes	
107	IRBR Pty Ltd	Body corporate	No	Australia	100%	Yes	
108	Ivindo Iron SA	Body corporate	No	Gabon	72%	No	Gabon
109	Karribi Developments Pty Ltd	Body corporate	No	Australia	100%	Yes	
110	Kazakhstan Fortescue LLP	Body corporate	Yes	Kazakhstan	100%	No	Kazakhstan
111	Kazakhstan Fortescue Future Industries Limited	Body corporate	No	Kazakhstan	100%	No	Kazakhstan
112	Kazakhstan Fortescue Operations LLP	Body corporate	Yes	Kazakhstan	100%	No	Kazakhstan
113	Masters Way Homes Pty Ltd	Body corporate	Yes	Australia	100%	Yes	
114	MIH2 Pty Ltd	Body corporate	No	Australia	100%	Yes	
115	MIH2 USA People, Inc.	Body corporate	No	United States	100%	No	United States
116	MIH2 USA LLC	Body corporate	No	United States	100%	No	United States
117	Nascent Exploration Pty Ltd	Body corporate	No	Australia	100%	Yes	
118	Net Zero Holdings Pty Ltd	Body corporate	No	Australia	100%	Yes	
119	Netherlands Fortescue Future Industries Holdings B.V.	Body corporate	No	Netherlands	100%	No	Netherlands
120	New Zealand Fortescue Future Industries Limited	Body corporate	No	New Zealand	100%	Yes	New Zealand
121	Norway Fortescue Future Industries Holdings AS	Body corporate	No	Norway	100%	No	Norway
122	Papua New Guinea Fortescue Future Industries Ltd	Body corporate	No	Papua New Guinea	100%	No	Papua New Guinea
123	Peru Fortescue SAC	Body corporate	No	Peru	100%	No	Peru
124	Phoenix Hydrogen Hub LLC	Body corporate	No	United States	100%	No	United States
125	Pilbara Energy (Generation) Pty Ltd	Body corporate	No	Australia	100%	Yes	
126	Pilbara Energy Company Pty Ltd	Body corporate	No	Australia	100%	Yes	
127	Pilbara Gas Pipeline Pty Ltd	Body corporate	No	Australia	100%	Yes	
128	Pilbara Green Energy Company Pty Ltd	Body corporate	No	Australia	100%	Yes	
129	Pilbara Housing Services Pty Ltd	Body corporate	Yes	Australia	100%	Yes	
130	Pilbara Iron Ore Pty Ltd	Body corporate	No	Australia	100%	Yes	
131	Pilbara Marine Pty Ltd	Body corporate	No	Australia	100%	Yes	
132	Pilbara Mining Alliance Pty Ltd	Body corporate	No	Australia	100%	Yes	
133	Pilbara Power Pty Ltd	Body corporate	No	Australia	100%	Yes	
134	Pilbara Water and Power Pty Ltd	Body corporate	No	Australia	69%	Yes	
135	PIOP Mine Co Pty Ltd	Body corporate	No	Australia	100%	Yes	
136	Portugal Fortescue Unipessoal LDA	Body corporate	No	Portugal	100%	No	Portugal
137	Prairie Renewable Energy Farm Pty Ltd	Body corporate	No	Australia	100%	Yes	
138	PSV Leveque Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
139	PT Indonesia Fortescue Infrastructure	Body corporate	No	Indonesia	100%	No	Indonesia
140	PT Indonesia Papua Fortescue Future Industries	Body corporate	No	Indonesia	100%	No	Indonesia

