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APPENDIX 4E

This information should be read in conjunction with Fortescue's Annual Report, for the year ended 30 June 2026.

Name of entity: Fortescue Ltd

ABN: 57 002 594 872

Results for announcement to the market		
		US$ million
Revenue from ordinary activities	increased 9% to	16,966
Profit from ordinary activities after tax attributable to members	decreased 15% to	2,870
Net profit after tax attributable to members	decreased 15% to	2,870
Significant items[1]		598
Underlying net profit attributable to members	increased 3% to	3,468

[1]The significant items pertain to the US$104 million (post-tax US$73 million) Yindjibarndi legal compensation expense and the US$750 million (post-tax US$525 million) impairment expense of Iron Bridge which reflects a revised ramp up schedule and a range of production scenarios.

Dividends	Amount per security	Franked amount per security
Financial year ended 30 June 2026:		
Interim – ordinary	A$0.62	A$0.62
Final – ordinary	A$0.46	A$0.46
Total dividends	**A$1.08**	**A$1.08**
Previous corresponding period:		
Interim – ordinary	A$0.50	A$0.50
Final – ordinary	A$0.60	A$0.60
Total dividends	**A$1.10**	**A$1.10**
Ex-dividend date of final dividend	**1 September 2026**	
Record date of final dividend	**2 September 2026**	
Payment date of final dividend	**29 September 2026**	

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 2026.

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 2026. 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 29 September 2026. 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$6.35 (previous corresponding period: US$6.31).

Previous corresponding period

The previous corresponding period is the 12 months ended 30 June 2025.

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.

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Fortescue™



ANNUAL REPORT 2026

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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

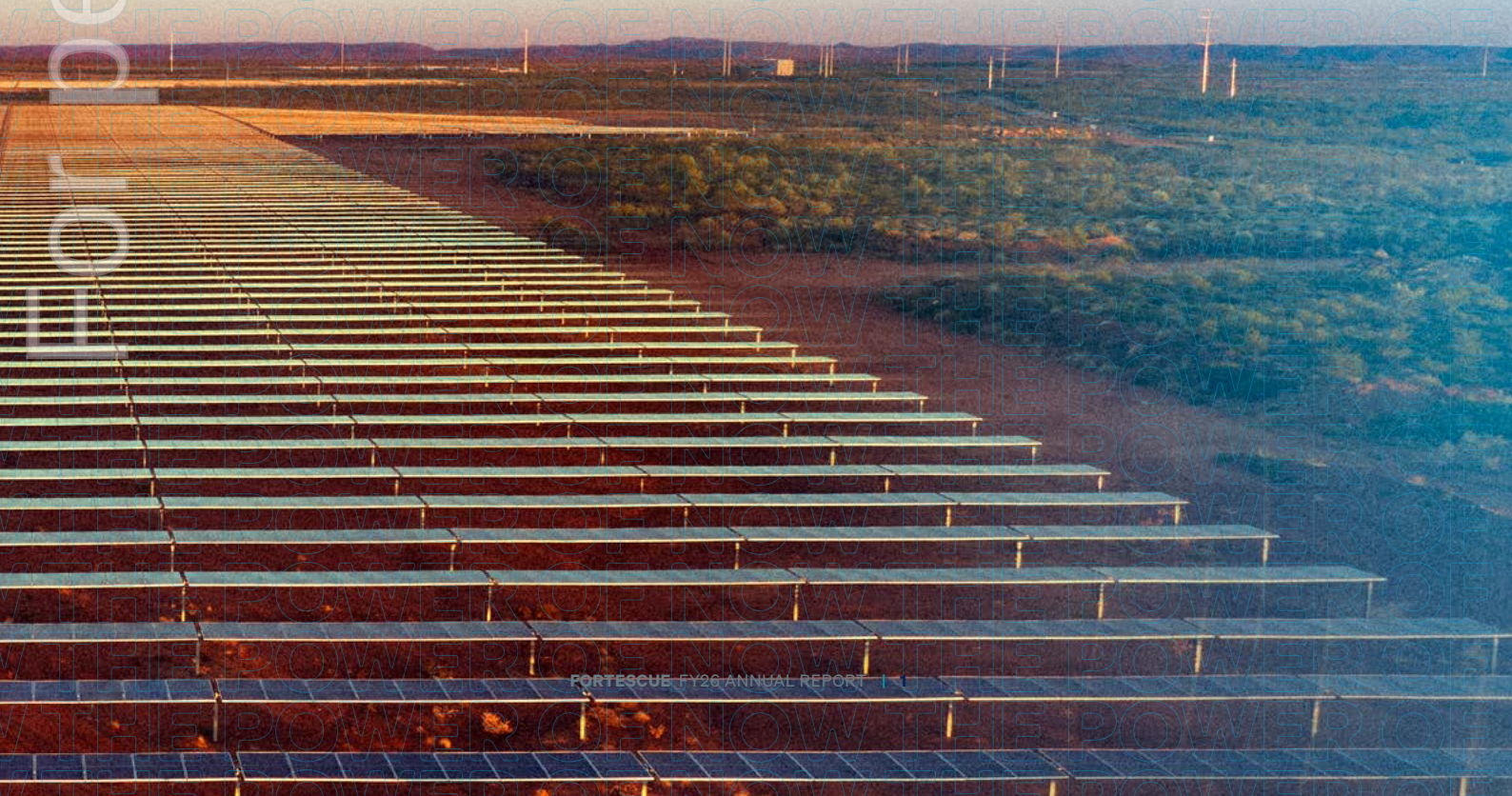
Acknowledgement of Country

Fortescue acknowledges the Indigenous peoples 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 Indigenous peoples. We pay our respects to the culture and people, their Elders and leaders, past, present and emerging.



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HIGHLIGHTS 2026



STARTED CONSTRUCTION OF MORE THAN 1.1GW OF NEW SOLAR CAPACITY AND OUR FIRST WIND FARM AT NULLAGINE

18 ELECTRIC EXCAVATORS NOW OPERATIONAL

TOTAL IRON ORE SHIPPED

201.3
million tonnes

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TOTAL ECONOMIC CONTRIBUTION FY26



- Employee payments **A$3.3bn**
- Shareholder and investor payments **A$6.9bn**
- Government and native title payments **A$4.6bn**
- Suppliers and operational payments **A$12.4bn**

LEADING SAFETY INDEX

172

CASH ON HAND

US$ 5.1 billion

UNDERLYING NET PROFIT AFTER TAX

US$ 3.5 billion

HEMATITE C1 UNIT COST

US$ 18.74 /wet metric tonne

SURPASSED A$7.6 BILLION IN CONTRACTS AWARDED TO INDIGENOUS BUSINESSES THROUGH OUR BILLION OPPORTUNITIES PROGRAM.



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.

THE POWER OF NOW

OVERVIEW



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MESSAGE FROM THE EXECUTIVE CHAIRMAN

DR ANDREW FORREST AO

The world is changing – and though the change may look unpredictable, it is not.

Cyclones disrupting gas supply across Western Australia.

Conflict in the Middle East exposing the vulnerability of global oil and diesel supply chains.

Rising heat and humidity already forcing down productivity across the subtropics.

Artificial intelligence changing the way businesses operate, and the relevance of entire industries, almost overnight.

None of these events were unexpected. At Fortescue, we have been preparing for them for years.

Our mission is a green, liveable world, where Fortescue will lead the way through hard economics.

When we committed to Real Zero in 2022, many people thought we were making an environmental statement. They were wrong.

Climate matters enormously, but if eliminating fossil fuels truly increased costs, businesses would never do it. Companies change when the economics change.

Our task was never simply to remove fossil fuels. It was to build a stronger, lower-cost and more resilient business, ready for a world already being transformed by climate change and conflict.

We are doing this from a position of strength.

For the first time in Fortescue's history, we shipped more than 200 million tonnes of iron ore in a financial year.

We achieved that while continuing to roll out one of the world's largest industrial decarbonisation programs.

Fortescue has always learned by doing and proved by demonstrating. We did it when we built our Pilbara operations, often challenging our team to develop technology that did not yet exist at the scale we needed. We are applying that same approach today.

Across the Pilbara, we are building one of the world's largest integrated, off-grid renewable energy systems. The 2.4 gigawatt network brings together solar, wind, battery storage, transmission infrastructure and artificial intelligence to power one of the most complex mining operations.



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We are building and deploying Real Zero technologies, including the next generation of battery-electric mining equipment and charging infrastructure. Fortescue Zero is taking that technology beyond our own operations, from the racetrack and into heavy industry.

When our work is complete, we expect renewable energy and electrification to reduce our C1 costs by as much as 20 per cent per wet metric tonne, while removing almost one billion litres of diesel from our operations every year.

Lower emissions. Lower costs. Greater energy independence.

The economics are already clear, yet Australian policy continues to favour imported diesel over cheaper, secure energy. Australia imports almost 90 per cent of our diesel, while taxpayers continue to subsidise the largest diesel users through an uncapped diesel fuel tax credit.

This policy belongs to another era. It rewards dependence on imported fossil fuels and discourages investment in the cheaper, secure energy systems Australia needs. Over the past 12 months we have forced this issue onto the national agenda. Mark my words, we will not stop until it changes.

To every member of the Fortescue family, thank you.

Your courage, innovation and determination continue to define this company.

Looking ahead, I have never been more optimistic.

Fortescue succeeds because we recognise change early, act decisively and back our people to achieve what others say cannot be done.

That spirit built Fortescue and it still drives us today.



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A MESSAGE FROM OUR CEOs

DINO OTRANTO AND GUS PICHOT

This was a year of strong performance for Fortescue.

Our team delivered record shipments, maintained our industry-leading cost position and continued to generate strong returns for shareholders.

Those results don't happen by accident.

They are the product of thousands of people turning up every day, working together and staying focused on what matters most.

That starts with safety.

Nothing is more important than ensuring our people go home safe every day. During the year, we continued to strengthen our safety performance across the business, achieving a Leading Safety Index of 172.

The foundations of our business have never been stronger.

Our iron ore operations continue to perform exceptionally well. We have a great balance sheet. And we're investing in opportunities that will shape Fortescue for decades to come.

REAL ZERO IN ACTION

The world needs more energy. A lot more.

Artificial intelligence, data centres and new industries are driving demand higher every year.

At the same time, we've all seen what happens when energy supply becomes uncertain.

Countries want energy security. Businesses want certainty. The community wants affordable power.

We believe renewable energy can deliver all three.

That's why Real Zero is so important.

It's about removing fossil fuels from our operations. It's also about building a lower-cost, more resilient business.

This year, we accelerated construction of the renewable energy, battery and transmission infrastructure that will form our Pilbara Green Grid. When complete, it will include 1.5GW of solar generation, 900MW of wind generation and 4-5GWh of battery storage.

Right now, we have 1.1GW of solar generation under construction across the Pilbara. In simple terms, no other mining company in Australia is building more solar than we are right now. And as more of the Green Grid comes online, we'll be talking about enough renewable energy to power the equivalent of an entire city.

We're also continuing to electrify our fleet. We now have 18 electric excavators in operation, and by the end of this year, 40 per cent of our dig fleet will be electric.

We've also deployed two battery electric locomotives and our first in-house developed HME fast charger, with our first battery electric wheel loader, dozer, grader and water cart arriving later this year for testing in the Pilbara.

Our wind farm at Nullagine is also under construction. We're using self-erecting turbine technology from our own company, Nabrawind, that simply wasn't available a few years ago. This changes what is possible - not just for us, but for the whole industry. It's a smarter way to build wind farms - faster to deploy, less reliant on heavy equipment and able to access stronger winds.

The technology is ready.

The question isn't whether it can be done. It's how quickly we can do it.



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GROWING WITH DISCIPLINE

Growth has always been part of Fortescue's story. But growth only matters if it creates value.

This year, we updated our Hematite Life of Mine plan, underpinned by the inclusion of Blacksmith.

Blacksmith strengthens the future of our Pilbara operations. It improves mine sequencing, reduces the amount of material we need to move and helps us keep costs lower for longer. That's what good businesses do. They never stop getting better.

We also completed the acquisition of Alta Copper, adding the highly prospective Cañariaco copper project in Peru to our critical minerals portfolio.

The world is going to need a lot more copper. Every new transmission line. Every battery. Every data centre. Demand is rising, and we intend to be a copper producer over time. Cañariaco has the potential to become a large, long-life copper operation and an important part of Fortescue's next chapter.

Beyond copper, we continued to advance the Belinga Project in Gabon while progressing exploration programs across Australia, Latin America, Canada and Kazakhstan. Exploration is a long game, but finding the right project can create an entirely new source of growth for Fortescue.

GREEN ELECTRONS AND GREEN METALS

We're in a unique position at Fortescue. Our Green Grid is already replacing fossil fuels across our operations and lowering our running costs. Next year, we'll be saving around US$100 million a year in fossil fuel costs through renewable energy alone. And that's before you start thinking about what comes next.

We built our Green Grid for Fortescue. But it won't stop there.

The demand for green electrons is growing rapidly. Data centres, advanced manufacturing and new industries all need large amounts of reliable power. And they need it now.

We think the Pilbara can play a big role in meeting that demand.

We've spent more than two decades building and operating large-scale infrastructure in one of the most remote regions in the world - the Pilbara.

We know how to build it. We know how to operate it. And we know how to move quickly.

The question is, what's next?

How do we create more value from the resources, energy and capability we already have in the Pilbara?

Green metals alone could create tens of thousands of jobs and contribute more than A$170 billion to the Australian economy. Not because we've discovered something new, but because we've decided to do more with what we've already got.

In August 2026 we achieved first hot metal from our Green Metal Project at Christmas Creek.

That reinforced Pilbara iron ore can play a role in producing the lower-emissions metals the world is increasingly demanding.

The Pilbara has some of the world's best solar and wind resources alongside one of the world's largest iron ore industries. We should be competing to capture that opportunity. If we don't - other renewable-rich countries will.

LOOKING AHEAD

Fortescue's success is only possible because of our people.

To our Fortescue Family around the world, thank you. Your commitment and willingness to challenge what others think is possible continue to set this company apart.

To our shareholders, Traditional Custodians, communities, customers, suppliers and partners, thank you for joining us on this journey.

We've come a long way since 2003, but we've never been a company to stand still.

The opportunities in front of us are enormous.

Now, it's time to get on with it.



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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 2026, the Board had 10 non-executive directors and two executive directors, being Dr Andrew Forrest AO, Fortescue's Executive Chairman, and Elizabeth Gaines. Elizabeth Gaines resigned on 30 June 2026 and the Board will appoint Sigrid Kaag as a Non-Executive Director subject to the completion of regulatory requirements.



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



Sigrid A.M. Kaag

Non-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

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Dr Andrew Forrest AO

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

Dr Andrew Forrest AO is an entrepreneur, scientist and business leader committed to ending fossil fuel use, accelerating green energy, and addressing humanity's most pressing challenges with data and science-driven solutions. In 2003, Dr Forrest founded Fortescue, growing it from a small exploration company into one of the world's leading miners and infrastructure operators, and Australia's most successful company for shareholder returns. The scale and success of Fortescue provided the platform for Dr Forrest to establish Minderoo Foundation, now Australia's largest philanthropy, and Tattarang, one of the country's largest private investment groups.

Minderoo Foundation is underpinned by a $9 billion endowment, and over the past two decades, has invested in world-leading research and advocacy programs across global challenges including climate and ocean science, humanitarian relief, and the safe governance of emerging technologies.

Through Tattarang, Dr Forrest invests in sectors critical to national resilience and long-term 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 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 Harvard's Salata Institute Advisory Board (SIAB), a member of the Giving Pledge and the Council on Foreign Relations Global Board of Advisors. In 2025, he was named one of TIME's 100 Most Influential People in the world.

Mark Barnaba AM CitWA

Non-Executive Director
Deputy Chairman
Chair: Audit, Finance and Risk Management Committee

Mr Barnaba is Deputy Chairman and Chairman of the Audit, Finance and Risk Management Committee at Fortescue Ltd (ASX:FMG). He is Chairman of Greatland Resources Limited (LSE:GGP; ASX:GGP) and is also Chairman of Airtrunk. Mark is co-Chair of the University of Western Australia Business School Board.

Mr Barnaba brings a wealth of international experience 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.

Mr Barnaba 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) and Williams Advanced Engineering (UK-based offshoot of the Williams F1 team).

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 (including as 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 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.

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Dr Larry Marshall

Non-Executive Director
Lead Independent Director
Member: Audit, Finance and Risk Management Committee

Dr Marshall currently serves on the boards of Fortescue Ltd, Nanosonics Limited, and Great Barrier Reef Foundation and is the Chancellor (Interim) of the Australian National University and also serves on the advisory board of Infleqtion, Inc (NYSE: INFQ).

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 Thomson 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, & 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.

Dr Jean Baderschneider

Non-Executive Director
Chair: Safety and Sustainability Committee
Member: Audit, Finance and Risk Management Committee

A highly regarded leader in both business and civil society, Dr Baderschneider brings over 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 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 currently serving on the COP31 "Advisory Group...on the Road to Antalya" and as a member of the Zero Waste Foundation Advisory Group supporting the COP31 High Level Champion. Dr Baderschneider 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.

OUR BOARD

Penny Bingham-Hall

Non-Executive Director
Chair: People, Remuneration and Nomination Committee

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 Asia. 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 Fellow of the Chartered Institute for Securities & Investment and a member of Chief Executive Women.

Yasmin Broughton

Non-Executive Director
Member: People, Remuneration and Nomination Committee

Ms Broughton is an experienced non-executive director and corporate lawyer with more than 25 years advising, leading and governing ASX-listed and large private companies across the mining, energy and natural resources sectors. She brings expertise in mergers and acquisitions, major strategic transactions, governance, risk management, regulation and stakeholder engagement, together with extensive board oversight of complex, capital-intensive businesses operating in highly regulated environments.

Ms Broughton is also a Non-Executive Director of Greatland Resources Limited, where she chairs the Remuneration and Nomination Committee. She previously held the roles of General Counsel and Company Secretary of Alinta Limited, then one of Australia's largest listed integrated energy companies with electricity generation, gas infrastructure and retail operations across Australia, and Deputy Chair of Synergy, Western Australia's largest electricity generator and retailer, serving more than one million customers. As Executive Chair of VOC Group, she led the sale of the company's 25 per cent interest in the Rhodes Ridge Iron Ore Project to Mitsui in a transaction that established the highest valuation paid globally for a pre-construction mining asset. Her background across mining, energy and major strategic transactions provides valuable expertise in strategic transactions, governance, capital allocation and the opportunities and challenges arising from the global energy transition.

She holds a Bachelor of Commerce with double majors in Corporate Law and Management, a Postgraduate degree in Law and is a Fellow of the Australian Institute of Company Directors.

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Lord Sebastian Coe, CH KBE

Non-Executive Director
Member: People, Remuneration and Nomination Committee

Based in Monaco, Lord Coe is the Non-Executive Vice Chairman of THE TEAM, formerly known as Wasserman.

Lord Coe currently 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.

Sigrid Kaag

Non-Executive Director[1]
Member: Safety and Sustainability Committee

Ms Kaag brings extensive international experience across risk, international affairs, governance, trade, finance, and climate-related investments, institutional leadership and international policy, developed over more than 35 years in senior government, United Nations and major multilateral institutional roles.

She has served as First Deputy Prime Minister and Minister of Finance of the Kingdom of the Netherlands, with responsibility for a national budget exceeding €300 billion and regulated governance of more than 40 state-participated enterprises, including strategic assets across banking, aviation, rail, transport and infrastructure. She represented the Netherlands at the International Monetary Fund, the World Bank, and other international financial institutions, contributing to sovereign financial oversight, debt relief, macroeconomic stabilisation, capital allocation, and international policy.

Ms Kaag also served as Minister for Foreign Affairs and Minister for Foreign Trade and Development Cooperation, leading international trade, investment, regulatory and political engagement across Europe, the Middle East, Africa, Asia, and the US.

She has held several senior United Nations leadership roles, at the level of Under-Secretary General, in different crisis and risk settings in the Middle East, including Syria, Lebanon as well as most recently in Gaza.

Ms Kaag co-chaired the Coalition of Finance Ministers for Climate Action, a platform of more than 60 countries and partners focused on climate finance, green bonds, debt-related innovation and the integration of climate considerations into fiscal and financial policy. She also chaired Finance and Sustainability tracks at the World Economic Forum, convening business, government and civil society leaders on sustainable finance, growth and regulatory reform.

She currently serves as Co-Chair of the Board of Directors of the UN Foundation, Global Chair of Education Cannot Wait, Independent Board Member of the European Investment Bank Global Advisory Board, and Independent Member of the UN Security Council established Gaza Executive Board. She is also an Associate Professor on International Negotiations and Governance at the Paris School of International Affairs, Sciences Po.

Ms Kaag holds an M.Phil. in International Relations from the University of Oxford, an M.A. in Middle Eastern Studies from the University of Exeter, a B.A. in Middle Eastern Studies from the American University in Cairo, and an Honorary Doctorate from the University of Exeter. She is fluent in Dutch, English, Arabic, French, German and Spanish.

[1]Sigrid Kaag will be appointed as a Non-Executive Director subject to completion of regulatory procedures.

OUR BOARD

Yifei Li

Non-Executive Director
Member: Safety and Sustainability Committee

Ms Li is the President of the Li 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 2011 to 2018. She 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 Burson-Marsteller, Viacom and its MTV Networks, Nickelodeon 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.

Noel Pearson

Non-Executive Director
Member: Safety and Sustainability Committee

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 nonprofit 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.

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Noel Quinn

Non-Executive Director
Member: Audit, Finance and Risk Management Committee

Mr Quinn brings over 37 years' experience in finance and corporate banking following his career with HSBC and its predecessor organisations.

He began his career in 1987 with Forward Trust Group, the leasing subsidiary of Midland Bank (now HSBC UK), and built much of his career in corporate and commercial banking. He held a number of senior leadership roles with HSBC across the UK and Asia, including Regional Head of Commercial Banking for Asia-Pacific and Chief Executive of Global Commercial Banking, before becoming Group CEO in 2019.

Throughout his career, Mr Quinn has led businesses through periods of significant change, including the years following the Global Financial Crisis, and has been recognised for his focus on customers, sustainable growth and long-term value creation.

Alongside his banking career, Mr Quinn has been actively involved in a number of global sustainability and investment initiatives, including the Sustainable Markets Initiative, founded by His Majesty King Charles III, and the World Bank's Private Sector Investment Lab. He is also the Chair of Julius Baer, the Swiss-based international private banking group.

Mr Quinn is a chartered accountant and brings extensive international leadership experience, a deep understanding of global markets and a strong commitment to sustainable business practices.