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

AT 30 JUNE 2025

	Name of entity	Type of entity	Trustee, partner or participant in JV?[i]	Place of incorporation or formation[ii]	% of issued capital held[iii]	Australian resident?[iv]	Place of foreign residence (if applicable)[v]
141	Red Hawk Mining Pty Ltd	Body corporate	No	Australia	100%	Yes	
142	RZ Net Pty Ltd	Body corporate	No	Australia	100%	Yes	
143	South Africa Fortescue Future Industries (Pty) Ltd	Body corporate	No	South Africa	100%	No	South Africa
144	Southern Cross Wind Pty Ltd	Body corporate	No	Australia	100%	Yes	
145	SS IB Pty Ltd	Body corporate	No	Australia	100%	Yes	
146	Tasmania H2 Pty Ltd	Body corporate	No	Australia	100%	Yes	
147	The Fortescue Employee Housing Plan Trust	Trust	No	N/A	N/A	Yes	
148	The Masters Way Homes Unit Trust	Trust	No	N/A	N/A	Yes	
149	The Pilbara Infrastructure Pty Ltd	Body corporate	No	Australia	100%	Yes	
150	Toowong Process Pty Ltd	Body corporate	No	Australia	100%	Yes	
151	USA Fortescue Battery Holdings LLC	Body corporate	No	United States	100%	No	United States
152	USA Fortescue Energy Development LLC	Body corporate	No	United States	100%	No	United States
153	USA Fortescue Energy Holdings LLC	Body corporate	No	United States	100%	No	United States
154	USA Fortescue Facilities LLC	Body corporate	No	United States	100%	No	United States
155	USA Fortescue Future Industries LLC	Body corporate	No	United States	100%	No	United States
156	USA Fortescue Holdings Inc.	Body corporate	No	United States	100%	No	United States
157	USA Fortescue Hydrogen Systems Holdings LLC	Body corporate	No	United States	100%	No	United States
158	USA Fortescue IP, Inc.	Body corporate	No	United States	100%	No	United States
159	USA Fortescue Manufacturing Holdings LLC	Body corporate	No	United States	100%	No	United States
160	USA Fortescue MIH2 Holdings LLC	Body corporate	No	United States	100%	No	United States
161	USA Fortescue Piquette LLC	Body corporate	No	United States	100%	No	United States
162	Viridi S.A.	Body corporate	No	Argentina	100%	No	Argentina
163	VTEC Services Pty Ltd	Body corporate	No	Australia	100%	Yes	
164	W Hub Pty Ltd	Body corporate	No	Australia	100%	Yes	
165	WAE Joint Ventures Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
166	WAE Technologies Australia Pty Ltd	Body corporate	No	Australia	100%	Yes	
167	WAE Technologies Deutschland GmbH	Body corporate	No	Germany	100%	No	Germany
168	WAE Technologies US LLC	Body corporate	No	United States	100%	No	United States
169	Wongalee Renewable Energy Farm Pty Ltd	Body corporate	No	Australia	100%	Yes	

[i] This item addresses whether, at 30 June 2025, the relevant entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

[ii] For entities that are bodies corporate, this item discloses the place at which the entity was incorporated or formed. This disclosure is not required for entities that are not bodies corporate.

[iii] This item states the percentage of the entity's issued share capital (excluding any part that carries no right to participate beyond a specified amount in a distribution of either profits or capital) that was held, directly or indirectly, by Fortescue Ltd at 30 June 2025. This disclosure is not required for entities that are not bodies corporate.

[iv] For each body corporate, this item discloses whether the entity was an Australian resident (within the meaning of the Income Tax Assessment Act 1997) at 30 June 2025. Trusts are disclosed as Australian resident if they are a resident unit trust (within the meaning of the Division 6 of Part III of the Income Tax Assessment Act 1936) in relation to the 30 June 2025 year of income. Partnerships are disclosed as Australian resident if at least one member of the partnership was an Australian resident at 30 June 2025.

[v] This item discloses the jurisdiction(s) outside of Australia in which each entity was a resident for the purposes of the income tax law of the relevant jurisdiction(s) at 30 June 2025.

DIRECTORS' DECLARATION

In the Directors' opinion:

(a) the financial statements and notes set out on pages 168 to 229 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the consolidated entity's financial position at 30 June 2025 and of its performance for the year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

(c) the consolidated entity disclosure statement on pages 230 to 234 required by subsection 295(3A) of the *Corporations Act 2001* is true and correct, and

(d) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in note 20 will be able to meet any obligations or liabilities to which they are, or may become, subject to by virtue of the deed of cross guarantee described in note 20.

Note 1(a) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declaration by the Chief Executive Officers and Group Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

Dr Andrew Forrest AO
Executive Chairman
Dated in Perth this 26th day of August 2025.

Auditor's Independence Declaration

As lead auditor for the audit of Fortescue Ltd for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been:

a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Fortescue Ltd and the entities it controlled during the period.

Chris Dodd
Partner
PricewaterhouseCoopers

Perth
26 August 2025

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Independent auditor's report

To the members of Fortescue Ltd

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Fortescue Ltd (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended

b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 30 June 2025
- the consolidated income statement for the year then ended
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 30 June 2025
- the directors' declaration.