Usha Rao-Monari

Non-Executive Director
Member: Audit, Finance and Risk Management Committee

Ms Rao-Monari is a senior infrastructure investment professional with over 30 years of experience leading investment platforms and departments within asset investment and management organisations.

She has held various leadership positions such as Under-Secretary General, United Nations, Senior Advisor to Blackstone Infrastructure Partners, Chief Executive Officer of Global Water Development Partners, and Director at the International Finance Corporation.

Ms Rao-Monari currently serves as the Chair of the Voluntary Carbon Markets Integrity Initiative, Chair of HMKLIII JET Limited, Member of the Audit and Advisory Committee of UNOPS, Member of the International Advisory Panel on Carbon Credits, Singapore, and Member of the Advisory Committee for the New Economy Unit of EY. She also was Member of the Environmental Steering Committee for NEOM, Saudi Arabia and Commissioner of Global Commission on the Economics of Water, Netherlands.

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 and Future 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.

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 and a Fellow of the Governance Institute of Australia.

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.



Agustin (Gus) Pichot
Chief Executive Officer, 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, metals and critical minerals exploration portfolio and global growth projects.

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, Metals and Operations

Dino Otranto joined Fortescue in 2021 as Chief Operating Officer Iron Ore before being appointed CEO of Fortescue Metals in August 2023. Alongside leading the Company's iron ore business, Dino oversees Fortescue's global decarbonisation efforts, Pilbara exploration and Australian energy projects.

With more than 20 years' experience in the global resources sector, Dino has worked across a diverse range of commodities and operations worldwide. Safety is at the heart of Dino's leadership, shaping his approach to operational performance and decision-making. At Fortescue, he is driving one of the largest operational transformations in the Company's history, accelerating the decarbonisation and electrification of its iron ore operations while strengthening the performance of the Metals business.

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

Ms Paget joined the Company in January 2023 as Group Manager Finance & Tax. She was appointed Acting Chief Financial Officer of Fortescue Metals in August 2023 and Group Chief Financial Officer in July 2024.

Ms Paget is a finance executive with more than 25 years' experience in the resources and energy sectors, leading finance, treasury, tax and commercial functions, with expertise in strategic finance, capital allocation, business evaluation, mergers and acquisitions, and capital management.

She has led a number of landmark funding and capital initiatives that have broadened Fortescue's funding sources, strengthened relationships with international financial institutions and enhanced the Company's financial flexibility. She is focused on disciplined capital allocation, enhancing financial insight and decision-making, and accessing the world's most competitive pools of capital to support the Company's long-term strategy and growth.

Prior to joining Fortescue, Ms Paget was a member of TotalEnergies Australia's leadership team and held senior finance roles with ConocoPhillips Australia.

Ms Paget holds a Bachelor of Commerce from the University of Western Australia and is a Fellow of Chartered Accountants Australia and New Zealand (FCA). She is also a Chartered Tax Adviser (CTA) with The Tax Institute and a member of Chief Executive Women (CEW).

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



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OUR VISION

A GREEN LIVEABLE WORLD WHERE FORTESCUE HAS LED THE WAY THROUGH HARD ECONOMICS.



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OUR PURPOSE

Fortescue has never been defined by conventional thinking.

Founded in Western Australia's Pilbara in 2003, we have grown from a start-up into a leading metals, energy and technology company and the fourth largest iron ore producer globally.

Today, our integrated operations span the Pilbara, where 760 kilometres of rail connect our mining hubs to Port Hedland, enabling us to safely and efficiently export around 200 million tonnes (Mt) of iron ore each year to customers around the world.

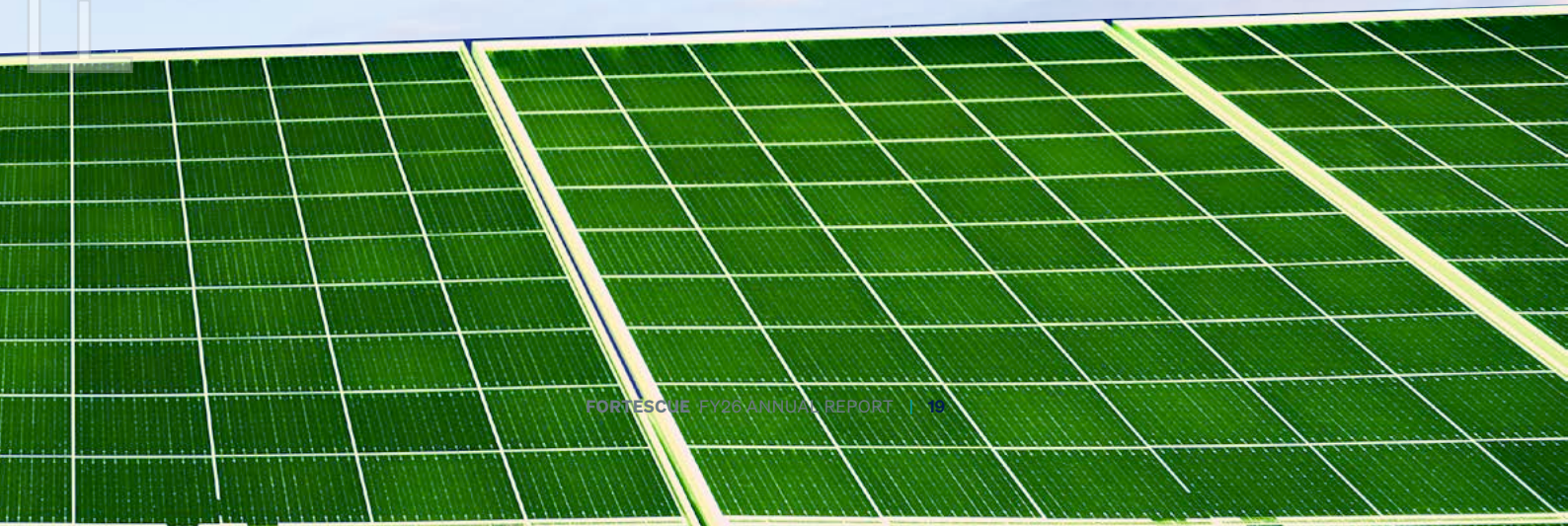
Our success is built on a relentless focus on safety, operational excellence, financial discipline and a culture that embraces stretch targets. We develop, integrate and operate technologies from around the world, combining operational excellence with the speed and ambition that have defined Fortescue since its earliest days.

These foundations position us to capture opportunities across metals, energy and technology as we continue to grow our global footprint. From the Fortescue Belinga Project in Gabon to the Cañariaco Copper Project in Peru, we are building a portfolio designed to create long-term value and support the global energy transition.

At the same time, we are proving that industrial decarbonisation can be achieved rapidly and profitably. Our Real Zero Target is driving one of the largest and most ambitious decarbonisation programs in the global resources sector, focused on eliminating Scope 1 and 2 emissions from our Australian terrestrial iron ore operations in the Pilbara by the end of 2030.

By deploying renewable energy, electrifying our mining equipment and integrating battery systems and other zero-emissions technologies at scale, we are helping reshape how heavy industry operates. Through this work, we are not only reducing emissions across our own operations, but also demonstrating a commercially viable pathway for heavy industry to decarbonise profitably.

Beyond our operations, we remain committed to creating lasting social and economic value through employment, training, business development and partnerships with communities and Indigenous businesses. Through our Billion Opportunities program, we have awarded more than A$7.6 billion in contracts to Aboriginal businesses since 2011, helping create enduring opportunities and shared prosperity.



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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.

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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-emissions 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.

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OPERATING AND FINANCIAL REVIEW



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KEY PERFORMANCE HIGHLIGHTS.

SAFETY

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Leading Safety Index

PRODUCTION

201.3Mt

Iron ore shipped

C1 COST

US$18.74

/wet metric tonne

Hematite

UNDERLYING NET PROFIT AFTER TAX

US$3.5bn

Attributable to equity holders

CASH ON HAND

US$5.1bn



HOW WE CREATE VALUE

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Our purpose: Accelerate the decarbonisation of heavy industry

Fortescue's purpose is to accelerate the decarbonisation of heavy industry on a global scale, rapidly and profitably. This is not a parallel ambition - it sits at the centre of how we operate, invest and grow. We are focused on eliminating emissions at the source, consistent with our Real Zero approach. Everything we do is aimed at delivering long-term shareholder value through strong operational performance, disciplined capital allocation and targeted growth.

Operational excellence

Operational excellence drives value across Fortescue. We focus relentlessly on productivity, cost and performance to deliver reliable output, competitive margins and strong cash flow across our operations. We apply this discipline across all parts of the business - from established operations to new projects - ensuring each is developed and operated with a clear focus on efficiency, cost competitiveness and returns. This helps us perform consistently through the cycle while supporting growth across green metals, energy and technology.

Disciplined capital allocation framework

We have always maintained strong fiscal discipline, which underpins our capital allocation framework. We prioritise sustaining safe, reliable and low-cost operations, maintaining a strong balance sheet and delivering consistent returns to shareholders. At the same time, we invest in growth, striking a deliberate balance between shareholder returns and funding our pipeline of growth opportunities.



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Disciplined growth

We are pursuing growth in a disciplined and commercially driven way, strengthening our global footprint across metals, critical minerals, energy and technology. Our portfolio includes opportunities with the potential to create long-term value, aligned to the energy transition and evolving customer demand.

We actively assess the timing and progression of these opportunities against market maturity, policy and regulatory settings, infrastructure readiness and customer demand. This helps ensure capital is deployed in line with our disciplined capital allocation framework and is directed towards opportunities that deliver sustainable shareholder returns.

Sustainability in how we operate

We believe long-term success depends on operating responsibly. That means putting safety first, caring for the environment and building strong relationships with Indigenous peoples, communities, governments and our workforce.

These relationships are fundamental to how we operate. They help us deliver projects, attract and retain talented people, manage risk and create lasting benefits in the regions where we work.

We work alongside Traditional Custodians and local communities to create employment, training and business opportunities, while maintaining high standards of environmental stewardship and responsible resource development. By operating responsibly today, we strengthen the foundations for future growth.

Real Zero driving long-term value

We are focused on eliminating emissions at the source, reducing our reliance on fossil fuels and fundamentally changing how we power our operations. This is expected to deliver clear commercial benefits. By moving away from diesel and other fossil fuels, we reduce exposure to fuel price volatility and global supply chain disruption, supporting more stable and predictable operating costs over time. As renewable energy and electrification scale, we expect to improve our cost position even further, strengthening our ability to remain one of the world's lowest-cost iron ore producers.



EXPLORATION AND DISCOVERY
Challenging geological thinking to identify valuable deposits

MODELLING, PLANNING AND DEVELOPMENT

EXTRACTION AND RECOVERY
Innovative use of technology suitable to Fortescue's deposits

PROCESSING
Ore processing facility design and wet processing optimise output

MINE TO PORT
Dedicated heavy haul rail in the Pilbara

Concentrate pipeline for Iron Bridge

Truck haulage in Gabon

BLENDING AND STOCKPILING
Port design facilities blending and stockpiling of product suite

Concentrate handling facility for Iron Bridge

SHIPLOADING
3 shiploaders and 5 berths at Port Hedland maximise outload capacity and utilisation

Shared facilities in Gabon

MARKETING
Helping customers achieve best value in use

SHIPPING AND TOWAGE
8 Fortescue Very Large Ore Carriers (VLOCs)

Delivery to Fortescue's international customers' specifications

Towage fleet at Port Hedland provides safe and reliable towage services

PORT SALES
FMG Trading Shanghai Co. Ltd (FMG Trading) facilitating port sales in China

REHABILITATION
Mine closure and decommissioning

OUR OPERATING SYSTEM

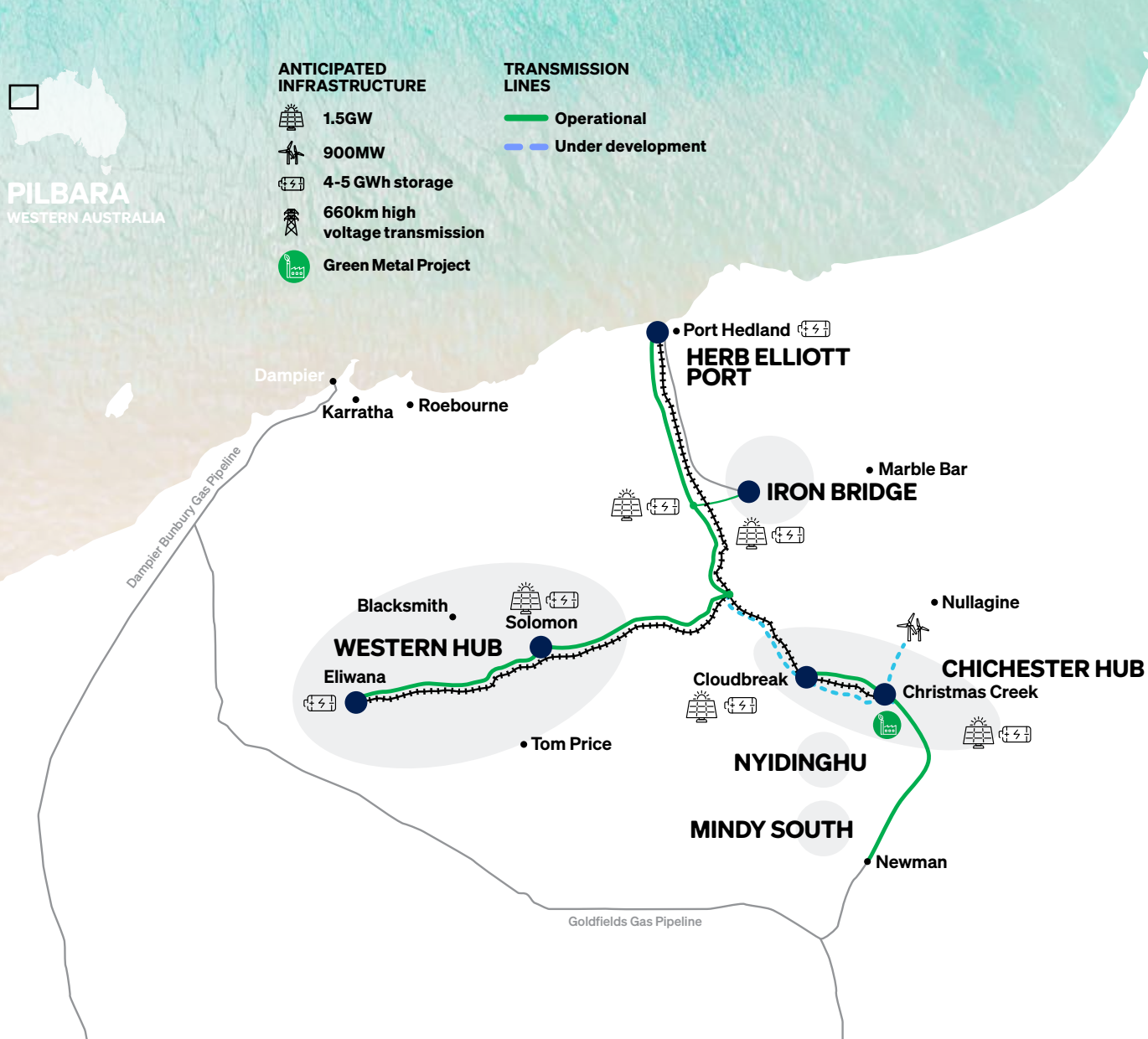
Integrated Pilbara operations

Fortescue's integrated Pilbara operations form one of the world's largest and most efficient iron ore operating systems, linking our mines, rail network, port infrastructure and processing operations to safely and efficiently deliver around 200 million tonnes (Mt) of iron ore to customers globally each year. We manage the supply chain as an integrated network, allowing us to optimise production and respond quickly to operational and market conditions.

The scale and integration of our operations provide a significant competitive advantage, enabling us to lower costs, improve reliability and maximise value across the supply chain. Our integrated operating model provides flexibility across the business, supporting efficient ore movement, product blending and consistent shipment performance. The system includes our mining hubs, rail infrastructure and export facilities at Port Hedland.

At the centre of this system is the Fortescue Hive, our Integrated Operations Centre in Perth. Operating around the clock, the Hive connects teams, technology and operational data from across the Pilbara into one real-time operating environment. From the Hive, Fortescue remotely manages autonomous haul trucks, rail movements, fixed plant infrastructure and port operations from 2,000 kilometres away.

The Hive brings together operational, technical and planning teams in one location - enabling faster decision-making and greater coordination across the business. It is also where Fortescue is advancing the use of artificial intelligence (AI), automation and digital systems to improve safety, productivity and asset performance across our operations.



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Decarbonisation

Fortescue is progressing one of the largest decarbonisation programs in heavy industry, focused on eliminating fossil fuels from our Australian terrestrial iron ore operations while strengthening energy security, reducing operating costs and improving long-term operational resilience. Our approach is centred on our Real Zero Target - removing Scope 1 and 2 emissions at the source rather than relying on voluntary carbon offsets or carbon capture and storage.

Our decarbonisation program is reshaping how we power and operate our Pilbara operations. We are building an integrated green energy system spanning renewable generation, battery storage, transmission infrastructure and electrified mining equipment. This includes the delivery of the world's first independent and fully integrated Green Grid, dedicated to eliminating fossil fuels from large-scale industry at a scale comparable to a city. By the end of 2026, Fortescue expects to have 290MW of solar generation operating across the Pilbara, alongside expanding battery storage capacity and our first wind project under construction.

Fortescue is also electrifying its mining fleet with around 800 pieces of diesel-powered equipment to be replaced with electric alternatives. Operational assets already include 18 electric excavators, two battery electric locomotives and an electric drill, with battery electric haul trucks scheduled to join our fleet this year.

Technology and innovation remain central to our approach. Through Fortescue Zero, we are advancing battery systems, autonomous technologies and electrification solutions designed to accelerate decarbonisation of heavy industry while improving safety, productivity and operational performance.

Innovation driving performance

Innovation has always been part of Fortescue's DNA. It is how we built one of the world's most efficient iron ore businesses and it continues to shape how we improve performance, strengthen competitiveness and accelerate decarbonisation. Technology is embedded throughout our integrated operating system - from autonomous haulage and remote operations to advanced process control and energy management.

We are also using AI to improve planning, optimise fleet movements, manage energy demand, forecast renewable generation and support faster operational decision-making. Rather than reacting to issues after they occur, our systems increasingly predict outcomes in real time - improving productivity, reducing downtime and strengthening operational reliability. Digital twin technology and advanced simulation tools are also helping Fortescue test and refine operational scenarios before deployment, improving fleet assignments, charging strategies, infrastructure design and energy efficiency across the business.

Alongside operational technology, Fortescue continues to invest in research and development to support the next generation of industrial technologies. This includes battery systems, electrification solutions, green hydrogen technologies and energy software.



DISCIPLINED GROWTH

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Fortescue continues to pursue disciplined growth across metals, energy and technology, focused on opportunities that strengthen long-term shareholder value and support the global energy transition. Our approach combines operational capability, capital discipline and technology-led innovation to progress projects with strong commercial fundamentals and scalable long-term potential.

We continue to assess growth opportunities in line with market conditions, infrastructure readiness, regulatory frameworks and customer demand, ensuring capital is allocated in a disciplined and value-focused manner.

Metals growth

Fortescue is progressing a focused growth portfolio across iron ore, copper, green metal and other critical minerals opportunities to support disciplined diversification and long-term value creation. Our approach to growth is closely aligned with our strategy to accelerate decarbonisation rapidly and profitably. We continue to assess opportunities through a commercial lens, prioritising projects with strong fundamentals, scalable potential and clear pathways to long-term returns.

Critical minerals and exploration

We continue to advance our global exploration footprint, with a strong focus on sustaining and expanding our iron ore and copper portfolios to support disciplined diversification and long-term growth aligned with the global energy transition. In the Pilbara, FY26 activities focused on near-mine exploration across the Chichester Hub, exploration drilling at the White Knight Project west of Cloudbreak, and resource definition and ore-body-knowledge studies at Mindy South and Wyloo North.

Exploration activity on Fortescue's critical minerals portfolio included drilling across multiple projects in Kazakhstan and Argentina, while in Australia drilling focused on joint venture projects in Queensland and New South Wales. In Canada, the Quesnel Project moved into its first drilling phase. Target generation activities continued across the portfolio to support future drill programs.



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Cañariaco Copper Project, Peru

During the period, Fortescue completed the acquisition of Alta Copper, securing 100 per cent ownership of the Cañariaco Copper Project in northern Peru. The acquisition strengthens Fortescue's copper portfolio and reflects our diversification into commodities critical to the global energy transition.

Cañariaco is a large-scale, long-life copper opportunity located within a globally significant mining region and provides Fortescue with increased exposure to a commodity expected to see growing long-term demand. Fortescue is progressing ongoing technical, permitting and stakeholder engagement activities to support future development pathways for the Project.

Fortescue brings more than seven years of on-the-ground presence in Latin America, supported by strong technical capability, permitting and community engagement expertise. Development timing and pathways for Cañariaco will be assessed as further studies are completed in line with Fortescue's 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 metal as critical to securing the region's long-term success by ensuring the region remains globally competitive.

The project is designed to demonstrate the technical viability of green metal production, supporting Fortescue's broader strategy to integrate green energy, green metals and technology innovation. First hot metal was achieved on 16 August 2026. The project will provide valuable operational and technical insights to support future development opportunities and help inform the next phase of Fortescue's green metals strategy.



Belinga Iron Ore Project, Gabon

The Belinga Project in north-east Gabon is one of the world's largest undeveloped high grade hematite deposits and represents a significant long-term growth opportunity for Fortescue. Ivindo Iron SA is the operating entity for the Belinga Iron Ore Project, with Fortescue holding a 72 per cent interest in the company. Exploration activities remained the primary focus during FY26, alongside mine development, geotechnical and environmental studies to support ongoing project assessment. As at 30 June 2026 over 230,000 metres of drilling had been completed, with results continuing to demonstrate the potential for a large-scale, high-grade development.

During the period substantial progress was made on the technical, environmental and development studies supporting preparation of a Mining Convention Study, Development Plan and Environmental and Social Impact Assessment, due for submission to the Government of Gabon in December 2026. In that respect, Fortescue continues to work closely with the Government of Gabon to progress infrastructure development pathways for the Mining Project. There remains strong alignment between Fortescue and the Gabon Government with a Rail Route and Port Location having been agreed in December 2025.

Timing for the Project remains subject to continuing technical, regulatory and commercial assessment.



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Energy growth

Fortescue continues to advance green energy opportunities designed to support the decarbonisation of heavy industry and create long-term shareholder value.

We apply a disciplined approach to project development and remain focused on progressing opportunities that demonstrate clear commercial potential, assessed against customer demand, infrastructure readiness, and regulatory settings. This ensures capital is directed towards projects that strengthen our long-term growth portfolio while preserving flexibility as markets continue to evolve.

As we expand our renewable energy capability, we are creating optionality to support future industrial development, including green metals, data centres and other energy-intensive industries where Fortescue can leverage its proven strength in energy, infrastructure and project delivery.

Fortescue Capital supports this work by providing investment and funding capability for future growth opportunities and technologies aligned with Fortescue's long-term objectives. It also invests in projects, companies and technologies that help Fortescue and others achieve Real Zero.

Technology

Technology and innovation are central to Fortescue's strategy to accelerate the decarbonisation of heavy industry, improve operational performance and create new sources of long-term value. Through Fortescue Zero - our green technology, research and development business - together with strategic technology acquisitions and partnerships, we are developing integrated solutions that support electrification, automation and the elimination of fossil fuels across heavy industry.

Our technology portfolio includes battery systems, autonomous vehicle solutions, self-erecting wind tower technology and advanced battery intelligence software. We continue to deploy integrated mining technologies across our operations, including our next-generation Fleet Management System, Autonomous Haulage Solution and Collision Avoidance System. Together, these technologies form a connected ecosystem of hardware and software that enhances safety, productivity and efficiency, while delivering operational and cost benefits. We have also begun installing the first self-erecting towers from our own company, Nabrawind, bringing additional innovative technology into our operations to support our Real Zero Target.

At the core of this ecosystem is Elysia, Fortescue Zero's proprietary battery intelligence platform, which provides real-time battery monitoring and analytics to improve safety, performance and asset life. Alongside technologies such as our autonomous fleet solutions and our battery storage systems, Elysia demonstrates the potential to create commercial value beyond Fortescue's own operations.

Outlook

Fortescue enters FY27 with strong operational assets, a solid financial position and a clear focus on operational excellence, disciplined capital allocation and long-term value creation.

Fortescue remains focused on safely and efficiently operating its Pilbara iron ore business while continuing to optimise performance across the portfolio. Ongoing operational improvement initiatives and the continued ramp-up of Iron Bridge are expected to support product diversification and enhance Fortescue's ability to meet evolving customer requirements.

Demand for iron ore is expected to continue to be supported by global urbanisation, infrastructure development and industrial activity. Fortescue's established customer relationships, product portfolio and operational scale position the group to respond to changing market conditions and opportunities.

Fortescue will continue to invest in sustaining and enhancing its operations, progressing resource development activities and advancing opportunities that support the long-term sustainability of the business. The group remains committed to maintaining a disciplined approach to capital allocation, with investment decisions assessed against strategic priorities and expected returns.

The group also continues to advance its decarbonisation objectives through the development and deployment of renewable energy, electrification and other emissions reduction initiatives across its operations. These activities are intended to support operational efficiency, strengthen long-term competitiveness and progress Fortescue's Real Zero Target.

Across its Metals and Energy businesses, Fortescue remains focused on leveraging its operational capability, innovation and project development expertise to create long-term value. The group believes it is well positioned to pursue growth opportunities that align with its strategy while maintaining financial strength and operational discipline.

FY27 outlook and beyond:

- Fortune Fines introduced into the product suite and West Pilbara Fines paused
- Decarbonisation and Green energy projects, including solar farms at Cloudbreak, Solomon and Turner

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River; Battery Energy Storage System (BESS) at Cloudbreak, wind project at Nullagine and the PEC-2 and PEC-8 transmission lines.

- Iron ore shipments of 197 – 207Mt, including 11 – 14Mt for Iron Bridge (100 per cent basis).
- C1 cost for Hematite of US$20.50 - US$21.75/ wet metric tonne (wmt).
- Metals capital expenditure of US$3.7 – US$4.7 billion, inclusive of:
  - Sustaining and hub development: US$2.3 – US$2.7 billion
  - Decarbonisation: US$0.9 – US$1.3 billion
  - Exploration and studies: US$300 – US$500 million
  - Other projects: US$150 million.
- Energy capital expenditure of approximately US$150 million and net operating expenditure of approximately US$300 million.

Guidance is based on an assumed FY27 average exchange rate of AUD:USD 0.70.

Sensitivity analysis: A one cent change in AUD:USD exchange rate impacts Fortescue's Hematite C1 unit cost by approximately US$0.16/ wmt, and a US$10/barrel change in diesel price impacts the Hematite C1 unit cost by approximately US$0.20/wmt.



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OPERATION HIGHLIGHTS.



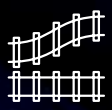
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Iron ore shipped since 2008



3

Mining hubs



760

Km of rail



196

Autonomous trucks



1,000

Shipments

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OUR INTEGRATED OPERATIONS

INFRASTRUCTURE	**HERB ELLIOTT PORT** **Location: Port Hedland, Western Australia (WA), Australia** **Ownership: 100%** **Capacity: >200 million tonnes per annum (Mtpa)**	We operate the Herb Elliott Port Facility and Judith Street Harbour towage infrastructure. During FY26, we loaded and shipped 1000 carriers from Herb Elliott Port to send to our customers globally. Designed to complement our port infrastructure, our fleet of eight Very Large Ore Carriers (VLOC) - with 260,000 tonne capacity each - delivers approximately 10 per cent of our total shipping requirements.
	RAIL **Location: Pilbara, WA, Australia** **Ownership: 100%** **Coverage: 760km**	We operate a large-scale rail network that transports our iron ore, straight from our mines at Chichester and Western hubs to Port Hedland. It is one of the fastest heavy haul lines in the world. Each of our 17 trains carries around 35,000 tonnes of iron ore across the Pilbara.
CHICHESTER HUB	**CLOUDBREAK** **Location: Chichester Hub, WA, Australia** **Ownership: 100%** **Capacity: 38-41 Mtpa** **Product: Hematite**	Founded in 2007, Cloudbreak forms part of our Chichester Hub - alongside our Christmas Creek site - and produces over 40 million tonnes of iron ore per year. The site is approximately 40km long with multiple pits and four operational hubs. Screening, crushing, scrubbing and desanding plants prepare and refine the product before it is stockpiled and transported to port.
	CHRISTMAS CREEK **Location: Chichester Hub, WA, Australia** **Ownership: 100%** **Capacity: 50-52 Mtpa** **Product: Hematite**	Christmas Creek produces over 50 million tonnes of iron ore per year and is home to Fortescue's Green Energy Hub which pilots several green energy projects designed to support decarbonisation of operations. The mine also houses two ore processing facilities: (1) Dual feed facility, where ore can be supplied by the primary crusher and our new Hall Hub crusher and overland conveyor belt; (2) Wet High Intensity Magnetic Separators (WHIMS) plant which uses powerful magnets to extract iron ore from a slurry of crushed rock and water.
WESTERN HUB	**SOLOMON** **Location: Western Hub, WA, Australia** **Ownership: 100%** **Capacity: 68-72 Mtpa** **Product: Hematite**	Our Solomon site produces over 68 million tonnes of iron ore per year. The operation comprises two ore processing facilities, Kings and Firetail. More than 81% of our 107-haul truck fleet at Solomon is fully autonomous and managed from our Hive centre in Perth. Iron ore from Solomon is transported 300 kms by rail to Herb Elliott port.
	ELIWANA **Location: Western Hub, WA, Australia** **Ownership: 100%** **Capacity: 30-31 Mtpa** **Product: Hematite**	Eliwana produced its first ore in late 2020 and produces over 30 million tonnes of iron ore per year. Over 38 trucks are used in mining and to feed a dry processing plant. Iron ore from Eliwana is transported 428 kms by rail to Herb Elliott port.
IRON BRIDGE	**IRON BRIDGE** **Location: Pilbara, WA, Australia** **Ownership: 69% Fortescue, 31% Formosa Steel** **FY27 Shipment Guidance: 11-14 Mtpa (100% basis)** **Product: Magnetite**	Our Iron Bridge facility produces a high-grade wet concentrate product which is transported to Port Hedland through a 135-kilometre-long specialist slurry pipeline. Iron Bridge is an unincorporated joint venture between FMG Magnetite Pty Ltd and Formosa Steel IB Pty Ltd.

OUR PERFORMANCE

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KEY OPERATIONAL METRICS

(MILLION TONNES)	2026	2025	MOVEMENT %
Hematite			
Overburden removed[1]	344.9	340.8	1
Ore mined	213.0	219.7	(3)
Ore processed	192.2	194.6	(1)
Shipments	192.3	191.3	1
Magnetite			
Overburden removed[1]	15.5	8.5	82
Ore mined	33.0	19.2	72
Ore processed	9.1	6.5	40
Shipments	9.0	7.1	27
Hematite and Magnetite			
Shipments	201.3	198.4	1
Ore sold	201.4	198.3	2

[1] Includes production waste stripping and excludes development overburden (51Mt, FY25: 56Mt). Refer to Note 23 (m) to the accompanying financial statements.

Fortescue achieved another record year in FY26 with the delivery of 192.3Mt of Hematite ore and 9.0Mt of Magnetite concentrate, with total shipments of 201.3Mt. Total shipments for the year are in line with FY26 guidance.

Fortescue's total sales were 201.4Mt in FY26, up two per cent from FY25. Fortescue utilises multiple sales channels including long and short term contracts, portside sales in China and seaborne spot sales to meet the needs of different market segments. Sales via Fortescue Trading (Shanghai) Co., Ltd were 16.7Mt in FY26 (FY25: 15.6Mt) allowing Fortescue to expand its iron ore sales channels through the direct supply of products to Chinese customers in smaller volumes, in Chinese Yuan directly from regional ports.

Hematite ore mining decreased in FY26 to 213.0Mt (FY25: 219.7Mt) to accommodate the ramp up of Magnetite production volumes, while the strip ratio increased to 1.62x (FY25: 1.55x). Waste volumes were slightly higher by one per cent, with 344.9Mt of overburden removed (FY25: 340.8Mt). Mining volumes and strip ratio reflect the optimal mine plan of existing operations across the Chichester and Western Hubs and remain aligned with Fortescue's integrated operations and marketing strategy.

Hematite ore processing was lower by one per cent in FY26 at 192.2Mt (FY25: 194.6Mt), supported by consistent performance and reliability across existing ore processing facilities (OPFs). Likewise, the decrease in Hematite ore processed was balanced against the ramp up of Magnetite production volumes. Fortescue's Hematite operations continue to utilise a combination of wet and dry OPFs, aligned to the characteristics of the ore bodies.

During the year, 9.1Mt of Iron Bridge Concentrate was produced reflecting a 40% increase from FY25 (6.5Mt). During the year, 9Mt was shipped (100 per cent basis) representing a 27 per cent increase (FY25: 7.1Mt) in shipments. This was in line with revised guidance issued in Q4 2026. The higher volumes sold and shipped were a result of improved OPF performance, enabling higher production rates. While OPF performance has been hindered by reliability issues (low water availability to feed the plant), continued efforts during the year to address these issues saw improved availability and increased production in FY26.

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MARKETING, SALES AND PRODUCT STRATEGY

Marketing and Product Strategy

Fortescue's marketing and product strategy connects our resources to market to maximise value, manage market risk and support our customers' evolving needs. Our marketing capability enables us to optimise product placement, pricing and customer outcomes across market cycles. Close engagement with customers, industry participants and policy stakeholders strengthens our market understanding. This informs our product strategy, sales-channel mix and approach to emerging opportunities, including demand for low-grade products, as well as demand for higher-grade and magnetite concentrate products, decarbonised iron ore and green metal.

Product Portfolio Optimisation

Fortescue's product portfolio aligns our resource base and operating capability with customer requirements. We continue to optimise our hematite product suite to meet demand for low-grade, low alumina and lump products, while Iron Bridge magnetite concentrate provides exposure to emerging demand for higher-grade feedstocks. We are also evaluating pathways for green metal, reflecting the role our products and technologies can play in supporting lower-emissions steelmaking.

Fortescue is evolving its product mix, phasing out West Pilbara Fines and through the planned introduction of a new 55% Fe product, Fortune Fines. This change is expected to support lower C1 unit costs, improve capital efficiency and result in more efficient orebody utilisation. The plan also defers first production from major hub developments and reduces total material movement. The market for low-grade sinter fines is expected to support the planned introduction of this product.

The portfolio transition also supports Fortescue's disciplined capital allocation and decarbonisation objectives. The updated life of mine plan has positive implications for Fortescue's Scope 1 and 2 emissions profile, driven by lower material movement, while the next major hub development is expected to support potential higher Fe-grade hematite product options as market demand evolves.

Sales Strategy

Our sales strategy uses a range of channels, including long-term contracts, portside sales in China, and spot sales in both USD and RMB, allowing us to respond to different customer needs and market segments. Portside sales in China continue to provide flexibility by supplying customers in smaller volumes directly from regional ports.

As markets evolve, Fortescue remains focused on disciplined commercial execution, reliable supply and customer partnerships that create mutual value. We continue to pursue market growth and diversification opportunities globally, supported by deep customer relationships, product consistency, and the flexibility of our integrated mine-to-market system.

Following recent trade developments, demand for Fortescue's products and realised pricing may be affected by changes in customer purchasing arrangements, pricing benchmarks and market access conditions in China. Fortescue maintains constructive engagement with customers and stakeholders in China, while supporting an open, transparent and competitive market.

GROUP FINANCIAL PERFORMANCE

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In FY26, Fortescue delivered an Underlying net profit after tax attributable to equity holders of the Company of US$3,468 million and Underlying earnings per share of 113 US cents.

The annual financial results were largely driven by the Metals segment and its performance during the period. Revenue reflected record year shipments, increased price realisation and a higher Platts CFR Index during the period. There continued to be strong demand for Fortescue's products with Hematite realised price of US$91/dry metric tonne (dmt) (FY25: US$85/dmt). Underlying EBITDA was also impacted by higher Hematite C1 unit cost of US$18.74/wmt (FY25: US$17.99/wmt).

Financial performance for the year was also impacted by a number of one-off adjustments to the carrying values of Energy projects including the Gladstone Electrolyser Manufacturing Centre, Arizona Hydrogen Project, Fortescue Zero manufacturing and Metals sustaining capital. Additionally, pre-tax impairment expense of US$750 million and Yindjibarndi legal compensation expense of US$104 million was recognised during the year. This is discussed further under the Group Underlying EBITDA section of this report on pages 41 to 42.

KEY METRICS	2026	2025
Revenue, US$ millions	16,966	15,541
Underlying EBITDA[1], US$ millions	8,635	7,941
Net profit after tax, US$ millions	**2,860**	**3,366**
Attributable to Equity holders of the Company, US$ millions	2,870	3,373
Attributable to Non-controlling interest, US$ millions	(10)	(7)
Earnings per share, US cents	**93**	**110**
Earnings per share, AUD cents[2]	**138**	**169**
Impairment expense after tax, US$ millions	525	–
Legal compensation expense after tax, US$ millions	73	–
Underlying net profit after tax, US$ millions[3]	**3,458**	**3,366**
Attributable to Equity holders of the Company, US$ millions	3,468	3,373
Underlying earnings per share, US cents	**113**	**110**
Underlying earnings per share, AUD cents[2]	**166**	**169**
Hematite realised price, US$/dmt	91	85
Hematite C1 unit costs, US$/wmt	18.74	17.99
Magnetite realised price, US$/dmt	120	113
Magnetite C1 unit costs, US$/wmt	105.37	121.21
Underlying EBITDA, US$/dmt[4]	50	48
Key ratios		
Underlying EBITDA margin, %	51	51
Return on equity, %	14	17
Return on equity, on Underlying earnings, %	17	17

[1] Refer to page 41 for the reconciliation of Underlying EBITDA to financial metrics reported in the financial statements under Australian Accounting Standards.
[2] Australian dollar earnings per share and Underlying earnings per share are calculated by translating the US dollar earnings per share and Underlying earnings per share at the average exchange rate for FY26 of AUD:USD 0.68 (FY25: AUD:USD 0.65).
[3] The term 'Underlying NPAT' refers to results adjusted for the removal of certain significant and non-routine items. Fortescue has some expenses in this category being the US$525 million post-tax impairment expense on the Iron Bridge Cash Generating Unit and the US$73 million post-tax legal compensation expense in relation to the Native Title Compensation Claim.
[4] Excluding Energy segment.

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SEGMENT REPORTING

Fortescue's chief operating decision-makers are the Chief Executive Officer Metals and Operations and the Chief Executive Officer Growth and Energy. Each of these roles oversees functional areas that may relate to the Metals business, the Energy business or both. Notwithstanding this, the Chief Executive Officers assess performance and make decisions about the allocation of resources for the benefit of the Group's two operating segments identified:

- **Metals:** Exploration, development, production, processing, sale and transportation of iron ore, the exploration for other minerals and decarbonisation of metals operations.
- **Energy**: Undertaking activities in the research and development of technology for industrial decarbonisation.

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 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 FY26 are provided below and further reported on page 192 in the financial report.

		METALS		ENERGY		CORPORATE		CONSOLIDATED	
US$M	NOTE[1]	2026	2025	2026	2025	2026	2025	2026	2025
Revenue from external customers	3	16,830	15,460	136	81	–	–	16,966	15,541
Cost of sales	5	(7,205)	(6,528)	(138)	(143)	–	–	(7,343)	(6,671)
Administration expenses	6	(372)	(240)	(207)	(193)	–	–	(579)	(433)
Research expenditure	6	(159)	(68)	(232)	(483)	–	–	(391)	(551)
Other income/(expense)	4,6,22(c)	(12)	15	19	(3)	(25)	43	(18)	55
Underlying EBITDA		**9,082**	**8,639**	**(422)**	**(741)**	**(25)**	**43**	**8,635**	**7,941**
Depreciation and amortisation	5,6							(2,872)	(2,506)
Finance income	7							180	174
Finance expense	7							(346)	(371)
Impairment expense	6							(750)	–
Exploration, development and other	6							(406)	(248)
Legal compensation expense	6							(104)	–
Income tax expense	14							(1,477)	(1,624)
Net profit after tax								**2,860**	**3,366**

[1] Notes to the accompanying financial statements.

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Group financial performance

METALS

Revenue

	NOTE[1]	2026	2025
Total iron ore revenue, US$ millions	3	14,966	13,935
Total shipping revenue, US$ millions	3	1,733	1,415
Other revenue, US$ millions		131	110
Operating sales revenue, US$ millions		**16,830**	**15,460**
Hematite sales performance			
Shipments - Hematite, million wmt		192.3	191.3
Ore sold - Hematite, million wmt[2]		192.4	191.1
61% Fe CFR Platts index, US$/dmt[3]		103	101
Hematite realised price, US$/dmt		91	85
Magnetite sales performance (including joint venture partner share)			
Shipments – Iron Bridge Magnetite, million wmt		9.0	7.1
Ore sold – Iron Bridge Magnetite, million wmt		9.0	7.2
65% Fe CFR Platts index, US$/dmt		120	114
Magnetite realised price, US$/dmt		120	113

[1] Notes to the accompanying financial statements.
[2] Our wholly owned trading entity, Fortescue Trading (Shanghai) Co., Ltd, 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.
[3] Platts CFR average references the 61% Fe specification for FY26 and 62% Fe specification for FY25 respectively as 61% Fe specification comparative information is not available.

Fortescue's total shipments for FY26 were 201.3Mt (FY25: 198.4Mt). Operating sales revenue for Metals increased to US$16,830 million (FY25: US$15,460 million) largely attributable to Hematite sales whereby the realised price increased seven per cent to US$91/dmt (FY25: US$85/dmt). Effective January 2026, S&P Global Platts adjusted its flagship IODEX CFR China benchmark from a 62% Fe specification to a 61% Fe base to reflect the shifting quality profiles of major Australian producers. The 61% Fe CFR Platts index averaged US$103/dmt in FY26, whereas in FY25 the 62% Fe CFR Platts index averaged US$101/dmt. Magnetite sales contribution to operating sales revenue remained largely consistent with the prior year at four per cent (FY25: three per cent). The 65% Fe CFR Platts index averaged US$120/dmt in FY26 which is an increase of five per cent over the prior year (FY25: US$114/dmt).

The factors influencing realised prices in FY26 include:

- Higher iron ore reference prices in FY26 compared to FY25
- Resilient Hematite and Iron Bridge Magnetite product pricing
- Higher Iron Bridge Magnetite shipments year on year
- Higher average Platts freight rates in FY26 compared to FY25.

Other revenue increased to US$131 million in FY26 from US$110 million in FY25 which includes towage services provided by Fortescue.

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Production costs / Cost of good sold

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

		Hematite		Magnetite	
	NOTE[1]	2026	2025	2026	2025
Mining, processing and rail costs, US$ millions	5	3,309	3,169	632	542
Port costs, US$ millions	5	296	269	22	11
Production costs, US$ millions		**3,605**	**3,438**	**654**	**553**
Ore sold, million wmt (Fortescue share)		192	191	6	5
C1 unit costs, US$/wmt		**18.74**	**17.99**	**105.37**	**121.21**
Shipping costs, US$ millions	5	1,701	1,432	71	37
Government royalty[2], US$ millions	5	1,052	979	31	23
Shipping and royalty, US$ millions		**2,753**	**2,411**	**102**	**60**
Ore sold, million wmt (Fortescue share)		192	191	6	5
Shipping and royalty, US$/wmt		**14**	**13**	**16**	**12**
Total delivered cost, US$/wmt		**33**	**31**	**122**	**133**
Total delivered cost, US$/dmt		**36**	**33**	**133**	**136**

[1] Notes to the accompanying financial statements.

[2] Fortescue pays 7.5 per cent government royalty for its Hematite iron ore products, with a concession rate of 5 per cent applicable to beneficiated fines and 5 per cent government royalty for its Magnetite Iron Bridge Concentrate product.

Hematite

Hematite C1 unit costs averaged US$18.74/wmt for the year, four per cent higher compared to the previous corresponding period (FY25: US$17.99/wmt). The increase in C1 unit costs reflects higher diesel costs, unfavourable foreign exchange impact from a strengthening AUD against USD to 0.68 (FY25: 0.65), lower mining and processing volumes in FY26 partially offset by higher railed, shipping and sold volumes. The strip ratio increased during the year to 1.62x from 1.55x in FY25 reflecting higher overburden removed and lower ore mined.

While Fortescue has actively managed cost increases and supply risks throughout the cycle, the Middle East conflict has impacted production costs in FY26, most observably with elevated diesel costs. A substantial portion of production cost increases have been deferred into iron ore stockpiles and will be realised in future periods resulting in higher cost of good sold in the coming financial year. Cost management will continue to be a focus, however inflationary pressures and impacts of the Middle East conflict remain a feature in production costs.

Shipping costs have increased from US$1,432 million in FY25 to US$1,701 million in FY26, reflecting elevated shipping market rates driven by broader volatility in global shipping markets and geopolitical disruptions during the financial year. To meet Fortescue's shipping commitments, Fortescue employs a mix of shipping options which includes the use of Fortescue-owned VLOCs, chartering third-party vessels and Free on Board shipments.