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Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

- In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	*How our audit addressed the key audit matter*
Operating sales revenue – iron ore and shipping revenue (Refer to note 3 and 24(f)) For the year ending 30 June 2025, the Group recognised iron ore and shipping revenue. Certain sales contracts are provisionally priced at the initial revenue recognition (bill of lading) date, with the final settlement price based on a pre- determined quotation period. Operating sales revenue from these contracts each comprise two parts: (1) Iron ore revenue and shipping revenue recognised at the bill of lading date at current prices; and (2) Provisional pricing adjustments which represent any difference between the revenue recognised at the bill of lading date and the final settlement price. Shipping revenue and the provisional pricing adjustments to shipping revenue are recognised over the period during which the shipping service has been provided. This is a key audit matter given the significance of iron ore and shipping revenue to the consolidated income statement and the significant effort involved in performing audit procedures over revenue recognition.	We performed the following audit procedures, over iron ore and shipping revenue, amongst other: • Evaluated the design and implementation and tested on a sample basis key controls involved in the calculation of iron ore and shipping revenue, including provisional pricing adjustments to revenue. • Performing analytical procedures over iron ore and shipping revenue, including provisional pricing adjustments by comparing revenue recognised with relevant external price indices and external data regarding Fortescue's shipped tonnes. • For a sample of sales contracts open at balance date, we inspected the sales contracts and assessed key terms of the sale including the volume of sales and duration of any quotation period. • For a sample of sales contracts with provisional pricing adjustments recorded during the year, we confirmed that the provisional pricing adjustments were appropriately presented within the financial statements by reconciling the separately recorded amounts to invoices. • Comparing journal entries to supporting documentation for a selection based on risk, including those posted at period-end which impact iron ore and shipping revenue.
Impairment assessment for the Iron Bridge Cash Generating unit (CGU) (Refer to note 12 and 24(d)) In accordance with Australian Accounting Standards and internal policies, the Group is required to assess at each reporting date whether there is any indication that its assets may be impaired. During the financial year, it was determined that indicators of impairment existed in relation to their Iron Bridge CGU. Accordingly, an impairment assessment was completed which resulted in no impairment expense being recognised.	We performed the following audit procedures, over the impairment assessment of the Iron Bridge CGU, amongst others: • Obtained our understanding of the process by which the cash flow forecasts were prepared to assess the recoverable amount of the CGU. • Evaluated the design and implementation of the control related to the review of the valuation model prepared by management.

Key audit matter	*How our audit addressed the key audit matter*
An impairment test of the Iron Bridge CGU was performed by assessing its fair value less cost of disposal (FVLCD) compared to its carrying amount. The FVLCD is based on discounted cashflows and is considered to be a Level 3 fair value measurement as it is derived from valuation techniques that include inputs that are not based on observable market data. The impairment assessment of the Iron Bridge CGU was a key audit matter given the significance of the CGU assets to the consolidated statement of financial position and the level of judgement involved in forming the estimates used in determining the recoverable amount and whether an impairment is required.	• Assessed the mathematical accuracy and logic of the discounted cash flow model and assessed whether the methodology utilised to determine the recoverable amount was consistent with Australian Accounting Standards. • Assessed the reasonableness of the CGU by determining whether the included assets, liabilities and cash flows are directly attributable to the CGU, and in line with our knowledge of the Group's operations and in accordance with Australian Accounting Standards. • Evaluated the Group's historical ability to forecast future cash flows by comparing budgets with reported actual results for the past year. • Assessed the appropriateness of the significant assumptions used, including assessing: o The forecasted product price assumptions, by comparing them to analysis performed by external parties and the Group's internal view of concentrate specific product premiums. o The operating cost forecasts are consistent with the most up-to-date budgets and life of mine; and o The discount rate used, by assessing the cost of capital for the Group and the asset specific risks, assisted by PwC valuations experts, and comparing the rate to market data and industry research. • Assessed the reasonableness of the disclosures made in the financial report against the requirements of Australian Accounting Standards.
Restoration and rehabilitation obligations (Refer to note 13(a) and 24(e)) The Group recognised provisions for restoration and rehabilitation obligations at 30 June 2025. The recognition of rehabilitation provisions requires judgement by the Group in estimating the magnitude of possible works required for the removal of infrastructure and of rehabilitation works, future cost of performing the work, the inflation and discount rates and the timing of cash flows. These uncertainties may	To assess the Group's restoration and rehabilitation obligations, we performed the following audit procedures, amongst others: • Obtained an understanding of how the Group identified the relevant methods, assumptions, and sources of data, that are appropriate for developing the closure plans and associated cost estimates in the context of the Australian Accounting Standards.

Key audit matter	*How our audit addressed the key audit matter*
result in future actual expenditure differing from the amounts currently provided. The judgement required by the Group to estimate such costs is made in circumstances where there has been limited restoration and rehabilitation activity or historical precedent against which to benchmark estimates of future costs. These factors combine to make this area a key audit matter.	• Obtained an understanding of the relevant control activities associated with developing the closure plans and associated cost estimates. • Agreeing the mathematical accuracy of calculations underlying the rehabilitation obligations on a sample basis, and whether the timing of cash flows within the calculations were consistent with latest life of mine plans. • Assessing whether the discount rates used in the closure plans and associated cost estimates to other similar costs in the business or external data where appropriate. • Assessing the movements in provisions for the year relating to restoration and rehabilitation obligations to determine whether they were consistent with our understanding of the Group's operations and associated rehabilitation plans.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report, a reasonable and limited assurance report on selected subject matter information in the Climate Change Report, and a limited assurance report on the Green Bond Allocation Reporting.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2025.

In our opinion, the remuneration report of Fortescue Ltd for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Chris Dodd
Partner

Perth
26 August 2025

CORPORATE DIRECTORY

ELIWANA

CORPORATE DIRECTORY

TOP 20 HOLDERS OF ORDINARY SHARES AT 20 AUGUST 2025

Rank	Name	Shares number	% of issued capital
1	HSBC Custody Nominees (Australia) Limited	1,514,865,883	49.20
2	Valin Investments (Singapore) Pte Ltd	228,007,497	7.41
3	J P Morgan Nominees Australia Pty Limited	224,906,160	7.30
4	Tattarang Pty Ltd	176,522,507	5.73
5	Citicorp Nominees Pty Limited	135,286,155	4.39
6	Emichrome Pty Ltd	93,045,000	3.02
7	Valin Resources Investments (Singapore) Pte Ltd	37,876,216	1.23
8	BNP Paribas Noms Pty Ltd	33,938,895	1.10
9	Pacific Custodians Pty Limited	23,345,364	0.76
10	Citicorp Nominees Pty Limited	21,474,439	0.70
11	Pacific Custodians Pty Limited	18,878,534	0.61
12	BNP Paribas Nominees Pty Ltd	15,177,347	0.49
13	BNP Paribas Nominees Pty Ltd	14,040,735	0.46
14	National Nominees Limited	13,549,338	0.44
15	HSBC Custody Nominees (Australia) Limited	12,158,488	0.39
16	Invia Custodian Pty Limited	8,244,951	0.27
17	Peter & Lyndy White Foundation Pty Ltd	5,117,979	0.17
18	HSBC Custody Nominees (Australia) Limited	4,436,717	0.14
19	Pacific Custodians Pty Limited	4,171,502	0.14
20	Mr John William Cunningham	4,000,000	0.13
		2,589,043,707	**84.09**

SUBSTANTIAL HOLDERS

Rank	Name	Shares number	% of issued capital
1	Tattarang Pty Ltd, Minderoo Foundation Limited, Nicola Margaret Forrest and John Andrew Henry Forrest	1,131,365,000	36.74
2	Hunan Valin Iron and Steel Group Company	267,395,477	8.68

Range	Shareholders number
1 to 1,000	119,599
1,001 to 5,000	47,181
5,001 to 10,000	9,476
10,001 to 100,000	6,708
100,001 and Over	312
Total	**183,276**

UNMARKETABLE PARCELS

There were 5,189 members holding less than a marketable parcel of share in the Company.

To The Board of Directors of Fortescue Ltd

Independent Assurance Report on identified Subject Matter Information in Fortescue Ltd's FY25 Annual Report

The Board of Directors of Fortescue Ltd engaged us to perform an independent limited assurance engagement in respect of the Eligible Project Cumulative Spend as at 30 June 2025 (the Subject Matter Information) as listed in the Fortescue Ltd (the Company) and its controlled entities' (together the Group) FY25 Annual Report.

Subject Matter Information and Criteria

We assessed the Subject Matter Information against the Criteria. The Subject Matter Information, set out in Table 1 below, needs to be read and understood together with the Criteria.

Table 1 – Subject Matter Information

Eligible Project	Eligible Category	Cumulative Spend as at 30 June 2025 US$m
Fortescue Zero battery systems	Energy Storage	205
Pilbara Generation Project	Renewable Energy	171
Pilbara Transmission Project	Renewable Energy	184
Green Fleet Energy Hub	Clean Transportation	65
Battery Electric Locomotives	Clean Transportation	17
Eliwana Renewable Infrastructure	Renewable Energy	46
6MW Fast Charger	Renewable Energy	19
Total allocated		**707**

The Criteria used by the Group to prepare the Subject Matter Information is the basis of preparation set out on page 42 of the Operating and financial review in the Fortescue FY25 Annual Report (the Criteria).