Group financial performance

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Magnetite

Magnetite C1 unit costs averaged US$105.37/wmt for the year, 13 per cent lower compared to the previous corresponding period (FY25: US$121.21/wmt). The decrease in C1 unit costs reflects continued focus on performance and productivity in FY26 and higher volumes sold, partially offset by higher diesel costs and unfavourable exchange rate impact. The strip ratio remained relatively consistent at 0.47x from 0.44x in FY25.

Shipping costs have increased from US$37 million in FY25 to US$71 million in FY26 driven largely by higher volumes of Magnetite ore shipped during the year from 7.1 million tonnes (Fortescue share: 4.9 million tonnes) in FY25 to 9.0 million tonnes in FY26 (Fortescue share: 6.2 million tonnes). Shipping costs also reflect elevated shipping market rates driven by broader volatility in global shipping markets and geopolitical disruptions.

Higher volumes sold and shipped were a result of improved OPF performance, enabling higher production rates. While OPF performance has been hindered by reliability issues (low water availability to feed the plant), continued efforts during the year to address these issues saw improved availability and increased production in FY26.

Administration and research expenses

Administration expenditure for the Metals segment increased by 55 per cent to US$372 million from US$240 million in FY25. Administration expenses include labour, materials and consumable costs in addition to corporate shared services and overhead recharges.

Research expenditure for the Metals segment has increased during the year from US$68 million in FY25 to US$159 million in FY26. In FY26, research expenditure related to decarbonisation activities including Fortescue's Pilbara Decarbonisation Program, green iron, innovation and artificial intelligence.

ENERGY

Revenue

Energy segment revenue predominantly related to revenue from Fortescue Zero's motorsport and cleantech solutions and newly acquired subsidiary Nabrawind's sale of wind turbine components. Energy segment revenue has increased by 68 per cent to US$136 million in FY26 from US$81 million in FY25.

Cost of Sales

Cost of sales for the Energy segment is largely attributable to labour, materials and other costs incurred in delivering Fortescue Zero and Nabrawind's revenue generating activities. Cost of sales in the Energy segment for FY26 was US$138 million, which is a decrease from US$143 million in FY25.

Administration and research expenses

Administration expenditure for the Energy segment increased by seven per cent at US$207 million from US$193 million in FY25. Administration expenses include labour, materials and consumable costs in addition to corporate shared services and overhead recharges. Certain ongoing costs previously qualifying as research in prior periods have been reclassified to Administration following the deferral of the green energy project pipeline.

Research expenditure for the Energy segment has decreased significantly from US$483 million in FY25 to US$232 million in FY26 following strategic decisions taken on the green energy project pipeline in Q4 2025. In FY26, research expenditure related to Fortescue Zero's decarbonisation initiatives and electromobility as well as other energy projects.

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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 Company's financial performance.

During FY26, Fortescue's operations generated an Underlying EBITDA of US$8,635 million (FY25: US$7,941 million). The reconciliation of Underlying EBITDA to the financial metrics reported in the financial statements under Australian Accounting Standards is presented below.

	NOTE[1]	2026 US$M	2025 US$M
Operating sales revenue	3	16,966	15,541
Cost of sales excluding depreciation and amortisation	5	(7,343)	(6,671)
Net foreign exchange (loss)/gain	4,6	(88)	44
Administration expenses	6	(579)	(433)
Research expenses	6	(391)	(551)
Other income	4,6	79	32
Share of loss from equity accounted investments	22(c)	(9)	(21)
Underlying EBITDA		**8,635**	**7,941**
Finance income	7	180	174
Finance expenses	7	(346)	(371)
Depreciation and amortisation	5,6	(2,872)	(2,506)
Exploration, development and other expenses	6	(406)	(248)
Legal compensation expense	6	(104)	–
Impairment expense	6	(750)	–
Income tax expense	14	(1,477)	(1,624)
Net profit after tax		**2,860**	**3,366**
Underlying net profit after tax[2]		**3,458**	**3,366**

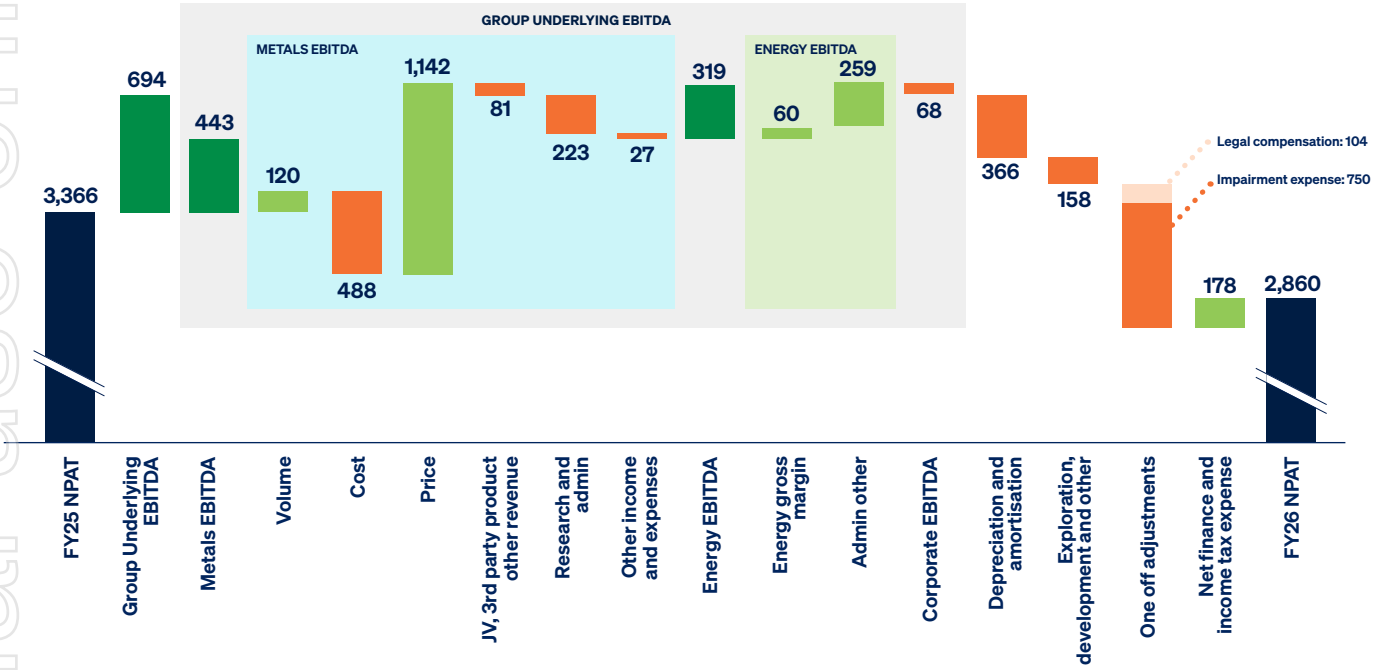
[1] Notes to the accompanying financial statements.
[2] Represents net profit after tax adjusted for the removal of certain significant and non-routine items.

The Underlying EBITDA of US$8,635 million for FY26 represents a margin of 51 per cent (54 per cent for the Metals segment) and a nine per cent increase on FY25 Underlying EBITDA of US$7,941 million. This is largely consistent with FY25's Underlying EBITDA margin of 51 per cent (56 per cent for the Metals segment). The movement in FY26 is largely driven by an increase in realised prices and higher sold tonnes, resulting in higher operating sales revenue for the year. Total Energy segment Underlying EBITDA was a US$422 million loss in FY26 (FY25: US$741 million).

Group financial performance

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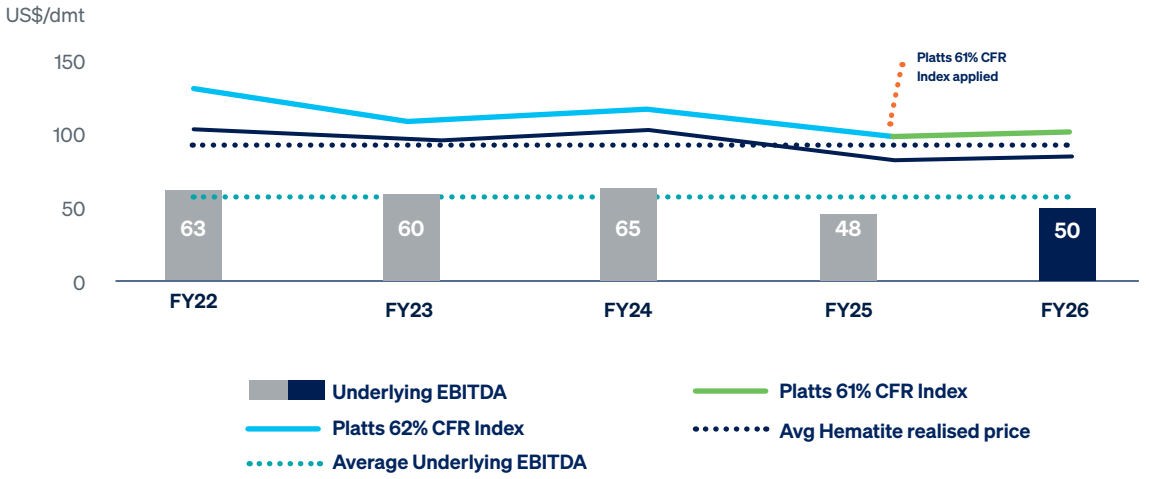
FY25-FY26 Underlying EBITDA and NPAT Breakdown (US$m)



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.

Metals Underlying EBITDA by period below (including Iron Bridge Magnetite and excluding Energy segment and foreign exchange gains and losses).

Prices and Metals Underlying EBITDA/dmt (US$)



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Depreciation, interest and tax

Depreciation and amortisation of US$2,872 million is up 15 per cent (FY25: US$2,506 million) reflecting a higher depreciation expense than FY25 but in line with H1 FY26. The increase in depreciation expense in FY26 is largely a result of:

- Increases in sustaining capital spend across various mine sites and infrastructure in line with the lifecycle of the operations
- Increases in sustaining fleet and machinery including fleet replacement and components
- Changes to asset useful lives including assets within the Energy segment
- Commissioning of decarbonisation assets and transition to operations for key power generating assets such as transmission infrastructure.

Net interest expenses have decreased by US$31 million to US$166 million for FY26 (FY25: US$197 million) driven by savings in interest expense from lower cost borrowings such as the Renminbi (RMB)-denominated syndicated term loan and secured VLOC term loan.

Income tax expense for FY26 was US$1,477 million, representing a global effective tax rate of 34.1 per cent (FY25: US$1,624 million, effective tax rate of 32.5 per cent). The effective tax rate exceeded the Australian corporate tax rate of 30 per cent primarily due to the tax impact of overseas jurisdictions and non-deductible expenditure. The Australian group's effective tax rate was 30.3 per cent.

Exploration, development and other

During the year, Fortescue made one-off adjustments to the carrying values of Energy and Metals projects and assets, with items of significance discussed below:

- Gladstone Electrolyser Manufacturing Centre: Following the write down of the PEM50 project and the Gladstone electrolyser facility automation line in FY25, further developments in FY26 resulted in an additional write down of land, buildings, plant and equipment
- Arizona Hydrogen Project: Following the write down of initial development costs in FY25, further assessments were conducted in FY26 resulting in a write down of acquired plant components as no further opportunities have progressed at this stage
- Fortescue Zero manufacturing assets: Following the decision to move away from in-house manufacturing to focus solely on research, development and design, Fortescue made adjustments to the carrying values of Fortescue Zero's assets including assets associated with manufacturing in the United Kingdom
- Metals sustaining capital: A comprehensive review was performed over the sustaining capital within the Metals segment resulting in the writedown of redundant property, plant and equipment.

Further to the above, there were additional adjustments including the capitalised value of surrendered tenements as well as minor capital asset and investment writedowns.

Impairment expense

At 30 June 2026, a pre-tax impairment expense of US$750 million was recognised for the Iron Bridge Cash Generating Unit (CGU) (post-tax US$525 million). The impairment expense reflects Fortescue's latest carrying value assessment, taking into consideration the revised ramp up schedule and a range of production scenarios, including nameplate capacity of 22Mt.

Legal compensation expense

As at 30 June 2026, Fortescue had fully provided A$150.4 million (US$103.6 million) as legal compensation to the Yindjibarndi People given the certainty around the existence of a present obligation and a reliable estimate (FY25: nil). For further information about this legal matter, refer to Note 13 Provisions in the financial statements.

Other comprehensive income

During the year, a net loss on fair value of investments of US$61 million was taken to equity (FY25: US$96 million).

FINANCIAL POSITION AND CAPITAL MANAGEMENT

Fortescue's capital management framework is designed to maintain a strong and flexible balance sheet while supporting sustainable shareholder returns and disciplined investment in the business. Capital is prioritised toward maintaining safe, reliable and efficient operations, followed by commercially attractive growth, decarbonisation and strategic opportunities. The Group actively manages liquidity, debt maturities and key credit metrics through changes in commodity prices and periods of significant capital investment, with surplus capital returned to shareholders principally through dividends in accordance with Fortescue's dividend policy.

Debt and Liquidity

KEY METRICS	NOTE[1]	2026 US$M	2025 US$M
Borrowings	9(a)	5,302	4,835
Lease liabilities	9(a)	629	604
Total debt		**5,931**	**5,439**
Cash and cash equivalents	9(b)	5,074	4,328
Net debt		**857**	**1,111**
Equity		**20,245**	**19,956**
Key ratios		**%**	**%**
Gearing		23	21
Net Gearing		4	5

[1] Notes to the accompanying financial statements.

Debt

Fortescue's debt 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 2026 was US$5,931 million, inclusive of US$629 million of lease liabilities. Gross gearing at 30 June 2026 was 23 per cent (30 June 2025: 21 per cent) and net gearing was four per cent (30 June 2025: five per cent).

Revolving credit facility

The US$1,025 million revolving credit facility with a maturity date of 28 July 2027, remained undrawn at 30 June 2026 and 30 June 2025. 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 (either one, two, three or six months), with the principal due at maturity.

Syndicated term loan

On 16 September 2025, the principal outstanding on the syndicated term loan facility amounting to US$959 million was fully repaid ahead of maturity date of June 2028, resulting in a nil carrying value at 30 June 2026 (30 June 2025: US$957 million). The loss on extinguishment of US$2 million was included in finance expenses in the consolidated income statement.

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Secured VLOC term loan

In December 2024, the Group obtained the secured loan to finance the purchase price of eight VLOCs. The secured loan matures in December 2034, and as at 30 June 2026 had a carrying value of US$231 million (30 June 2025: US$258 million) with a coupon rate linked to SOFR plus a fixed margin. The principal is repayable in 40 equal consecutive quarterly instalments, six of which had been paid as at 30 June 2026. The loan is secured by the vessels together with their accompanying commercial arrangements.

Senior unsecured notes

On 21 October 2025, Fortescue completed a US$750 million tender offer of senior unsecured notes, resulting in partial extinguishment of aggregate principal totalling US$500 million of the 2031 Notes and US$250 million of the 2030 Notes. The carrying value of the extinguished portion amounted to US$747 million which was settled on 22 October 2025 for a total consideration of US$752 million resulting in a net loss on early extinguishment of US$5 million and was included in finance expenses in the consolidated income statement.

Senior unsecured notes and green senior unsecured notes (Green Bond) had a carrying value of US$2,870 million at 30 June 2026 (30 June 2025: US$3,620 million).

RMB syndicated term loan

On 7 August 2025, Fortescue successfully completed the syndication of a RMB syndicated term loan facility totalling RMB14.2 billion at an interest rate of 3.8 per cent and maturing on 7 August 2030. The facility was fully drawn on 11 September 2025 with principal repayment of 0.5 per cent every six months, in arrears, commencing 7 February 2027, and as at 30 June 2026 had a carrying value of US$2,098 million (30 June 2025: nil).

Working capital facility

On 31 March 2026, the Group entered into an uncommitted working capital facility with a total limit of RMB 900 million. Individual drawings under the facility are repayable within three months of the drawdown date and bear interest at a variable rate agreed at the time of each drawing by reference to the applicable one-year Loan Prime Rate (LPR). As at 30 June 2026, US$103 million had been drawn under the facility, at an interest rate of approximately 2 per cent per annum.

Lease liabilities

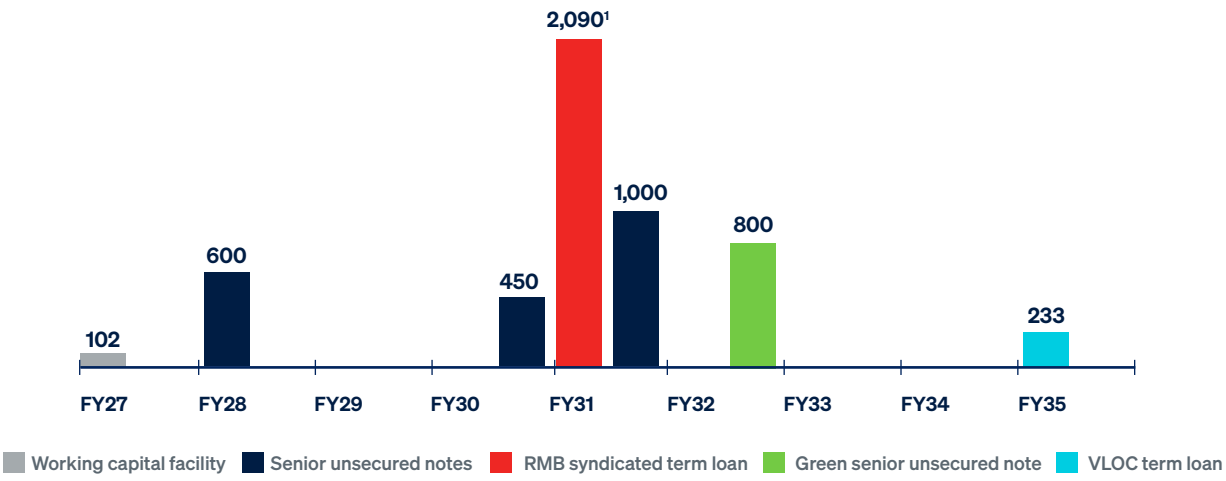
Lease liabilities amounted to US$629 million as at 30 June 2026 (30 June 2025: US$604 million). The Group enters into contractual arrangements for leases of heavy machinery and mining equipment, vehicles, land and buildings, infrastructure as well as other assets.

Liquidity

At 30 June 2026, Fortescue had US$6,099 million of liquidity available including US$5,074 million of cash on hand and US$1,025 million available under the revolving credit facility (30 June 2025: US$5,353 million). Total debt at 30 June 2026 was US$5,931 million, inclusive of US$629 million of lease liabilities.

The Company's debt maturity profile at 30 June 2026 is set out in the chart below.

Debt maturity profile excluding leases - principal (US$m)



[1]The RMB-denominated syndicated term loan has a US dollar approximate value of US$2,090 million as at 30 June 2026.

Cash flows

CASH FLOWS	2026 US$M	2025 US$M
Cash generated from operations	**8,773**	**8,267**
Net cash flows from operating activities	6,836	6,474
Capital expenditure (including joint operations)[1]	(3,640)	(3,930)
Net cash flows from Investing activities	(3,632)	(3,919)
Free cash flow[2]	**3,204**	**2,555**

[1] Capital expenditure comprises payments for property, plant and equipment (including deposits) as well as purchases of investments, asset acquisitions and financial assets.

[2] Free cash flow is calculated as net cash flow from operating activities less net cash outflows from investing activities.

Cash generated from operations of US$8,773 million was six per cent higher than the previous corresponding period (FY25: US$8,267 million), as a result of higher operating sales revenue.

Net cash flows from operations includes cash generated from operations, net interest payments of US$116 million (FY25: US$152 million) and income tax paid of US$1,821 million (FY25: US$1,641 million).

Capital expenditure including joint operations and investments was US$3,640 million for the year (FY25: US$3,930 million).

	METALS		ENERGY		TOTAL	
	2026 US$M	2025 US$M	2026 US$M	2025 US$M	2026 US$M	2025 US$M
Sustaining and hub development	2,146	2,649	–	–	2,146	2,649
Exploration and studies	368	321	–	–	368	321
Decarbonisation	848	405	–	–	848	405
Other projects	127	240	–	–	127	240
Energy and Energy Projects	–	–	50	275	50	275
Investments	63	3	38	37	101	40
Total	**3,552**	**3,618**	**88**	**312**	**3,640**	**3,930**

Capital expenditure throughout the period consisted of:

- Sustaining and hub development, including replacement fleet such as the purchase of Liebherr T 264 haul trucks and excavators, sustaining capital on existing mine sites, port and rail infrastructure. Development spend was incurred on port development, industrial autonomy and hubs
- Decarbonisation increases reflecting electrified fleet and infrastructure, renewable energy projects including solar and wind farms, transmission infrastructure as well as battery energy storage systems
- Exploration and studies, including West Australian and international exploration with increasing drilling activities in Gabon
- Other projects, including expenditure on the Christmas Creek Green Metal Project
- Energy and Energy Projects decreases reflecting lower levels of growth and technology development
- Acquisitions during the year including Alta Copper Corp and Nabrawind Technologies, S.L.

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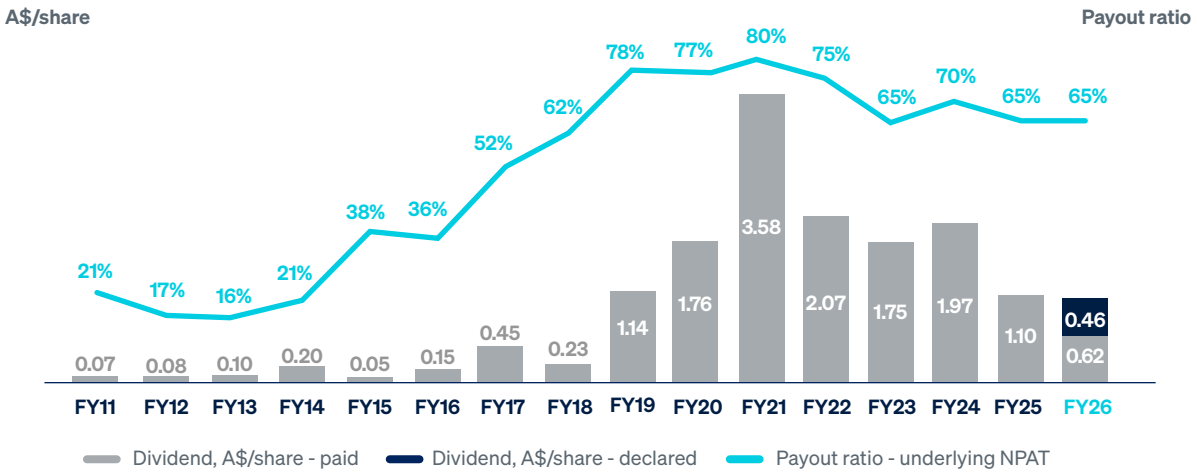
Dividends and shareholder returns

In September 2025, Fortescue paid a fully franked final dividend of 60 Australian cents per share for the financial year ended 30 June 2025.