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The maintenance and integrity of the Group's website is the responsibility of the Group's management; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Criteria when presented on the Group's website.

Our assurance conclusion is with respect to the Subject Matter Information as at 30 June 2025, and does not extend to any other information included in, or linked from, the Fortescue FY25 Annual Report including any images, audio files or videos.

Responsibilities of Management

The Group's Management is responsible for the preparation of the Subject Matter Information in accordance with the Criteria. This responsibility includes:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the underlying Subject Matter Information;
- ensuring that those criteria are relevant and appropriate to the Group and the intended users; and
- designing, implementing and maintaining systems, processes and internal controls relevant to the preparation of the Subject Matter Information, which is free from material misstatement, whether due to fraud or error, against the Criteria.

Our independence and quality management

We have complied with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* relevant to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Standard on Quality Management ASQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibilities

Our responsibility is to express a limited assurance conclusion based on the procedures we have performed and the evidence we have obtained.

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. Those standards require that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention to indicate that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria, as at 30 June 2025.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion.

The procedures we performed in carrying out our limited assurance in respect of the Subject Matter Information were based on our professional judgement and included:

- making inquiries of the persons responsible for the Subject Matter Information;
- obtaining an understanding of the process for collecting and reporting the Subject Matter Information and obtaining supporting evidence to assess the eligibility of the project against the Group's Sustainability Financing Framework (as announced on 9 November 2021);
- obtaining supporting evidence to assess the appropriateness of selected estimates, assumptions and methodologies applied by management in the allocation of green bonds proceeds to eligible projects;
- performing limited substantive testing on a selective basis of the Subject Matter Information to assess that data had been appropriately measured, recorded, collated and reported; and
- considering the disclosure and presentation of the Subject Matter Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is not designed to detect all instances of non-compliance of the Subject Matter Information with the Criteria, as it is limited primarily to making enquiries of the Group's management and applying analytical procedures.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

The limited assurance conclusion expressed in this report has been formed on the above basis.

Our limited assurance conclusion

Based on the procedures we have performed, as described under 'Our responsibilities' and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria as at 30 June 2025.

Use and distribution of our report

We were engaged by the Board of Directors of Fortescue Ltd on behalf of the Group to prepare this independent assurance report having regard to the Criteria specified by the Group and set out in this report. This report was prepared solely for Fortescue Ltd to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Subject Matter Information and may not be suitable for any other purpose.

We accept no duty, responsibility or liability to anyone other than the Group in connection with this report or to the Group for the consequences of using or relying on it for a purpose other than that referred to above. We make no representation concerning the appropriateness of this report for anyone other than the Group and if anyone other than the Group chooses to use or rely on it they do so at their own risk.

This disclaimer applies to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute and even if we consent to anyone other than the Group receiving or using this report.

PricewaterhouseCoopers

Chris Dodd
Partner

Perth
26 August 2025

GLOSSARY

AI
Artificial Intelligence

Australian Accounting Standards
Australian Accounting Standards are developed, issued and maintained by the Australian Accounting Standards Board, an Australian Government agency under the *Australian Securities and Investments Commission Act 2001.*

ASX
Australian Securities Exchange.

Beneficiation
Beneficiation is a process whereby ore is pulverised into fine particles and the higher grade material is separated, often magnetically, from the gangue (waste).

bt
Billion tonnes.

C1 Costs
Operating costs of mining, processing, rail and port on a per tonne basis, including allocation of direct administration charges and production overheads.

CFR
A delivery term that indicates that the shipment price includes the cost of goods, freight costs and marine costs associated with a particular delivery.

Chichester Hub
Fortescue's mining hub with two operating iron ore mines, Cloudbreak and Christmas Creek.

CID
Channel Iron Deposit.

CO_2-e
When we refer to emissions, this includes all greenhouse gas emissions, reported in the unit of million tonnes of carbon dioxide equivalent (CO_2-e). This is defined as the amount of CO_2 that would cause the same temperature rise, over a given time period, as an emitted amount of greenhouse gas or mixture of greenhouse gases. CO_2-e is the universal unit of measurement to indicate the aggregate carbon dioxide equivalent emissions of carbon dioxide (CO_2), methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

Contractors
Non-Fortescue employees, working with the Company to support specific business activities.

Corporations Act
Corporations Act 2001 of the Commonwealth of Australia.