In February 2026, Fortescue declared a fully franked interim dividend of 62 Australian cents per share, paid in March 2026.

For the year ended 30 June 2026, Fortescue generated Underlying earnings of 113 US cents per share (FY25: 110 US cents per share). On 20 August 2026, the Directors declared a fully franked final dividend of 46 Australian cents per share for the year ended 30 June 2026. Total dividends of 108 Australian cents for the year represents a payout ratio of 65 per cent of attributable Underlying 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 scheme 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 twelve-month period.

Fortescue retains the option to undertake an on-market share buy-back. During FY26, Fortescue acquired none of its own shares on market under the share buy-back scheme.

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RISK AND OPERATING ENVIRONMENT

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 that have the potential to affect Fortescue's financial outcomes and performance are set out below. For further information on these risks and the broader risk discussion, refer to section 4.5 of the Corporate Governance Statement.

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Global political and economic uncertainty

Potential Financial Impact

Could adversely affect operating costs, project economics, market access and overall financial performance.

Mitigating actions / Management approach

Monitor regulatory and trade developments, engage with governments and industry bodies, and maintain business continuity plans for critical supply and logistics risks.

Volatility in Chinese iron ore demand and commodity prices

Potential Financial Impact

Could materially affect revenue, margins, cash flows and shareholder returns.

Mitigating actions / Management approach

Maintain a low-cost operating position, strong balance sheet, integrated marketing and operations model and constructive engagement with customers.

Fluctuations in currency exchange rates and interest rates, and access to funding

Potential Financial Impact

Could affect earnings, funding costs, liquidity and the economics of future investments.

Mitigating actions / Management approach

Manage treasury risks under approved policies, use natural and transactional hedging where appropriate, and maintain disciplined liquidity, refinancing and capital management.

Supply disruptions and cost pressures

Potential Financial Impact

Could increase the cost base and reduce margins, cash flows and project returns.

Mitigating actions / Management approach

Use diversified procurement strategies, strategic supplier relationships, alternative supply options and actively transition to renewable energy sources.

Project execution across domestic and international operations

Potential Financial Impact

Could affect capital efficiency, expected returns and the timing of strategic benefits.

Mitigating actions / Management approach

Apply a structured governance and risk management framework to support disciplined project execution.

Major unplanned disruptions to operations

Potential Financial Impact

Could adversely affect production, shipments, costs and financial performance.

Mitigating actions / Management approach

Maintain asset integrity, monitoring, inspection, geotechnical assurance, crisis management, business continuity and insurance arrangements.

Health and safety

Potential Financial Impact

Could affect operational continuity, costs and financial outcomes.

Mitigating actions / Management approach

Maintain health and safety systems, Major Hazard Control Standards, critical control verification, training, fitness-for-work processes and emergency response capability.

Resource and reserve estimation, development and approval risk

Potential Financial Impact

Could affect mine plans, long-term production, project returns and asset values.

Mitigating actions / Management approach

Use defined JORC Code processes, peer and independent review, exploration programs, country risk assessment and ongoing engagement with Indigenous partners.

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Performance of key business partners is not aligned with our expectations

Potential Financial Impact

Could affect cost, schedule, production and project delivery outcomes.

Mitigating actions / Management approach

Apply due diligence, pre-qualification, contractual controls, performance monitoring and supplier financial stability reviews.

Information technology security breach or unsuccessful technological innovation

Potential Financial Impact

Could disrupt operations, increase costs, affect intellectual property and reduce technology returns.

Mitigating actions / Management approach

Maintain cyber controls, network segregation, access management, incident response, threat monitoring, AI/data governance and technology readiness reviews.

Managing workforce capacity and capability

Potential Financial Impact

Could affect productivity, operating performance, project delivery and cost efficiency.

Mitigating actions / Management approach

Maintain recruitment, retention, remuneration, development, mobility, succession planning and employee engagement programs.

Climate-related physical and transition risks

Potential Financial Impact

Could affect operating resilience, capital allocation, product demand, costs and long-term competitiveness.

Mitigating actions / Management approach

Integrate climate risk into enterprise risk management, strategy and capital allocation, invest in renewable energy and electrification, and undertake scenario analysis.

Breaches of our legal and regulatory obligations

Potential Financial Impact

Could result in financial loss, increased compliance costs, restricted business activity or reduced stakeholder confidence.

Mitigating actions / Management approach

Maintain legal and compliance frameworks, targeted training, monitoring, specialist governance capabilities and confidential reporting channels.

Operations adversely impacting the community and environment

Potential Financial Impact

Could result in financial loss, increased compliance costs, restricted business activity or reduced stakeholder confidence.

Mitigating actions / Management approach

Maintain approvals governance, environmental and heritage management, closure planning, rehabilitation, community engagement and local procurement initiatives.

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ORE RESERVES AND MINERAL RESOURCES



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ORE RESERVES AND MINERAL RESOURCES

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

Hematite Ore Reserves total 2,046 million tonnes (Mt) of dry product at an average iron (Fe) grade of 57.2%. Combined Hematite Mineral Resources total 13.9Bt (dry in-situ) at an average Fe grade of 56.8%.

Magnetite Ore Reserves total 1,112 dry in-situ million tonnes (Mt) at an average adjusted mass recovery of 30.4% for a 67.3% Fe grade product. Magnetite Mineral Resources total 6.0Bt (dry in-situ) at an average adjusted mass recovery of 23.4%.

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 and 20 August 2026 for Blacksmith).

Development property Mineral Resources for Hematite have been reported and classified in accordance with the JORC Code. The 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 the Board 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.

The Cañariaco project was acquired as part of Fortescue's acquisition of Alta Copper in January 2026 as detailed in Fortescue's announcements dated 15 December 2025 and 27 January 2026. The Cañariaco mineral estimates are reported as qualifying foreign estimates (Canadian National Instrument 43-101) in accordance with ASX Listing Rules, and as such are not reported in accordance with the JORC Code. The copper mineral estimates were classified in accordance with NI 43-101 and reported as a total of 1.1Bt of Measured and Indicated estimates at an average copper (Cu) grade of 0.38%, and 0.9Bt of Inferred estimates at an average Cu grade of 0.25%.

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.

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ORE RESERVES OPERATING PROPERTIES – HEMATITE

The combined Chichester Hub and Western Hub Hematite Ore Reserves for 2026 are estimated to total 2,046Mt at an average Fe grade of 57.2%.

The Ore Reserve is quoted as of 30 June 2026 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 1,226Mt (from 1,165Mt in 2025) after accounting for the production depletion and ongoing in-fill drilling.

The Chichester Hub (Cloudbreak and Christmas Creek deposits) contains 876Mt at an average Fe grade of 56.6%, a net increase of 64Mt. Proved Ore Reserve constitutes approximately 72.9% of the Chichester Ore Reserve, an increase of 0.9% compared to the previous Ore Reserves as reported in 2025. 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 ore processing facilities (OPFs).

The Ore Reserve for the Western Hub (Firetail, Kings and Queens, Blacksmith, Eliwana and Flying Fish deposits) is estimated to be 1,170Mt at an average Fe grade of 57.6%. The contribution (tonnes and grades) of the Western Hub alone has increased by 249Mt after accounting for depletion, inclusion of Blacksmith, increases in the Mineral Resource tonnes, pit design modifications and exclusion of areas containing sites of heritage significance. At the Western Hub, Proved Ore Reserves represent 50% of total Ore Reserve tonnage, compared with 63% in 2025. The 13-percentage-point decrease primarily reflects the addition of Blacksmith, whose Ore Reserves are classified entirely as Probable.

The 2026 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.



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ORE RESERVES OPERATING PROPERTIES – HEMATITE

	30 JUNE 2026						30 JUNE 2025					
	Product tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	Loss on ignition LOI %	Product tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	Loss on ignition LOI %
Cloudbreak												
Proved	233	56.9	5.30	3.20	0.055	8.4	238	57.2	5.21	3.09	0.057	8.3
Probable	40	55.8	6.10	3.70	0.050	9.1	46	56.1	6.62	3.40	0.054	8.6
Total	**273**	**56.7**	**5.42**	**3.27**	**0.054**	**8.5**	**284**	**57.0**	**5.43**	**3.14**	**0.056**	**8.4**
Christmas Creek												
Proved	405	56.4	5.60	3.20	0.046	8.7	347	57.0	5.42	2.84	0.047	8.3
Probable	197	57.0	6.07	2.99	0.049	7.8	181	57.5	5.91	2.77	0.049	7.6
Total	**603**	**56.6**	**5.75**	**3.13**	**0.047**	**8.4**	**528**	**57.2**	**5.59**	**2.82**	**0.048**	**8.1**
Sub-total Chichester Hub												
Proved	639	56.6	5.49	3.20	0.049	8.6	585	57.1	5.34	2.94	0.051	8.3
Probable	237	56.8	6.08	3.11	0.049	8.1	227	57.2	6.06	2.90	0.050	7.8
Total	**876**	**56.6**	**5.65**	**3.18**	**0.049**	**8.4**	**812**	**57.1**	**5.54**	**2.93**	**0.051**	**8.2**
Firetail												
Proved	12	57.2	7.60	3.10	0.124	6.8	17	58.1	6.96	2.58	0.124	6.6
Probable	26	57.4	7.60	2.90	0.120	6.9	28	57.4	7.68	2.74	0.113	6.7
Total	**38**	**57.3**	**7.60**	**2.96**	**0.121**	**6.9**	**45**	**57.7**	**7.41**	**2.68**	**0.118**	**6.7**
Kings and Queens												
Proved	355	56.80	7.02	2.97	0.073	8.7	368	56.9	6.96	2.81	0.072	8.5
Probable	290	56.7	6.87	2.80	0.081	9.0	277	56.8	6.75	2.59	0.080	9.2
Total	**645**	**56.7**	**6.95**	**2.90**	**0.077**	**8.8**	**646**	**56.9**	**6.87**	**2.72**	**0.075**	**8.8**
Eliwana and Flying Fish												
Proved	221	59.4	5.18	2.66	0.103	6.4	194	59.8	4.85	2.54	0.113	6.3
Probable	70	59.6	4.72	2.59	0.088	6.7	36	59.4	4.93	2.54	0.112	6.8
Total	**291**	**59.4**	**5.07**	**2.64**	**0.100**	**6.5**	**231**	**59.7**	**4.86**	**2.54**	**0.113**	**6.4**
Blacksmith												
Proved	-	-	-	-	-	-	-	-	-	-	-	-
Probable	196	58.0	7.00	3.50	0.082	5.7	-	-	-	-	-	-
Total	**196**	**58.0**	**7.00**	**3.50**	**0.082**	**5.7**	-	-	-	-	-	-
Sub-total Western Hub												
Proved	587	57.80	6.34	2.86	0.086	7.8	580	57.9	6.3	2.7	0.1	7.7
Probable	583	57.5	6.69	3.01	0.084	7.5	342	57.1	6.6	2.6	0.1	8.7
Total	**1,170**	**57.6**	**6.51**	**2.94**	**0.085**	**7.7**	**922**	**57.6**	**6.4**	**2.7**	**0.1**	**8.1**
Total Ore Reserves Operating Properties - Hematite												
Proved	1,226	57.2	5.90	3.04	0.067	8.2	1,165	57.5	5.79	2.83	0.069	8.0
Probable	820	57.3	6.51	3.04	0.074	7.7	569	57.2	6.40	2.72	0.072	8.3
Total	**2,046**	**57.2**	**6.14**	**3.04**	**0.070**	**8.0**	**1,734**	**57.4**	**5.99**	**2.79**	**0.070**	**8.1**

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 40.4Mt 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, Blacksmith, 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.

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ORE RESERVES OPERATING PROPERTIES – MAGNETITE

The 2026 Ore Reserves for Magnetite are from the Iron Bridge project. Ore Reserves for the project total 1,112Mt at an average adjusted mass recovery of 30.4% for a 67.3% Fe grade product. The Ore Reserves are quoted as of 30 June 2026, on a dry in-situ tonnes basis prior to processing.

The 2026 Ore Reserves estimate was prepared by Fortescue's Technical Services team based on the current resource model using detailed information on mining, geotechnical and processing parameters and the latest cost assumptions, aligned with the operations strategy.

The Ore Reserves estimate is reported using a cut-off of 17% adjusted mass recovery. The adjusted mass recovery was derived from the Davis Tube Recovery (DTR) mass recovery by applying an adjustment based on recent process plant performance and will be reviewed periodically as part of an internally established technical review process.

Within North Star, mining activity within 100m of the Pilbara Leaf Nosed Bat (PLnB) cave, is prohibited by the current Stage 2 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 is 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 2026 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 2026						30 JUNE 2025					
	In-situ tonnes (Mt)	Adjusted mass recovery %	Product tonnes (Mt)	Product Fe %	Product SiO_2 %	Product Al_2O_3 %	In-situ tonnes (Mt)	DTR mass recovery %	Product tonnes (Mt)	Product Fe %	Product SiO_2 %	Product Al_2O_3 %
North Star and Eastern Limb												
Proved	-	-	-	-	-	-	-	-	-	-	-	-
Probable	906	30.9	280	67.1	5.7	0.3	706	30.4	213	67.1	5.7	0.3
Total	**906**	**30.9**	**280**	**67.1**	**5.7**	**0.3**	**706**	**30.4**	**213**	**67.1**	**5.7**	**0.3**
Glacier Valley												
Proved	-	-	-	-	-	-	-	-	-	-	-	-
Probable	206	28.1	58	68.0	4.6	0.2	232	28.1	65	68.1	4.5	0.2
Total	**206**	**28.1**	**58**	**68**	**4.6**	**0.2**	**232**	**28.4**	**65**	**68.1**	**4.5**	**0.2**
Total Ore Reserves Operating Properties - Magnetite												
Proved	-	-	-	-	-	-	-	-	-	-	-	-
Probable	1,112	30.4	338	67.3	5.5	0.3	938	29.8	278	67.3	5.4	0.3
Total	**1,112**	**30.4**	**338**	**67.3**	**5.5**	**0.3**	**938**	**29.8**	**278**	**67.3**	**5.4**	**0.3**

Notes in reference to table

- All current magnetite Ore Reserves fall within the Iron Bridge Joint Venture. As per the Iron Bridge project agreements, Fortescue owns 69% of the reported Total Magnetite Ore Reserve estimate within the Iron Bridge Joint Venture.
- Magnetite Ore Reserves are derived from Measured and Indicated Mineral Resources reported within the defined pit design.
- Magnetite Ore reserves are based on a cut-off of 17% adjusted mass recovery. In FY26, an adjusted mass recovery was derived based on recent process plant performance and will be reviewed periodically as part of internally established technical review process.
- 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.

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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 of 30 June 2026, the total Mineral Resource for the Chichester and Western Hubs, is estimated to be 5,055Mt at an average Fe grade of 56.4%, an increase of 192Mt over that stated in the prior year, with 80% 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 1,801Mt at an average Fe grade of 56.7%, with 87% 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 3,254Mt at an average Fe grade of 56.2%, with 76% of the tonnage in the Measured and Indicated Mineral Resource categories. In FY26, the reporting cut-off for Blacksmith was changed to 51.5% Fe (from 57.5% Fe for DID and BID and 54% Fe for CID in FY25) to align with Solomon operation assumptions.

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 2026						30 JUNE 2025					
	In-situ tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	Loss on ignition LOI %	In-situ tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	Loss on ignition LOI %
Cloudbreak												
Measured	460	56.9	5.59	3.33	0.059	8.2	498	56.9	5.64	3.30	0.060	8.2
Indicated	119	56.0	6.68	3.49	0.056	8.3	122	56.0	6.69	3.49	0.056	8.3
Inferred	31	55.9	6.86	3.61	0.058	8.2	32	55.9	6.88	3.61	0.058	8.2
Total	**611**	**56.7**	**5.87**	**3.37**	**0.058**	**8.2**	**651**	**56.7**	**5.90**	**3.35**	**0.059**	**8.2**
Christmas Creek												
Measured	601	56.8	6.02	3.18	0.052	8.3	611	56.8	6.06	3.16	0.052	8.1
Indicated	384	56.7	6.50	3.19	0.054	7.8	426	56.8	6.33	3.18	0.053	7.9
Inferred	205	56.7	6.16	3.09	0.056	7.2	233	56.7	6.12	3.15	0.054	7.5
Total	**1,190**	**56.8**	**6.20**	**3.17**	**0.053**	**7.9**	**1,269**	**56.8**	**6.16**	**3.16**	**0.053**	**7.9**
Sub-total Chichester Hub												
Measured	1,061	56.8	5.83	3.24	0.055	8.2	1,109	56.9	5.88	3.22	0.055	8.2
Indicated	503	56.5	6.55	3.26	0.054	7.9	547	56.6	6.41	3.25	0.054	8.0
Inferred	236	56.6	6.26	3.16	0.056	7.4	264	56.6	6.21	3.21	0.054	7.6
Total	**1,801**	**56.7**	**6.09**	**3.24**	**0.055**	**8.0**	**1,921**	**56.7**	**6.07**	**3.23**	**0.055**	**8.0**
Firetail												
Measured	26	56.5	7.87	3.33	0.128	7.3	35	57.1	7.39	3.03	0.129	7.2
Indicated	82	56.1	8.78	3.06	0.127	7.2	80	56.0	8.75	3.12	0.126	7.3
Inferred	43	54.8	8.08	4.81	0.098	8.0	43	54.7	8.05	4.88	0.096	8.0
Total	**151**	**55.8**	**8.42**	**3.60**	**0.119**	**7.5**	**157**	**55.9**	**8.26**	**3.58**	**0.119**	**7.5**

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Kings and Queens												
Measured	571	55.3	8.19	3.50	0.078	8.5	631	55.3	8.17	3.48	0.078	8.6
Indicated	667	55.0	8.53	3.32	0.083	8.9	604	54.9	8.59	3.31	0.087	8.9
Inferred	340	55.5	8.94	3.87	0.078	7.1	380	55.2	8.76	3.84	0.073	7.8
Total	**1,578**	**55.2**	**8.49**	**3.50**	**0.080**	**8.4**	**1,615**	**55.1**	**8.47**	**3.50**	**0.080**	**8.5**
Blacksmith												
Measured	117	56.9	7.71	3.93	0.092	6.1	67	60.2	4.64	3.05	0.094	5.4
Indicated	481	55.7	8.93	4.49	0.077	6.0	168	58.9	5.85	3.49	0.085	5.5
Inferred	17	56.1	8.33	3.39	0.094	7.3	9	59.8	4.09	2.35	0.104	7.2
Total	**615**	**56.0**	**8.68**	**4.35**	**0.080**	**6.0**	**243**	**59.3**	**5.46**	**3.33**	**0.088**	**5.5**
Eliwana												
Measured	287	58.9	5.69	2.76	0.117	6.4	292	59.1	5.54	2.73	0.124	6.3
Indicated	90	58.4	6.09	2.74	0.115	6.9	78	58.5	6.16	2.71	0.124	6.7
Inferred	336	56.9	6.77	3.90	0.088	7.1	356	57.0	6.65	3.81	0.088	7.2
Total	**713**	**57.9**	**6.25**	**3.29**	**0.103**	**6.8**	**726**	**58.0**	**6.15**	**3.26**	**0.106**	**6.8**
Flying Fish												
Measured	98	58.6	5.34	2.99	0.057	7.1	81	58.3	5.18	3.19	0.057	7.5
Indicated	60	59.4	5.11	2.67	0.059	6.4	27	60.5	4.50	2.04	0.061	6.2
Inferred	38	57.1	6.39	2.82	0.051	7.9	93	58.0	6.02	2.90	0.055	6.9
Total	**197**	**58.5**	**5.47**	**2.86**	**0.056**	**7.0**	**200**	**58.5**	**5.48**	**2.90**	**0.056**	**7.1**
Sub-total Western Hub												
Measured	1,100	56.8	7.22	3.30	0.089	7.6	1,105	56.9	7.02	3.22	0.091	7.7
Indicated	1,380	55.7	8.38	3.65	0.084	7.5	957	56.1	7.81	3.24	0.092	7.9
Inferred	774	56.1	7.81	3.87	0.082	7.2	880	56.2	7.54	3.77	0.079	7.4
Total	**3,254**	**56.2**	**7.85**	**3.58**	**0.086**	**7.5**	**2,941**	**56.5**	**7.43**	**3.39**	**0.088**	**7.7**
Total Mineral Resources Operating Properties - Hematite												
Measured	2,161	56.8	6.54	3.27	0.072	7.9	2,213	56.9	6.45	3.22	0.073	7.9
Indicated	1,883	55.9	7.89	3.55	0.076	7.6	1,504	56.3	7.30	3.24	0.078	8.0
Inferred	1,010	56.2	7.44	3.71	0.076	7.3	1,145	56.3	7.23	3.64	0.073	7.5
Total	**5,055**	**56.4**	**7.22**	**3.46**	**0.075**	**7.7**	**4,862**	**56.6**	**6.90**	**3.33**	**0.075**	**7.8**

Notes in reference to table

- Chichester Hub Mineral Resources are quoted above a cut-off of 53.5% Fe, Western Hub Mineral Resources are quoted above a cut-off grade of 51.5% Fe. FY25 Blacksmith Mineral Resources are quoted above a cut-off of 57.5% Fe for DID and BID, and 54% Fe for CID. FY26 Blacksmith Mineral Resources are quoted above a 51.5% Fe cut-off to align to Solomon operation assumptions.
- The Christmas Creek Mineral Resource is inclusive of the Kutayi and Nullagine deposits.
- Measured Mineral Resources include mine stockpiles totalling approximately 65Mt.
- 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.

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MINERAL RESOURCES DEVELOPMENT PROPERTIES – HEMATITE

As of 30 June 2026, development properties Mineral Resources are estimated to be 8,884Mt at 57.0% Fe, an increase of 112Mt for the year. This comprises 886Mt for Greater Chichester, 2,099Mt for Greater Solomon, 1,965Mt for Greater Western, 2,249Mt for Nyidinghu and 1,684Mt for Pilbara Other.

The increase reflects updated estimates for White Knight in the Greater Chichester, Hardey in the Greater Western, and Mindy South, Mindy North, Indabiddy and Angelo in the Pilbara Other. Updates to Wyloo North in the Greater Western increased selected areas to Indicated classification, reflecting improved confidence in the estimates.