Direct employees
Total number of employees including permanent, fixed term and part-time. Does not include contractors.

dmt
Dry metric tonne.

Emissions
When we refer to emissions, we refer to all greenhouse gas emissions, reported in the unit of million tonnes of carbon dioxide equivalent (mtCO_2-e). This is defined as the amount of CO_2 that would cause the same temperature rise, over a given time period, as an emitted amount of greenhouse gas or mixture of greenhouse gases.

Emissions intensity
Amount of greenhouse gases emitted per unit of output.

Fe
The chemical symbol for iron.

FID
Final Investment Decision, marks the transition from project development and feasibility studies to the actual implementation and construction phase.

FIFO
Fly-in fly-out is defined as circumstances of work where the place of work is sufficiently isolated from the worker's place of residence to make daily commute impractical.

Fortescue
Fortescue Ltd (ACN 002 594 872) and its subsidiaries.

Fortescue blend
A blend of ore from Christmas Creek and Firetail mines, with an iron grade of 58.2% Fe.

Fortescue River Gas Pipeline
A 270 kilometre gas pipeline which delivers natural gas from the Dampier to Bunbury Pipeline to the main power station in the Solomon Hub.

FY
Refers to a financial year, end 30 June.

Gearing
Debt / (debt + equity).

Green ammonia
Green ammonia is ammonia produced using green hydrogen and nitrogen (extracted from the air), and the production process is powered by renewable energy.

Green hydrogen
Green hydrogen is hydrogen produced by the electrolysis of water, using renewable energy.

Green Metal
Green Metal is defined as iron made using processes and technologies that generate lower emissions than conventional methods. It encompasses a wide range of iron-containing products made from the reduction of iron ore, including sponge iron, pig iron, and direct reduced iron. This is a different product to green steel, a subsequent product made by alloying iron.

Green steel
Steel made using Green Metal, powered by 100 per cent renewable energy.

GJ
Gigajoules, or 1,000,000,000 joules.

GW
Giga watt, or 1,000,000,000 watts.

GWh
Giga watt hours.

Ha
Hectares.

HME
Heavy Mining Equipment, includes large machinery used for the extraction, transportation, and processing of iron ore, such as diggers, excavators, haul trucks and drilling units.

Hematite
An iron ore compound with an average iron content of between 57 per cent and 63 per cent Fe. Hematite deposits are typically large, close to the surface and mined via open pits.

Indicated Mineral Resource

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

Inferred Mineral Resource

An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

International Financial Reporting Standards

International Financial Reporting Standards (IFRS) is a single set of accounting standards, developed and maintained by the International Accounting Standards Board with the intention of those standards being capable of being applied on a globally consistent basis.

IPCC

Intergovernmental Panel on Climate Change, a United Nations body that assesses the science related to climate change, providing policymakers with regular scientific assessments and guidance on climate-related issues.

JORC Code

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition, each prepared by the Joint Ore Reserves Committee of the Australian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia, as amended or supplemented from time to time.

Kings CID Fines

Fortescue's standalone product produced from Channel Iron Deposit Ore from its Kings Valley mine in the Solomon Hub, with an iron content of 57.3% Fe.

KMP

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Magnetite

An iron ore compound that is typically a lower grade ore than hematite iron ore because of a lower iron content.

Magnetite ore requires significant beneficiation to form a saleable concentrate. After beneficiation, Magnetite ore can be pelletised for direct use as a high-grade raw material for steel production.

Measured Mineral Resource

A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality) densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Reserve or under certain circumstances to a Probable Ore Reserve.

Mt

Million tonnes.

mtpa

Million tonnes per annum.

MW

Mega watt, or 1,000,000 watts.

MWh

Mega watt hours.

Net gearing

(Debt - cash) / (debt - cash + equity).

NPAT

Net profit after tax.

OEM

Original Equipment Manufacturers.

OPF

Ore Processing Facility.

Pilbara

The Pilbara region in the north-west of Western Australia.

Pilbara Energy Connect (PEC)

Fortescue's energy generation and transmission program of works.

Probable Ore Reserve

As defined in the JORC Code, the economically mineable part of an Indicated Resource, and in some circumstances, a Measured Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.

Proved Ore Reserve
As defined in the JORC Code, the economically mineable part of a Measured Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.

Reserves or Ore Reserves
As defined in the JORC Code, the economically mineable part of a Measured Resource and/or an Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore reserves are subdivided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves. Where capitalised, this term refers to Fortescue's estimated reserves.