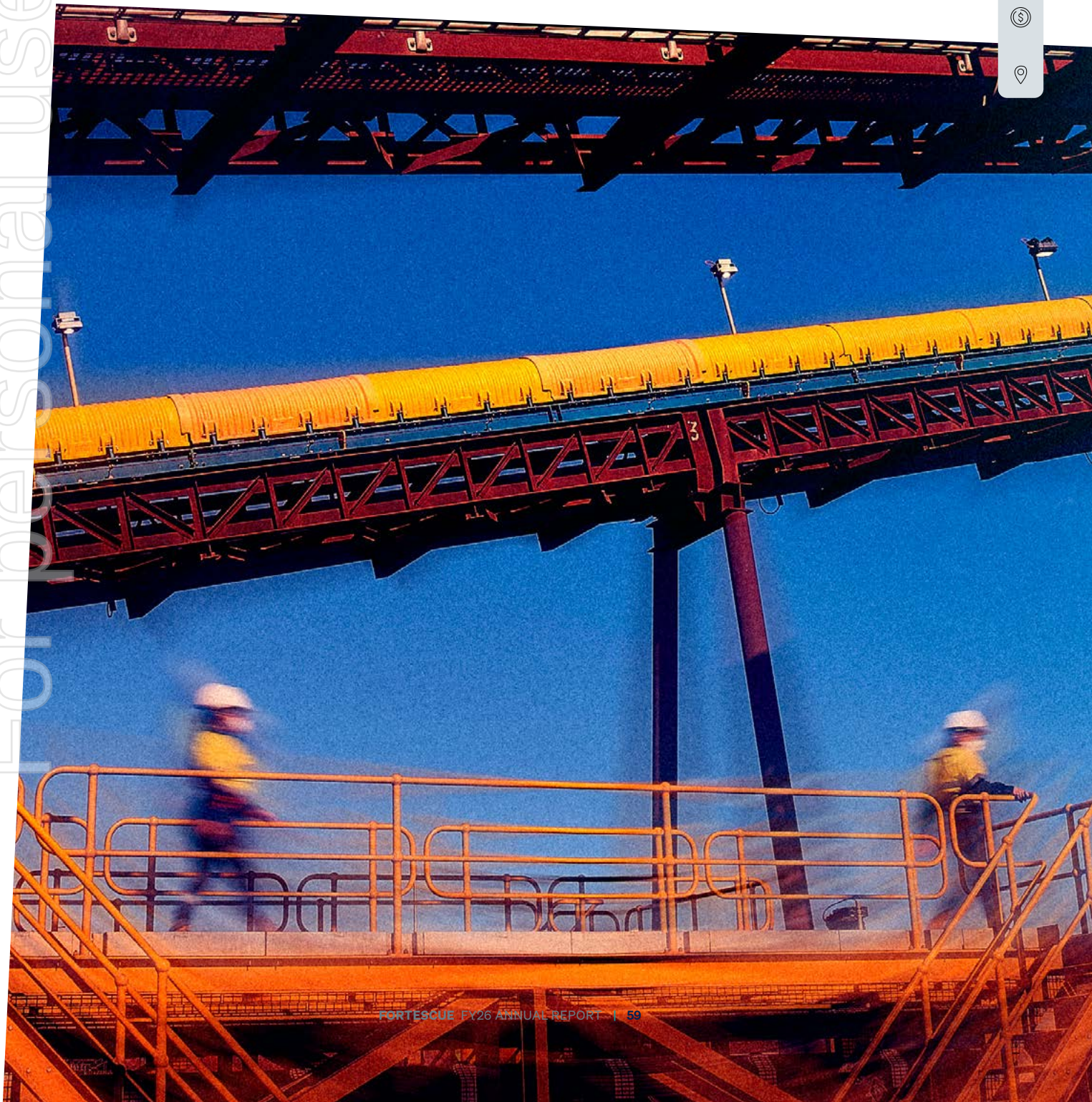
Areas identified as containing sites of heritage significance have been reviewed and excluded from reporting across all deposits. Development properties Mineral Resources exclude, and are additional to, operating properties.

MINERAL RESOURCES DEVELOPMENT PROPERTIES – HEMATITE

	30 JUNE 2026						30 JUNE 2025					
	In-situ tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	Loss on ignition LOI %	In-situ tonnes (Mt)	Iron Fe %	Silica SiO_2 %	Alumina Al_2O_3 %	Phos P %	Loss on ignition LOI %
Greater Chichester												
Measured	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-	-	-	-
Inferred	886	55.6	7.67	3.48	0.062	7.3	829	55.9	7.42	3.45	0.062	7.2
Total	**886**	**55.6**	**7.67**	**3.48**	**0.062**	**7.3**	**829**	**55.9**	**7.42**	**3.45**	**0.062**	**7.2**
Greater Solomon												
Measured	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	131	56.2	6.19	2.67	0.091	10.2	131	56.2	6.19	2.67	0.091	10.2
Inferred	1,968	56.7	7.18	3.82	0.085	7.1	1,980	56.7	7.18	3.82	0.085	7.1
Total	**2,099**	**56.7**	**7.12**	**3.75**	**0.086**	**7.3**	**2,111**	**56.7**	**7.11**	**3.75**	**0.086**	**7.3**
Greater Western												
Measured	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	219	59.5	5.60	2.61	0.137	6.1	99	59.1	5.33	2.45	0.162	7.1
Inferred	1,746	56.4	6.21	3.02	0.081	9.3	1,803	56.6	6.21	3.00	0.082	9.1
Total	**1,965**	**56.7**	**6.14**	**2.97**	**0.087**	**8.9**	**1,902**	**56.7**	**6.16**	**2.97**	**0.086**	**9.0**
Nyidinghu												
Measured	22	59.7	3.54	2.07	0.141	8.1	22	59.7	3.54	2.07	0.141	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	1,219	57.0	5.13	3.46	0.144	8.9	1,276	57.0	5.14	3.44	0.144	8.9
Total	**2,249**	**57.4**	**4.87**	**3.27**	**0.146**	**8.8**	**2,306**	**57.4**	**4.88**	**3.27**	**0.146**	**8.8**
Pilbara Other												
Measured	10	58.7	6.90	2.48	0.153	6.2	10	58.6	6.99	2.52	0.153	6.2
Indicated	298	58.3	6.90	2.53	0.131	6.7	328	58.3	6.82	2.52	0.133	6.7
Inferred	1,376	57.5	6.10	2.78	0.099	8.2	1,286	57.5	6.21	2.72	0.101	8.1
Total	**1,684**	**57.7**	**6.25**	**2.73**	**0.105**	**7.9**	**1,623**	**57.7**	**6.34**	**2.68**	**0.107**	**7.8**
Total Mineral Resources Development Properties - Hematite												
Measured	32	59.4	4.60	2.20	0.145	7.5	32	59.4	4.63	2.21	0.145	7.5
Indicated	1,655	58.0	5.26	2.89	0.140	8.1	1,566	57.9	5.23	2.89	0.142	8.3
Inferred	7,197	56.7	6.45	3.32	0.094	8.2	7,174	56.8	6.42	3.31	0.095	8.1
Total	**8,884**	**57.0**	**6.22**	**3.24**	**0.103**	**8.1**	**8,772**	**57.0**	**6.20**	**3.23**	**0.103**	**8.1**

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, Hardey and Wyloo North deposits.
- The Pilbara Other Mineral Resources includes the Fig Tree, Mindy South, Mindy North, Triton, Wonmunna, Panhandle, Earendil, Indabiddy, Prairie Heights, Angelo, 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.



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MINERAL RESOURCES OPERATING PROPERTIES – MAGNETITE

Mineral Resources for magnetite operating properties, which comprise the North Star, Eastern Limb, Glacier Valley, West Star and South Star deposits, are stated on a dry in-situ tonnage basis. The Mineral Resources, including mine stockpiles, are quoted inclusive of Ore Reserves.

As of 30 June 2026, the total magnetite Mineral Resource is estimated to be 5,999Mt (from 6,008Mt in 2025) at an average adjusted mass recovery of 23.4%, reported above a 9% mass recovery cut-off. The adjusted mass recovery was derived from the DTR mass recovery by applying an adjustment based on recent process plant performance and will be reviewed periodically as part of internally established technical review process.

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 of eventual economic extraction by open-pit mining and has been adjusted for depletion of mined tonnes. The pit shell used to constrain the June 2026 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.

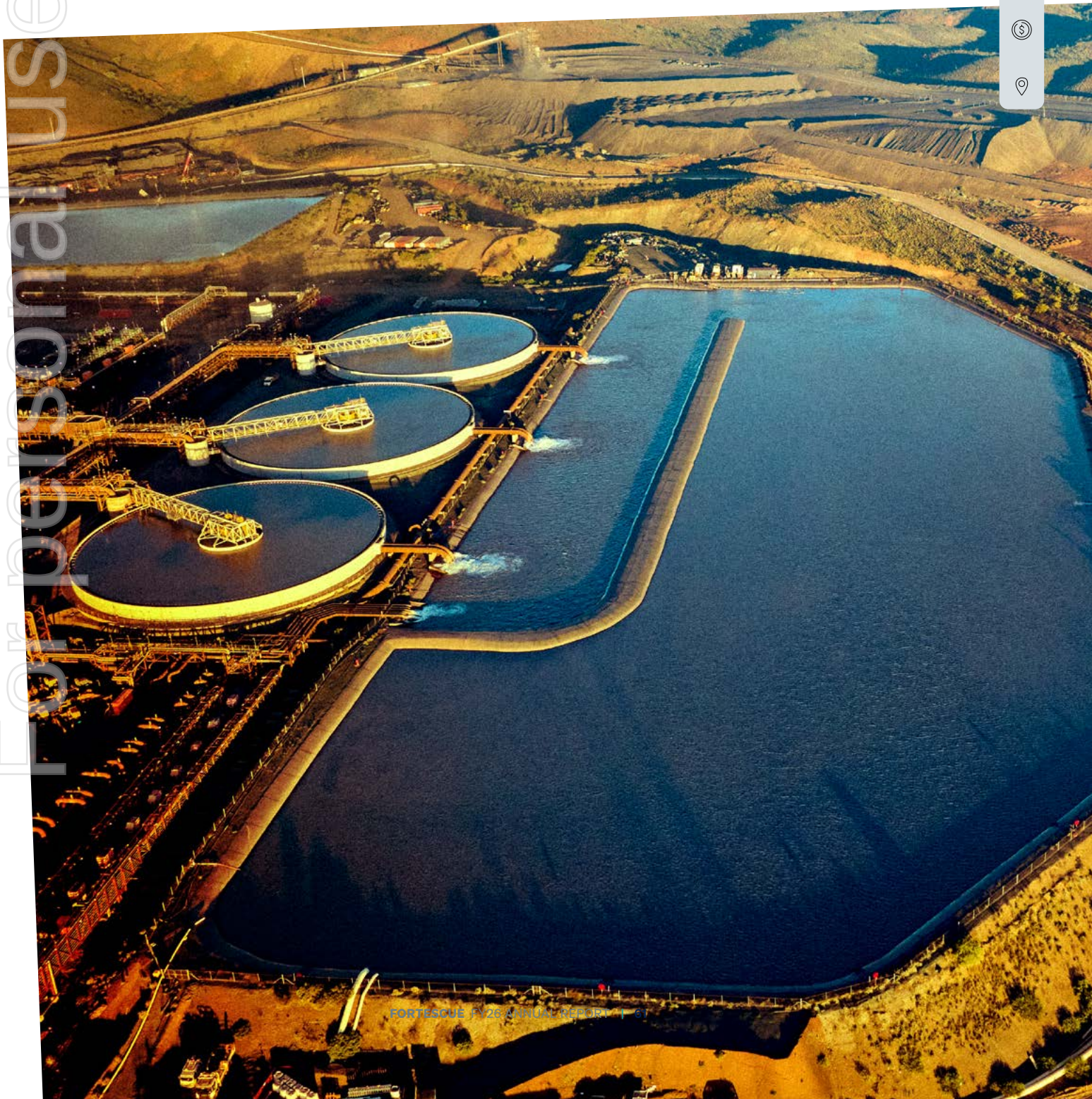
MINERAL RESOURCES OPERATING PROPERTIES – MAGNETITE

	30 JUNE 2026							30 JUNE 2025						
	In-situ tonnes (Mt)	Fortescue proportion %	Fortescue tonnes (Mt)	Adjusted mass recovery %	In-situ iron Fe %	In-situ silica SiO_2 %	In-situ alumina Al_2O_3 %	In-situ tonnes (Mt)	Fortescue proportion %	Fortescue 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	455	69	314	28.0	31.2	40.8	2.42	335	69	231	27.9	31.1	41.2	2.57
Indicated	949	69	655	25.9	30.3	41.3	2.65	811	69	560	25.8	30.3	41.2	2.60
Inferred	1,960	69	1,352	23.7	29.9	41.4	2.74	2,080	69	1,435	25.3	30.0	41.6	2.75
Total	**3,363**	**69**	**2,321**	**24.9**	**30.2**	**41.3**	**2.67**	**3,226**	**69**	**2,226**	**25.7**	**30.2**	**41.4**	**2.69**
Glacier Valley (M45/1244 & M45/1226)														
Measured	51	69	35	25.3	35.0	39.1	1.57	52	69	36	25.9	35.0	39.2	1.58
Indicated	269	69	185	23.6	33.1	39.0	1.71	270	69	187	24.3	33.1	39.1	1.70
Inferred	823	69	568	20.8	31.8	39.8	2.03	902	69	622	21.4	31.7	39.8	2.07
Total	**1,142**	**69**	**788**	**21.7**	**32.2**	**39.6**	**1.94**	**1,224**	**69**	**845**	**22.3**	**32.2**	**39.6**	**1.97**
West Star (M45/1226)														
Measured	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inferred	397	69	274	20.0	28.3	43.9	3.35	431	69	297	20.9	28.6	43.8	3.22
Total	**397**	**69**	**274**	**20.0**	**28.3**	**43.9**	**3.35**	**431**	**69**	**297**	**20.9**	**28.6**	**43.8**	**3.22**
South Star (E45/3084)														
Measured	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inferred	389	69	269	23.4	31.4	41.4	0.67	393	69	271	24.3	31.4	41.4	0.67
Total	**389**	**69**	**269**	**23.4**	**31.4**	**41.4**	**0.67**	**393**	**69**	**271**	**24.3**	**31.4**	**41.4**	**0.67**
South Star (E45/4025)														
Measured	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inferred	707	100	707	21.3	32.1	40.4	0.90	734	100	734	21.9	32.0	40.4	0.90
Total	**707**	**100**	**707**	**21.3**	**32.1**	**40.4**	**0.90**	**734**	**100**	**734**	**21.9**	**32.0**	**40.4**	**0.90**
Total Mineral Resources Operating Properties - Magnetite														
Measured	505	-	349	27.7	31.6	40.7	2.33	387	-	267	27.6	31.6	41.0	2.44
Indicated	1,217	-	840	25.3	30.9	40.8	2.44	1,082	-	746	25.4	31.0	40.7	2.38
Inferred	4,276	-	3,169	22.4	30.6	41.2	2.17	4,539	-	3,360	23.5	30.6	41.2	2.18
Total	**5,999**	**-**	**4,358**	**23.4**	**30.8**	**41.1**	**2.24**	**6,008**	**-**	**4,373**	**24.1**	**30.8**	**41.1**	**2.23**

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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. In FY26, an adjusted mass recovery was derived based on recent process plant performance and will be reviewed periodically as part of internally established technical review process.
- Magnetite Mineral Resources are reported within a high revenue factor pit shell (US$200/t) to constrain the resource to mineralisation that has reasonable prospects of eventual economic extraction by open-pit mining.
- Oxide mineralisation comprises approximately 3.8% of the total Mineral Resource tonnage.
- Measured Mineral Resources include mine stockpiles totalling approximately 10Mt.
- Mineral Resources are reported on a dry, in situ tonnage basis, inclusive of Ore Reserves.
- Tonnage information has been rounded and as a result the figures may not add up to the totals quoted.



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CAÑARIACO COPPER MINERAL ESTIMATES

Fortescue is now the owner of the Cañariaco copper development project located in Northern Peru. The project includes the Cañariaco Norte and the Cañariaco Sur deposits. The mineral estimates for the Cañariaco project are qualifying foreign estimates as defined in Chapter 19 of the ASX Listing Rules. They are prepared in accordance with NI 43-101 and CIM Definition Standards, and as such are not reported in accordance with the JORC Code. A Competent Person has not yet completed sufficient work to classify the qualifying foreign estimate as Mineral Resources in accordance with the JORC Code, and it is uncertain that following evaluation and further exploration work that the qualifying foreign estimate will be able to be reported in accordance with the JORC Code.

The reliability of the information relating to the mineral estimates has been assessed based on it being reported by a Qualified Person as defined in NI 43-101 and in accordance with NI 43-101 in the Technical Report dated 10 June 2024 and titled "NI 43-101 Technical Report on Preliminary Economic Assessment". Fortescue is not in possession of any new information or data relating to the estimate that materially impacts the reliability of the estimates or the ability to verify the estimates. The supporting information provided in the initial announcement continues to apply and has not materially changed. Fortescue intends to conduct a work program including additional drilling within the next three years to report the estimate in accordance with the JORC Code.

Contained copper in the estimates, reported above a copper cut-off grade of 0.10%, are estimated to be 1,126.6Mt at 0.38% Cu in the Measured and Indicated categories, and 890.4Mt at 0.25% Cu in the Inferred category. The mineral estimate has an effective date of 10 June 2024.

CAÑARIACO COPPER MINERAL ESTIMATES

	30 JUNE 2026									30 JUNE 2025								
	Tonnage (Mt)	Cu %	Au g/t	Ag g/t	Mo (ppm)	Copper (Blb)	Gold (Moz)	Silver (Moz)	Molybdenum (Mlb)	Tonnage (Mt)	Cu %	Au g/t	Ag g/t	Mo (ppm)	Copper (Blb)	Gold (Moz)	Silver (Moz)	Molybdenum (Mlb)
Cañariaco Norte																		
Measured	433.3	0.43	0.07	1.9	-	4.07	1.00	26.15	-	-	-	-	-	-	-	-	-	-
Indicated	693.3	0.34	0.05	1.5	-	5.26	1.17	34.22	-	-	-	-	-	-	-	-	-	-
Measured & Indicated	**1,126.6**	**0.38**	**0.06**	**1.7**	**-**	**9.33**	**2.16**	**60.37**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Inferred	416.3	0.26	0.04	1.3	-	2.41	0.52	16.90	-	-	-	-	-	-	-	-	-	-
Cañariaco Sur																		
Inferred	474.1	0.24	0.09	1.2	23	2.52	1.34	17.61	24.04	-	-	-	-	-	-	-	-	-

Notes in reference to table

- The NI 43-101 estimates for the Cañariaco Project were reported by Alta Copper in its Technical Report dated 10 June 2024 and titled "NI 43-101 Technical Report on Preliminary Economic Assessment". Refer also to Fortescue's ASX announcements 'Fortescue to Acquire Alta Copper' dated 15 December 2025 for Mineral Resources – Clarifying Statements, and "Alta Copper Update" dated 27 January 2026.
- Fortescue has not reported the copper equivalent grades associated with the qualifying foreign estimate because the assumptions and methodology used in the calculation including metal prices, recoveries and payability factors have not been reviewed sufficiently for Fortescue to adopt. The individual metal grades are reported as presented in the source estimate.
- The NI 43-101 estimates were reported using the definitions set out in the 2014 CIM Definition Standards.
- All figures are rounded to reflect the relative accuracy of the estimate. Totals may not sum due to rounding as required by reporting guidelines.
- The contained metal figures shown are in situ.

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COMPETENT PERSONS STATEMENT – HEMATITE AND MAGNETITE

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 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 deposits for fiscal year 2026 were compiled by Rickson Dimapilis, Santhosh Mulky and Sunarno Purnomo, full-time employees and shareholders of Fortescue.

Estimated Magnetite Ore Reserves for the Iron Bridge project for fiscal year 2026 were compiled by Ayra Guillermo and Mudit Tandon, full-time employees and shareholders of Fortescue.

Ms Retz, Mr Badock, Ms Caron, Mr Dimapilis, Mr Mulky, Mr Purnomo, Ms Guillermo, 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).

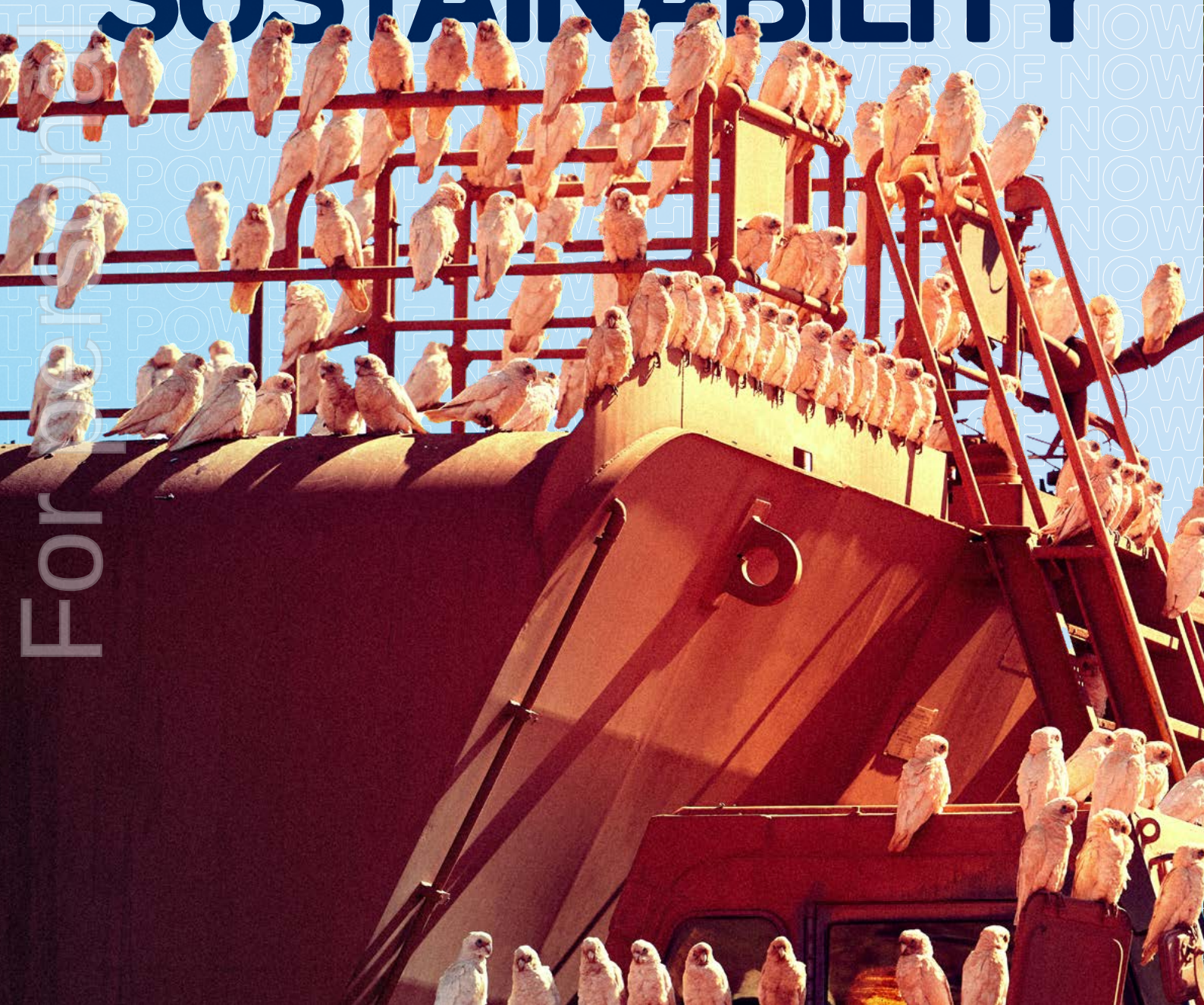
Mr Kepert, Ms Retz, Mr Badock, Ms Caron, Mr Dimapilis, Mr Mulky, Mr Purnomo, Ms Guillermo, Mr Tandon and Mr Graindorge have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person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

Mr Kepert, Ms Retz, Mr Badock, Ms Caron, Mr Dimapilis, Mr Mulky, Mr Purnomo, Ms Guillermo, 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.