Resources or Mineral Resources
As defined in the JORC Code, a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quantity and quality that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral resources are subdivided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. Where capitalised, this term refers to Fortescue's estimated Mineral Resources.

Scope 1 emissions
Scope 1 emissions are direct emissions that are from sources owned or controlled by an entity.

Scope 2 emissions
Scope 2 refers to emissions associated with the production of electricity, heat, or steam purchased by an entity.

Scope 3 emissions
Scope 3 refers to all other indirect emissions associated with activities or facilities not owned or controlled by the entity, including both upstream and downstream emissions.

Senior executive
Leadership position title of Director or Group Manager.

Solomon Hub
A mining hub with Firetail, Kings Valley and Queens Valley mines.

Super Special Fines
Fortescue's iron ore product from the Chichester Hub, with an iron content of 56.4% Fe.

TCFD
The Taskforce on Climate-related Financial Disclosures, established to develop recommendations for more effective climate-related disclosures that enable a better understanding of carbon related assets and exposures to climate-related risks.

TRIFR
Total recordable injury frequency rate per million hours worked, comprising lost time injuries, restricted work and medical treatments.

Total global economic contribution
Payments that contribute to the global economy including payments to suppliers, employees (salaries and wages), governments (taxes and royalties), shareholders and investors (dividends and debt repayments).

Underlying EBITDA
Underlying EBITDA is defined as earnings before interest, tax, depreciation and amortisation, exploration, development and other expenses.

Underlying EBITDA margin
Underlying EBITDA / operating sales revenue.

Underlying net profit after tax
Net profit after tax (NPAT) adjusted for results adjusted for the removal of significant non-cash and non-recurring items.

VLOCs
Very Large Ore Carriers

Western Hub
The Western Hub includes the Firetail, Kings and Queens, Eliwana and Flying Fish deposits.

wmt
Wet metric tonne.

Zero emissions
When used in relation to vehicles, mining equipment or power systems means that: (a) a vehicle's exhaust, or mining equipment or power system, only emits water vapour when in operation; or (b) if the vehicle, mining equipment or power system is 100% battery powered then it does not emit any exhaust emissions.

DISCLAIMER

Our report contains certain statements which may constitute "forward-looking statements". Words that may indicate a forward-looking statement include words such as "intend", "aim", "ambition", "commitment", "aspiration", "project", "anticipate", "likely", "estimate", "plan", "believes", "expects", "may", "should", "could", "will", "forecast", "target", "goal", "set to" or similar expressions.

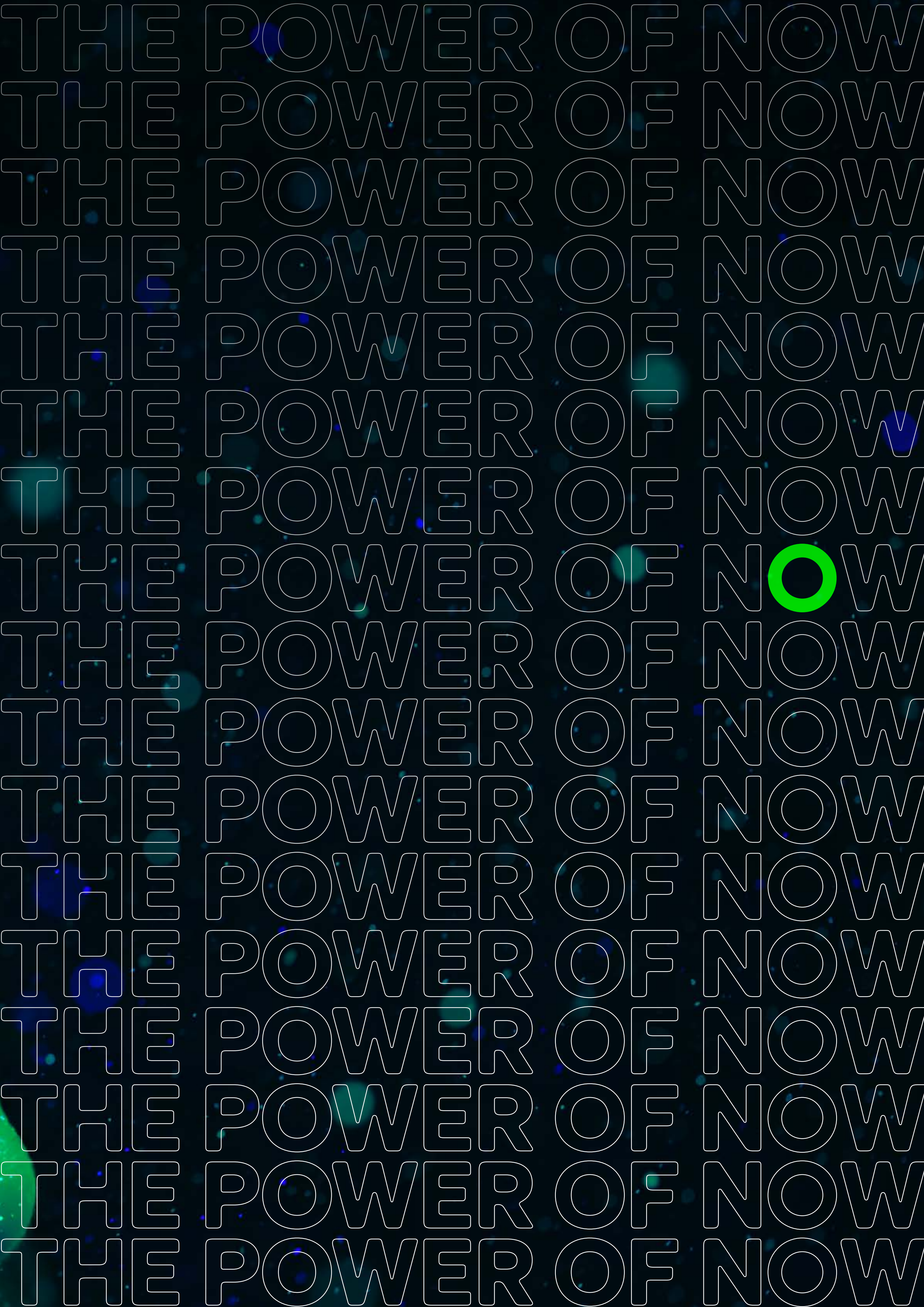
Examples of forward-looking statements include: our projected and expected production and performance levels; our plans for major projects including investment decisions; our expectations regarding future demand for certain commodities; the assumptions and conclusions in our climate change related statements and strategies; and our plan to achieve our Real Zero Target as described in this report.