COMPETENT PERSONS STATEMENT – COPPER

David Thomas confirms that the information in this report that relates to the Cañariaco Project NI 43-101 Mineral Resource provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies supplied to Fortescue as a foreign estimate. Mr Thomas is an employee of DKT Geosolutions Inc. and is a member of the Association of Professional Engineers and Geoscientists of British Columbia which is a Recognised Professional Organisation. Mr Thomas has sufficient experience that is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Thomas consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

OUR APPROACH TO SUSTAINABILITY



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SUSTAINABILITY HIGHLIGHTS.

1.3

Total Recordable Injury Frequency Rate

172

Leading Safety Index

US$ 848 million

Pilbara Decarbonisation Program capital expenditure

>300,000

solar panels installed at Cloudbreak

236GWh

renewable electricity produced at North Star Junction

40.5%

women in our most senior leadership roles

A$ 1.02 billion

spent with Aboriginal businesses in the Pilbara

A$ 99 million

total contribution to community investment programs

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A MESSAGE FROM OUR CEOs

DINO OTRANTO AND GUS PICHOT

The past year has been about turning ambition into action.

Across Fortescue, our teams have continued to deliver while never losing sight of what matters most – keeping people safe, creating lasting opportunities for future generations and helping build a green, liveable planet.

This year, we achieved a 12-month Leading Safety Index (LSI) of 172, advanced the electrification of our Pilbara operations and continued to strengthen the partnerships that underpin our business.

Sustainability is often measured by targets and commitments. Those are important, but what matters more is the work that turns ambition into real outcomes.

This report reflects that work. It shows how our teams are improving safety, building a culture where everyone feels respected and included, eliminating emissions, strengthening partnerships, operating responsibly, and creating opportunities for our people and the communities in which we operate.

None of this happens without great people.

The strength of Fortescue has always been its people. Whether they're operating our mines, advancing exploration programs, developing new technologies, delivering projects or supporting our operations around the world, they continue to raise the bar. Their commitment to challenge conventional thinking and achieve stretch targets is what sets Fortescue apart.

Since Fortescue was founded, we have believed that success means little unless it creates opportunities for the communities around us. That belief still guides us today. It's why we continue to create jobs, back businesses and invest in the skills and opportunities that help communities thrive.

Our Billion Opportunities program is a prime example. This year, we awarded more than $1 billion in contracts to Indigenous businesses for the first time, taking the total value of contracts awarded through the program to more than $7.6 billion since 2011.

This year, we also strengthened our partnership with the Puutu Kunti Kurrama and Pinikura People through new agreements built on trust, respect and partnership. For Fortescue, these agreements are about more than compensation. They're about creating opportunities through jobs, businesses, training and economic participation, so people can build their own futures and create opportunities for generations that follow.

We're also proud to employ over 1,600 Aboriginal team members and, through programs such as VTEC, which marks its 20th anniversary in 2026, have delivered more than 1,600 training and employment pathway opportunities.

These are not just numbers. They are businesses growing, people building careers and communities creating their own futures.

Across the regions where we operate, we continue to invest in the things that matter most to communities - jobs, education, local businesses and opportunities for the next generation.

That same long-term thinking sits behind our approach to our Real Zero Target.

Decarbonising requires us to rethink not just how we mine, but how we grow as a company. It demands new technologies, new ways of working and a willingness to solve problems that have not been solved before. As we transform our own operations, we are also developing the technologies, innovations and energy needed to decarbonise heavy industry.

Every step we take is another step towards proving what is possible. We didn't set our Real Zero Target because it was easy. We set it because we believe industry has a responsibility to lead.

We're proud of what we've achieved, and we're only just getting started.



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SUSTAINABILITY

Sustainability is integral to how Fortescue operates, grows and delivers its strategy. Our activities depend on our people, natural infrastructure, access to land and resources, strong stakeholder relationships, resilient assets and systems and sustainable supply chains and can also create environmental and social impacts that must be understood and managed across our operations and growth activities.

As a global metals, energy and technology company, Fortescue's ability to operate and grow depends on safe and capable people, responsible management of natural resources and trusted relationships with Indigenous peoples, communities, governments, customers, suppliers and our workforce.

Our sustainability priorities are organised around three pillars: **Climate**, **Nature** and **People**. These pillars incorporate our material sustainability topics and provide a consistent structure for managing impacts, setting priorities, monitoring and reporting progress.

The FY26 materiality review confirmed eleven material topics across the Climate, Nature and People pillars.

PILLAR	FY26 MATERIAL TOPIC
CLIMATE	Climate
NATURE	Water
	Tailings
	Closure and rehabilitation
	Biodiversity
PEOPLE	Human Rights
	Indigenous Peoples and Cultural Heritage
	Communities
	Safety and Wellbeing
	Diversity and Inclusion
	Talent and Skills

Climate

REDUCING OUR EMISSIONS RAPIDLY AND PROFITABLY

Fortescue is committed to achieving our Real Zero Target by 2030. We are progressing the technologies, infrastructure and operational changes needed to reach this target, while maintaining mine productivity and meeting our guidance.

In FY26, Fortescue invested US$848 million in the Pilbara Decarbonisation Program. This expenditure supported renewable generation, battery storage, transmission infrastructure, electrified mining equipment and charging systems across the Pilbara.

More than 300,000 solar panels were installed at the 190MW Cloudbreak solar farm. We commissioned 250MWh of battery energy storage at North Star Junction and 120MWh at Eliwana. In FY26 we avoided 0.116 $MtCO_2$-e that would otherwise have been emitted by the Solomon Gas Power Station.

In FY26, our emissions profile reflected the growth and scale of our mining operations. The increase in Scope 1 emissions was primarily attributed to increased iron ore shipments, increased gas consumption as Iron Bridge ramped up and an increase in total materials moved to meet the mine plan.

Scope 1 and 2 emissions within the scope of our Real Zero Target increased from 2.60 $MtCO_2$-e in FY25 to 2.72 $MtCO_2$-e in FY26. This increase is consistent with our transition plan, under which emissions are expected to increase in the short term as production increases while we deploy renewable generation, energy storage, transmission infrastructure and fleet electrification. Based on current projections, these emissions are expected to decline from FY28.

Achieving the Real Zero Target requires the successful deployment and technical performance of new technologies, timely approvals, supply-chain delivery and the ability to implement solutions on a profitable basis.

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Nature

WATER, TAILINGS, BIODIVERSITY, AND CLOSURE AND REHABILITATION

Water is fundamental to Fortescue's existing operations and future growth across mining, energy and digital infrastructure. In FY26, Fortescue abstracted 226,879ML of water across our mine sites, with 99 per cent sourced from local groundwater systems. At Cloudbreak and Christmas Creek, 145,230ML of the total groundwater abstracted was reinjected into suitable nearby aquifers.

Fortescue manages 14 tailings storage facilities across our Pilbara operations. Our Tailings Management Strategy adopts a life-of-mine approach, from planning and design through to operation, closure and post-closure.

Our biodiversity approach applies the mitigation hierarchy. In FY26, we completed the first IUCN and Natural Resources Biodiversity Net Gain review for Eliwana and continued to develop our roadmap to work towards Net Positive Impact on biodiversity across our operations.

Closure planning is integrated across the asset lifecycle. In FY26, we developed a GIS-based Rehabilitation Register that identifies areas across our mining operations available for rehabilitation and helps align rehabilitation activities with mine planning.

People

SAFETY AND WELLBEING, DIVERSITY AND INCLUSION, AND TALENT AND SKILLS

Safety is a Fortescue Value and central to how we work. In FY26, we recorded a Leading Safety Index score of 172, exceeding our internal target of greater than 127, a Total Recordable Injury Frequency Rate of 1.3 and a Critical Incident Frequency Rate of 0.04.

Women represented 40.5 per cent of our most senior leadership roles, defined as General Managers and above, compared with 40 per cent in FY25. Our annual People Experience Survey recorded an employee engagement score of 76.0 per cent, with a 93.0 per cent response rate.

Fortescue's ability to operate safely, deliver projects and advance the energy transition also depends on having people with the right skills, experience and leadership capability. In FY26, 1,440 frontline leaders participated in Fortescue Frontline. A total of 289 people participated in our apprenticeship and traineeship programs, with 49 transitioning into permanent roles with Fortescue.

INDIGENOUS PEOPLES AND CULTURAL HERITAGE, COMMUNITIES AND HUMAN RIGHTS

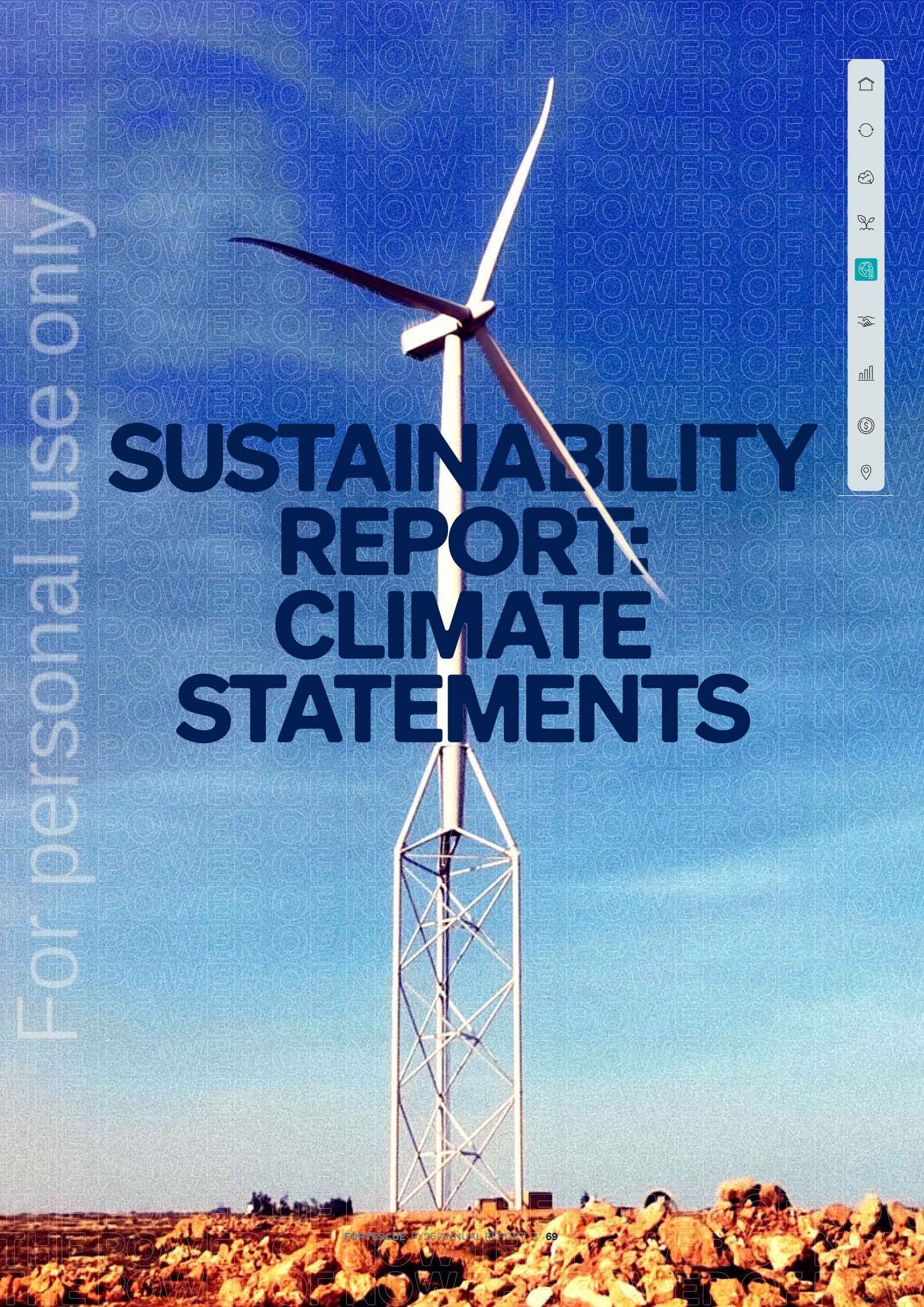
Fortescue is committed to working in partnership with Indigenous peoples and communities, building strong relationships and creating economic opportunities in the regions where we operate. In FY26, for the first time, Fortescue awarded more than $1 billion in contracts under our Billion Opportunities program and spent $1.02 billion with Aboriginal businesses in the Pilbara. The total value of contracts and subcontracts awarded through the program has exceeded $7.6 billion since 2011. These contracts provide opportunities for Aboriginal businesses to build capability, expand their operations and support employment and development opportunities in the Pilbara and beyond.

Community investment totalled A$99 million. We also updated our Human Rights Policy, strengthened implementation of the Voluntary Principles on Security and Human Rights and completed a worker voice pilot in the Pilbara.

Our sustainable supply-chain approach has four priority pillars: human rights, greenhouse gas emissions, circularity and traceability. In FY26, we completed our first worker welfare assessment at Tier 2 of the supply chain, extending our oversight beyond direct suppliers.

OUR FY26 SUSTAINABILITY REPORTING SUITE

Further information is available in the FY26 Sustainability Report: Climate Statements in the FY26 Annual Report, the FY26 Sustainability Report, the FY26 Climate Transition Plan and the FY26 ESG Databook, which are available at **fortescue.com.**



SUSTAINABILITY REPORT: CLIMATE STATEMENTS

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INTRODUCTION

This is Fortescue Ltd's first climate-related financial statement prepared in accordance with Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures and the climate statement requirements of the Corporations Act 2001.

Unless otherwise stated, this report covers Fortescue Ltd and its consolidated accounting group for the financial year ended 30 June 2026. Climate-related risks and opportunities are considered across Fortescue's operations, business activities and value chain where they could reasonably be expected to affect Fortescue's prospects. Greenhouse gas (GHG) emissions are reported for Scope 1, Scope 2 and relevant Scope 3 categories in accordance with the boundaries and methodologies described in Notes to the Sustainability Report: Climate Statements.

This report has been prepared in accordance with AASB S2 Climate-related Disclosures (AASB S2) and the climate statement requirements of the Corporations Act 2001 (Cth). As this is Fortescue's first AASB S2 climate-related financial statement, some disclosures may not be directly comparable with previous voluntary climate-related reporting due to differences in reporting requirements, scope, definitions, boundaries, methodologies, assumptions and presentation.

Climate change presents both risks and opportunities for Fortescue. It affects how we think about our operations, markets, capital allocation, technology pathways, value chain and long-term resilience. Opportunities arising from the global energy transition to a low-carbon economy are central to our business plan, which is grounded in Fortescue's purpose to accelerate decarbonisation on a global scale, rapidly and profitably, while also managing climate-related risks and maintaining a disciplined focus on safety, operational performance, financial strength and long-term shareholder value.

Fortescue is committed to achieving its Real Zero Target by 2030. It has also set emissions reduction targets for shipping and steelmaking emissions by 2030 and for Scope 3 emissions by 2040. Further detail can be found in *Metrics and Targets*.

Our climate-related strategy has two interrelated objectives: (1) reducing our emissions rapidly and profitably, and (2) developing solutions to drive decarbonisation globally.

During FY26, Fortescue continued to progress its Pilbara Decarbonisation Program and broader climate-related plan. These activities are reflected in this report through our discussion of our approach, capital allocation, climate-related risks and opportunities, and the current and anticipated financial effects of climate-related matters.

In FY26, our emissions profile reflects the growth and scale of our mining operations. The increase in our Scope 1 emissions is attributed to three factors: increased volume of ore shipped, increased gas consumption for the Iron Bridge asset ramp-up as well as an increase in total materials moved to meet the mine plan. While these factors have increased emissions in the near term, Fortescue's 2030 climate-related targets remain unchanged. Based on current projections, Scope 1 and 2 emissions within scope of our Real Zero Target are expected to decline from FY28.

This report describes the financial effects of climate-related risks and opportunities where those effects are identifiable and capable of reliable measurement. In FY26, the most direct financial effects relate to capital and operating expenditure associated with the Pilbara Decarbonisation Program, Energy segment activities, Green Metal, critical minerals and carbon compliance. Other climate-related financial effects are subject to estimation uncertainty, particularly across the long-term horizon and this includes any business opportunities to provide power to third parties.

CLIMATE-RELATED GOVERNANCE

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The Board retains ultimate responsibility for oversight of climate-related risks and opportunities, including approval of Fortescue's climate strategy, climate-related targets, climate transition plan and climate-related financial disclosures. Significant capital investments above delegated authority thresholds are reviewed by the Board to assess their alignment with Fortescue's strategic objectives, considering various factors and trade-offs, including those associated with climate-related risks and opportunities.

The Board is supported by its standing committees within their respective mandates. The Safety and Sustainability Committee is the primary Board Committee overseeing climate-related risks and opportunities, the setting of related targets and the monitoring of progress towards those targets. The Audit, Finance and Risk Management Committee supports oversight of risk management, internal controls, financing and assurance matters relevant to climate-related financial disclosures. The People, Remuneration and Nomination Committee oversees the design and application of remuneration structures, including climate-related performance metrics.

The Board and relevant Board Committees are informed about climate-related risks and opportunities through quarterly updates. Additional briefings are provided as required.

Information on Fortescue's Board, including roles, skills and competencies to oversee strategies designed to respond to climate-related risks and opportunities, is described in section 2.4 Board skills matrix and 2.6 Appointment, induction and continuing education of directors in the Corporate Governance Statement in this Annual Report.

Management role in governance

Responsibility is not delegated to a single management-level position or committee. It is shared across relevant executive and functional roles, including the CEOs, CFO, Director Global Sustainability and External Affairs, Director of Decarbonisation and Green Product Delivery, with the support of teams across Sustainability, Finance, Risk, Assurance, Legal and Operations.

Management oversight is supported by existing governance processes, including executive and management forums, business planning and budgeting, risk reviews, investment approvals, operational reviews, disclosure governance, assurance processes and reporting to the Board and relevant Board Committees. For the Pilbara Decarbonisation Program specifically, the Decarbonisation Steering Committee supports management oversight by reviewing key strategies, decisions, capital proposals and program progress before they are escalated to the Board or relevant Board Committees.

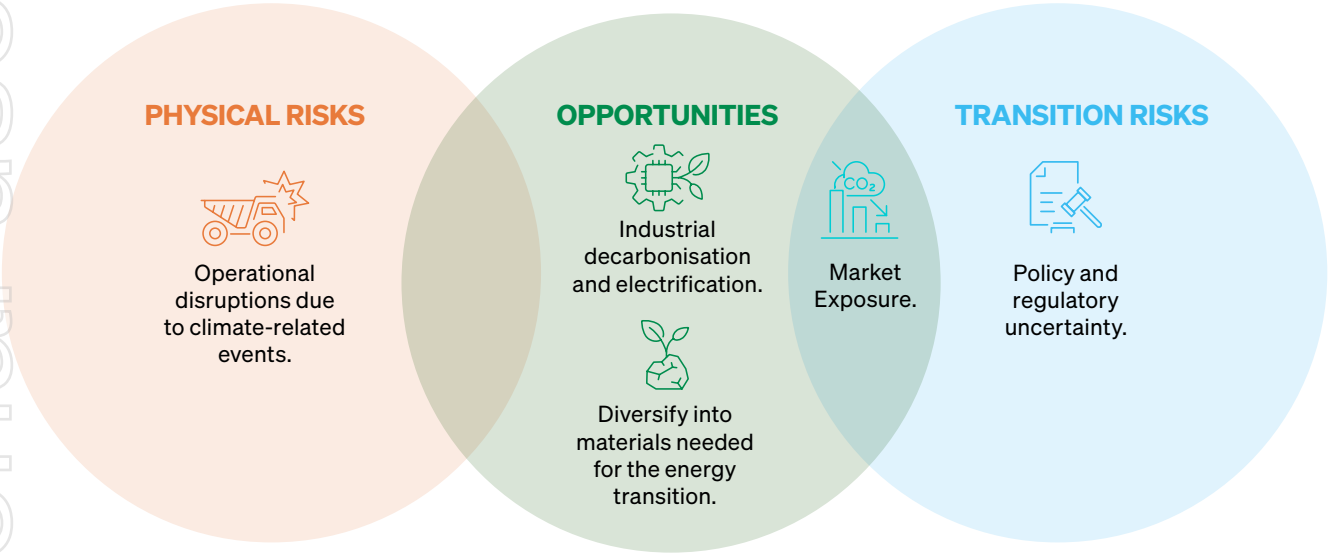
Management uses existing risk management and financial planning controls and procedures, integrated with Finance, Risk and Sustainability functions, to support oversight of climate-related risks and opportunities. These processes form part of Fortescue's broader governance and risk management framework.

Information on executive and employee remuneration measures and targets linked to emissions reduction and our broader energy transition strategy is described in the section titled Climate-related Disclosures in the Remuneration Report in this Annual Report.