Any forward-looking statements in this report reflect the expectations held at the date of this document. Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual decisions, results, values, achievements or performance to differ materially from those expressed or implied in any forward-looking statement. Forward-looking statements are based on assumptions regarding Fortescue's present and future business strategies and the future conditions in which Fortescue expects to operate. Forward-looking statements are also based on management's current expectations and reflect judgments, assumptions and information available as at the date of this report. Actual and future events may vary materially from the forward-looking statements made (and the conclusions and assumptions on which the forward-looking statements were based) because events and actual circumstances frequently do not occur as forecast and future results are subject to known and unknown risks such as changes in market conditions and regulations.

Some of the various factors that could cause Fortescue's actual results, achievements or performance to differ from those in forward-looking statements include: geopolitical and political uncertainty; trade tensions between major economies; the impacts of climate change; supply chain availability and shortages; the impacts of technological advancements including but not limited to the viability, availability, scalability and cost-effectiveness of technologies that can be used to decarbonise our business; our ability to identify profitable solutions for the residual sources of our emissions as we work towards our Real Zero Target; our ability to profitably produce and transport minerals and/or metals extracted to applicable markets; the availability of skilled personnel to help us decarbonise and grow our businesses; new ore resource levels, including the results of exploration programmes and/or acquisitions; inadequate estimates of ore resources and reserves; our ability to successfully execute and/or realise value from acquisitions and divestments; our ability to raise sufficient funds for capital investment; disruption to strategic partnerships; damage to Fortescue's relationships with communities and governments; labour unrest; our ability to attract and retain requisite skilled people; declines in commodity prices; adverse exchange rate movements; delays or overruns in projects; change in tax and other regulations; cybersecurity breaches; the impacts of water scarcity; natural disasters; the ongoing impacts of the COVID-19 pandemic, or other epidemic or pandemic; safety incidents and major hazard events; and increasing societal and investor expectations, including those regarding environmental, social and governance considerations.

Accordingly, forward-looking statements must be considered in light of the above factors, and others, and Fortescue cautions against undue reliance on such statements. Recipients should rely on their own independent enquiries, investigations and advice regarding information contained in this report. Fortescue makes no representation, guarantee, warranty or assurance, express or implied, as to the accuracy or likelihood of the forward-looking statements or any outcomes expressed or implied in any forward-looking statements contained in this report being achieved or proved to be correct.

Except as required by applicable regulations or by law, Fortescue disclaims any obligation or undertaking to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.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