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CLIMATE-RELATED RISKS AND OPPORTUNITIES

This section describes the climate-related risks and opportunities that Fortescue has identified that could reasonably be expected to affect Fortescue's cash flows, access to finance or cost of capital over the short, medium or long term. The disclosures below are organised into three categories: physical risks, transition risks and transition opportunities.



For each material climate-related risk or opportunity, we describe the current and anticipated impacts, relevant time horizons, affected financial statement areas, key management actions, quantification methodologies, vulnerability and alignment metrics, where these can be reliably identified. The analysis reflects Fortescue's current assessment based on available data, scenario analysis and management judgement. However, the timing, scale and financial effects of climate-related risks and opportunities remain uncertain and will continue to be refined as our data, methodologies and reporting processes mature.

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.

For the purposes of this report, climate-related risks and opportunities have been categorised as follows: short-term, where they may materialise within the next two years; medium-term, where they may materialise within three to 10 years; and long-term, where they may materialise in 11 or more years.

Time period		Link to planning horizons
Short-term	0 to 2 years	• Aligns with Fortescue's two-year budget cycle. • This horizon reflects near-term budgeting, forecasting, operational performance, cash flow management, and capital allocation.
Medium-term	3 to 10 years	• Aligns with Fortescue's 10-year budgeting and forecasting cycle. • This horizon supports medium-term financial planning, portfolio and investment decisions, operational resilience, and opportunities progression.
Long-term	11 to 30+ years	• Informed by Fortescue's 20-year long-term forecasting and strategic outlook. • This horizon supports long-term portfolio planning, asset strategy, and scaling of opportunities.

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MATERIALITY AND FINANCIAL IMPACTS

Fortescue assessed climate-related risks and opportunities by reference to financial materiality, consistent with the principles applied in the preparation of the consolidated financial statements and Fortescue's Risk Management Framework. In assessing whether climate-related information could reasonably be expected to influence decisions made by users of general purpose financial reports, Fortescue considered both quantitative and qualitative factors, including the nature, magnitude, timing and uncertainty of potential financial impacts. These factors were considered in the context of Fortescue's current operations, as well as the potential effect on, and alignment with, its strategic objectives and business resilience.

Fortescue applied quantitative thresholds to classify estimated annual recurring financial impacts as low for impacts between US$100 million and US$500 million, medium for impacts between US$500 million and US$1 billion, and high for impacts greater than US$1 billion. The reported timing reflects management's estimate of the applicable time horizon in which the impact is expected to commence or occur. Quantification reflects management's best estimate based on currently available information, assumptions and judgements.

PHYSICAL RISKS

Physical climate-related risks arise from the direct or indirect impacts of acute weather events and longer-term changes in climate conditions. For Fortescue, these risks are most relevant to our Pilbara iron ore operations and export value chain, where the majority of our assets and operational activities are located. The physical risk identified in this section relates to operational disruptions from climate-related events, including potential impacts on mining, processing, rail and port operations, asset integrity, shipment volumes, operating costs and cash flows.

Our approach to physical climate-related risks

The Pilbara is already an extreme operating environment. As climate change is projected to alter the frequency and severity of climate hazards beyond historical experience, understanding how these hazards may evolve over time is important for assessing physical climate risk and operational resilience. To support this assessment, we have developed climate hazard profiles that provide a consistent approach to evaluating physical climate risks across different time horizons, including whether current asset design and operational processes remain adequate under more severe climate conditions.

Climate hazards

A climate hazard is an extreme weather event or longer-term change in climate conditions that may affect people, assets, operations or ecosystems. Risk arises where people, assets or operations are exposed and vulnerable to that hazard.

Extreme heat and heatwaves	More frequent very hot days, affecting asset performance and workforce productivity
Tropical cyclones	Less frequent but more intense cyclones with higher wind speeds, rainfall and associated impacts
Extreme rainfall and flooding	Greater intensity of rainfall events and risk of flash flooding, pit inundation and rail washouts
Severe storms and lightning	More favourable conditions for thunderstorms, with lightning and damaging wind gusts affecting operations and power systems
Sea level rise and storm surge	Higher coastal flooding risk and more frequent extreme water levels affecting port operations
Bushfire weather	Increasing frequency of conditions conducive to fire ignition and spread
Rainfall variability and drought	Affecting water availability and hydrological conditions



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TRANSITION RISKS AND OPPORTUNITIES

Transition risks arise from changes in policy, regulation, technology, markets and customer expectations as the global economy responds to climate change. For Fortescue, these risks are most relevant to the cost, competitiveness and market positioning of our Pilbara iron ore operations and export value chain. Two transition risks are identified in this section. The first relates to policy and regulatory uncertainty, including carbon compliance, fuel-related fiscal settings and maritime emissions regulation. The second relates to market exposure, including changes in steelmaking pathways, customer preferences, product quality requirements and demand for lower-emissions products.

Market exposure is both a risk and opportunity.

Two other opportunities are strategically aligned and expected to create long-term value. The first relates to industrial decarbonisation and electrification and the second relates to diversification into minerals needed for the energy transition. These opportunities are being assessed and progressed through Fortescue's strategy, capital allocation, investment evaluation and risk management processes. The timing and financial outcomes associated with these opportunities remain subject to market demand, technology readiness, approvals, policy settings and execution risk.



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PHYSICAL RISK

Operational disruptions due to climate-related events

Description

Fortescue faces a risk that acute weather events and longer-term changes in climate conditions will disrupt operations, damage infrastructure and affect supply chain continuity across its Pilbara iron ore operations and export value chain.

Current and anticipated impacts

Climate-related physical risks may result in temporary disruptions to mining, processing, rail and port operations across Fortescue's Pilbara value chain, reflecting exposure to severe weather events as well as potential future changes in climatic patterns. Fortescue expects weather events to initiate established emergency management procedures and operational controls, which may result in temporary disruptions to production and/or shipments. Asset damage is possible. Damage to critical assets, such as rail or port infrastructure, could have a significant operational impact. Events that affect Fortescue's ability to ship iron ore are expected to have the most significant financial impact through reduced sales volumes and revenue. There is also potential for increased costs associated with recovery activities, production inefficiencies across the value chain and remediation of damaged assets at current replacement cost.

These risks are relevant across all time horizons. Over the short and medium term, impact is expected to be within normal operating conditions. Current exposure is managed through established controls and operational flexibility. Scenario analysis indicates that the frequency and severity of weather-related events may gradually increase over time, potentially resulting in more frequent operational interruptions.

FY26 impact: No material impact. Disruptions remained within expected operational parameters and were managed through established controls and operational flexibility.

Time horizon
Short 0 to 2 years
Medium 3 to 10 years
Long 11 to 30 years

Financial Statement areas of impact:	Operating sales revenue; Cost of sales; Other expenses; Cash, Property, plant and equipment; Cash flows from operating and investing activities

Key management actions

Operational assets are designed and maintained to operate in Pilbara conditions, including extreme heat and severe weather events. Fortescue strengthens the resilience of critical infrastructure and operational assets through targeted investment in asset integrity and redundancy.

Fortescue maintains operational continuity measures including continuous asset monitoring, response protocols, contingency planning, inventory management and scheduling flexibility.

Fortescue is continuing to integrate physical climate risk considerations into strategic planning, risk management and investment decision-making processes. This includes developing climate scenario methodologies, data capabilities and assessment tools to support vulnerability assessments and adaptive planning over time.

Quantification methodology

Physical climate risk impacts were estimated using operational disruption modelling across Fortescue's Pilbara iron ore operations and export value chain. Acute weather-related disruptions were modelled based on the severity, likelihood of occurrence, asset exposure, downtime and production losses.

Scenario analysis incorporated external climate projections under low, intermediate and high-emissions pathways to assess potential changes in the frequency and severity of weather-related disruption events over the short, medium and long term. The analysis considered both direct operational impacts and associated remediation costs at current replacement cost.

Potential revenue impacts were estimated by considering current exposure to acute weather-related disruptions and comparisons between climate scenarios. Modelling suggests the average annual effective downtime could increase by approximately seven days by 2050 in a high emissions scenario relative to current conditions, in the absence of mitigation and adaptation measures. Impacts of this increase were calculated using an assumed daily shipment rate of 0.55Mt and a hematite average realised price of US$91/dmt, resulting in an indicative low financial impact range of approximately US$100 million–US$500 million.

Impact ranges are indicative due to uncertainty in long-term climate projections, asset vulnerability and future adaptation measures. Future assessments are expected to progressively incorporate chronic climate hazards to support longer-term adaptation and resilience planning.

Financial impact
Low US$100m to US$500m
Moderate US$500m to US$1bn
High >US$1bn

Vulnerability metric assumptions

Substantially all revenue is derived from the sale and shipment of iron ore through Fortescue's Pilbara operations and export value chain. This metric provides an indication of earnings exposure to climate-related operational disruptions across the value chain. It is simple, comparable and supports scenario analysis of potential revenue impacts under different climate pathways.

Metric

US$16.7bn of Operating Sales revenue (98 per cent)

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TRANSITION RISK

Policy and regulatory uncertainty

Description

Evolving climate policy and regulatory frameworks may affect the cost, timing and competitiveness of Fortescue's Pilbara iron ore operations and export value chain. The impacts of this risk are most likely to arise through increasingly stringent domestic carbon compliance requirements, fuel-related fiscal settings and emerging international maritime emissions regulation.

Current and anticipated impacts

Fortescue's exposure arises from existing and potential changes to climate-related policies and regulations, including the Safeguard Mechanism (SGM), Diesel Fuel Tax Credit (DFTC) arrangements and the International Maritime Organization's (IMO) emerging Net-Zero Framework (NZF). These developments may increase operating costs over time through declining Safeguard Mechanism baselines, potential changes to fuel taxation settings and the introduction of maritime emissions pricing mechanisms. Increasing market demand for Australian Carbon Credit Units (ACCUs) may further increase carbon compliance costs.

We monitor carbon markets in Asia and Europe, and, where appropriate, apply the market value of carbon in our investment analysis.

Over the medium to long term, financial impacts are expected to increase as climate-related regulatory frameworks mature and become more stringent. The extent of these impacts will depend on the timing and design of policy measures.

FY26 impact: No material impact. Carbon compliance costs were US$9 million.

Time horizon
Short 0 to 2 years
Medium 3 to 10 years
Long 11 to 30 years

Financial Statement areas of impact:	Cost of sales; Other expenses; Cash; Property, plant and equipment; Cash flows from operating and investing activities

Key management actions

Fortescue integrates decarbonisation and climate-related regulatory considerations into strategic planning, capital allocation and operational decision-making. Key actions focus on reducing exposure to evolving carbon compliance obligations while supporting long-term operational competitiveness.

Fortescue is progressing its Pilbara Decarbonisation Program to advance its Real Zero Target through investment in renewable generation, battery storage, integrated transmission infrastructure and the deployment of battery-electric fleets, charging infrastructure and electrified plant. FY26 capital expenditure associated with these initiatives was approximately US$848 million. These investments assist in reducing exposure to future carbon compliance costs and fuel-related regulatory changes.

We also continue to assess and respond to maritime decarbonisation developments through initiatives such as Fortescue's investment in R&D to advance alternative shipping fuels. Fortescue also monitors policy developments and engages with governments and industry bodies.

Quantification methodology

Fortescue's financial exposure is estimated using scenario-based cost modelling, current baselines and independent price assumptions. Quantified impacts represent modelled exposures before future mitigation or decarbonisation initiatives. These exposures are then considered alongside likelihood, uncertainty and mitigation factors to determine the assessed financial impact.

Carbon compliance costs under the SGM are modelled using a business-as-usual emissions trajectory, with carbon price assumptions applied to emissions above regulatory baselines. Two scenarios are applied: a June 2026 spot price of US$27 per tCO_2-e and a long-term carbon price of US$71 per tCO_2-e, expressed in real terms. These result in estimated costs of US$53 million and US$142 million per annum, respectively, over the medium to long term.

Exposure to changes in the DFTC is estimated based on current diesel consumption at A$0.526 per litre, resulting in an estimated impact of approximately US$249 million per annum under a full removal scenario, at an exchange rate of A$1.00 = US$0.73. Potential IMO maritime emissions pricing is assessed based on Fortescue's current CFR shipping activity, fuel mix, emissions intensity and IMO Net-Zero Framework carbon levies. This indicates a potential impact of US$300-400 million per annum by 2035, excluding any offsetting increases in CFR iron ore prices from higher maritime transport costs.

Notwithstanding these modelled exposures, the overall financial impact is assessed as low. This reflects that the above cost estimates represent potential outcomes before considering the probability of those outcomes occurring, including uncertainty regarding the IMO Net-Zero Framework's final design, implementation and how costs may be borne. It also reflects Fortescue's active decarbonisation program, which will reduce exposure to fuel-related regulatory change over time. Fortescue continues to monitor these developments and assess potential exposure.

Financial impact
Low US$100m to US$500m
Moderate US$500m to US$1bn
High >US$1bn

Vulnerability metric assumptions	Metric
The proportion of cost of sales, administration and research expenditure attributable to fossil fuel-based energy sources is used as an indicator of the entity's exposure to future carbon pricing and regulatory transition costs.	US$610m of cost of sales, administration and research expenditure is attributable to fossil fuels (5 per cent)

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TRANSITION RISK AND OPPORTUNITY

Market exposure

Description

Fortescue is exposed to a climate-related transition risk and opportunity as decarbonisation of the steel value chain may influence demand for iron ore products through changes in customer preferences, product quality requirements, processing performance and supply pathways that support lower-emissions steelmaking.

The transition also presents opportunities associated with increased steel demand and evolving technologies that support lower-emissions steelmaking.

Current and anticipated impacts

There is potential for both adverse and favourable impacts on price realisation, margins, market access and competitiveness as iron ore demand is influenced by global steel demand, technological change and decarbonisation across the steel value chain. Uncertainty in the timing and adoption of lower-emissions steelmaking pathways may influence demand patterns, including product grade preferences and pricing dynamics, potentially affecting product mix and commercial strategy.

While short-term impacts are not expected, impacts may become more pronounced over the medium to long term as transition-related changes in steelmaking and customer demand increasingly influence market conditions. Although changes in iron ore prices could materially affect revenue, margins and operating cash flows, scenario analysis indicates outcomes are expected to remain within historical volatility ranges.

FY26 impact: No material impact. Strong demand supported hematite revenue realisation of 88 per cent of the Platts 61 per cent CFR Index and an average realised price of US$91/dmt.

Time horizon
Short 0 to 2 years
Medium 3 to 10 years
Long 11 to 30 years

Financial Statement areas of impact	Operating sales revenue; Cash; Property, plant and equipment; Cash flows from operating and investing activities

Key management actions

Fortescue is responding through initiatives focused on product competitiveness, customer alignment and cost resilience.

Management actions include ongoing engagement with customers and the broader market to understand evolving demand for iron ore grades, product quality requirements and inputs that support lower emissions in steelmaking.

Fortescue is also progressing initiatives intended to maintain product flexibility and support responsiveness to changing market demand, including increased production from higher-grade supply sources such as Iron Bridge, together with ongoing exploration, studies and resource development activities across the Pilbara and in Gabon.

To support resilience under a range of market conditions, Fortescue is maintaining a low-cost operating position in the Pilbara, supported through operational efficiency, resource development and its Pilbara Decarbonisation Program.

In parallel, Fortescue is advancing Green Metal initiatives through studies, technology development and targeted investment to support potential future demand for lower-emissions products and steelmaking pathways.

Quantification methodology

This assessment has been undertaken using scenario analysis and price sensitivity modelling. Independent transition scenarios, sourced from external providers, assess a range of market outcomes based on differing assumptions for decarbonisation pathways, technology adoption and infrastructure across the steel value chain.

Given the uncertainty and wide range of projected outcomes, Fortescue does not assign specific forecasts or probabilities to medium- and long-term scenarios. Instead, the scenarios are used to assess business resilience under a range of plausible market conditions. Financial impacts are assessed through sensitivities to realised iron ore prices, with a US$5/dmt change in realised price estimated to impact annual revenue by approximately US$917 million, based on annual shipments of 200Mt.

Estimated financial impacts are not disclosed due to uncertainty in long-term price projections, reflected in differences across independent external forecasts and the range of external factors influencing realised prices.

Financial impact
N/A

Vulnerability/Alignment metric assumptions	Metric
Substantially all revenue is derived from the sale and shipment of iron ore. It highlights concentration risk and dependency on a single commodity, making exposure to transition and market changes clear. The metric is simple, comparable and supports scenario analysis by enabling stress-testing under different climate pathways.	US$16.7bn of Operating sales revenue (98 per cent)

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TRANSITION OPPORTUNITY

Industrial decarbonisation and electrification

Description

Fortescue has identified a material transition opportunity associated with the development and deployment of technologies that support industrial decarbonisation and the transition to a low-emission, climate-resilient economy.

Current and anticipated impacts

Initial and short-term impacts are expected to increase capital expenditure associated with investment in renewable energy, electrification, including for the delivery of our Pilbara Decarbonisation Program, and Green Metal projects. Other expenditure is also expected to increase as a result of studies and implementation activities. Although energy cost savings and reduced carbon compliance costs are expected over time, these benefits are likely to be partially offset by early-stage implementation costs.

Medium-term impacts are expected to significantly reduce energy and carbon compliance costs as systems scale, while depreciation expense is expected to increase. Over the medium to long term, technological solutions that contribute to the transition to a low-emission, climate-resilient economy and related expertise may generate new revenue streams, subject to market demand, technology readiness, regulatory settings and execution risk.

FY26 impact: Expenditure relating to the delivery of the Real Zero Target, the Energy segment and Green Metals. See the Capital Expenditure and Climate-related Investment table on page 84.

Time horizon
Short 0 to 2 years
Medium 3 to 10 years
Long 11 to 30 years

Financial Statement areas of impact	Operating sales revenue; Cost of sales; Other expenses; Cash; Property, plant and equipment; Intangible Assets; Cash flows from operating and investing activities

Key management actions

Fortescue is progressing its Pilbara Decarbonisation Program to advance its Real Zero Target. The program is integrated into Fortescue's strategic planning and capital allocation processes. Delivering a program of this scale requires an agile approach to project execution to address the complexity associated with first-mover deployment. Key actions include targeted capital investment in renewable generation, battery storage and an integrated transmission network; development and deployment of battery-electric vehicle fleets, battery chargers and electrified plant; and development of Green Metal processing capability, supported by dedicated delivery teams and governance processes.

Within the Energy segment, including Fortescue Zero, we are building capability and acquiring technology to accelerate industrial decarbonisation. Fortescue Zero is focused on advanced power systems, battery management and intelligent energy solutions. Fortescue is investing in next-generation renewable technologies, energy-efficiency solutions for hard-to-abate sectors, and the identification and development of renewable energy opportunities at industrial scale in global markets, including business opportunities to provide power to third parties.

Resourcing includes capital expenditure, specialist internal capability and partnerships with equipment manufacturers and technology providers. Additional actions include engagement with suppliers, customers, governments and industry bodies to support technology development and commercial scalability.

Quantification methodology

The anticipated impacts of integrating industrial decarbonisation into iron ore operations are estimated using internal modelling and scenario analysis aligned with Fortescue's Real Zero Target. Operating cost impacts, including power and stationary energy cost savings and implementation costs, are derived from operational data and energy substitution factors, including diesel and gas displacement, power purchase agreements, equipment performance and system efficiency.

Key inputs, including fuel pricing and consumption, are based on a combination of external market outlooks, internal planning scenarios, actual operating data and approved mine plans. Estimates may be presented as ranges to reflect uncertainty in variables such as market conditions, technology performance and deployment timing. Based on current assumptions and scenario modelling, the anticipated impact on financial performance is estimated to be within an indicative moderate impact range of approximately US$500 million –US$1 billion per annum.

Potential revenue associated with industrial decarbonisation technologies, Green Metal and related services has not been quantified due to the high level of uncertainty associated with future demand, pricing premiums and commercialisation timelines.

Financial impact
Low US$100m to US$500m
Moderate US$500m to US$1bn
High >US$1bn

Alignment metric assumptions

This metric measures the share of total Property, Plant and Equipment and Intangible assets invested in the Pilbara Decarbonisation Program, Green Metal and Energy segment assets. It is intended to illustrate the relative allocation of Fortescue's fixed capital towards these opportunities.

Metric

US$1,945m of Property, plant and equipment and Intangible assets (9 per cent)

TRANSITION OPPORTUNITY

Diversify into minerals needed for the energy transition

Description

The global transition to a low-emissions economy is increasing demand for critical minerals used in electrification, renewable energy and energy storage technologies. Commodities such as copper are expected to play an important role in supporting the energy transition and may present growth opportunities for Fortescue.

Current and anticipated impacts

Initial impacts are expected to relate primarily to increased exploration, evaluation and acquisition activity, with expenditure directed towards identifying, assessing and progressing opportunities. The opportunity is already influencing portfolio development, investment priorities and internal capability requirements. Over the medium to long term, successful advancement of critical minerals opportunities could diversify Fortescue's business model, broaden its value chain through new development and processing pathways, and create additional operating sales revenue streams linked to market demand. The timing and scale of these impacts remain dependent on resource quality, approvals, infrastructure availability, market conditions and the maturity of acquired or developed assets.

FY26 impact: Expenditure associated with critical mineral exploration, evaluation and acquisition activity.

Time horizon
Short 0 to 2 years
Medium 3 to 10 years
Long 11 to 30 years

Financial Statement areas of impact	Operating sales revenue; Cost of sales; Other expenses; Cash; Property, plant and equipment; Intangible assets; Cash flows from operating and investing activities

Key management actions

Fortescue is pursuing this opportunity through continued exploration across Australia and internationally, targeted acquisitions, including Alta Copper, and control of the Cañariaco copper project in northern Peru, and ongoing assessment of additional inorganic opportunities. The Group is progressing these opportunities through technical reviews, staged studies and project development activities to support future investment decisions. These actions are supported by corporate development, technical and project teams, together with community engagement, stakeholder consultation and approvals activities. Capital and internal capability continue to be directed towards opportunities that have the potential to strengthen and diversify the portfolio over time.

Quantification methodology

Opportunity assessment considers a range of factors and assumptions, including resource quality, exploration success, development timing, geopolitical conditions, commodity demand outlooks and capital requirements.

Future financial impacts have not been quantified due to the uncertainty associated with project development pathways, timing and future market conditions. At this stage, any quantitative estimate would not be sufficiently meaningful or reliable. Quantified impacts may become more identifiable as opportunities progress through feasibility assessment, investment approval and development stages.

Financial impact
Not disclosed

Alignment metric assumptions

2 per cent of Fortescue's non-current assets represents the carrying value of assets and investments supporting diversification into critical minerals aligned with this transition opportunity.

Metric
US$360m of non-current assets (2 per cent)

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CLIMATE-RELATED STRATEGY

Fortescue's transition plan has two interrelated objectives:

01

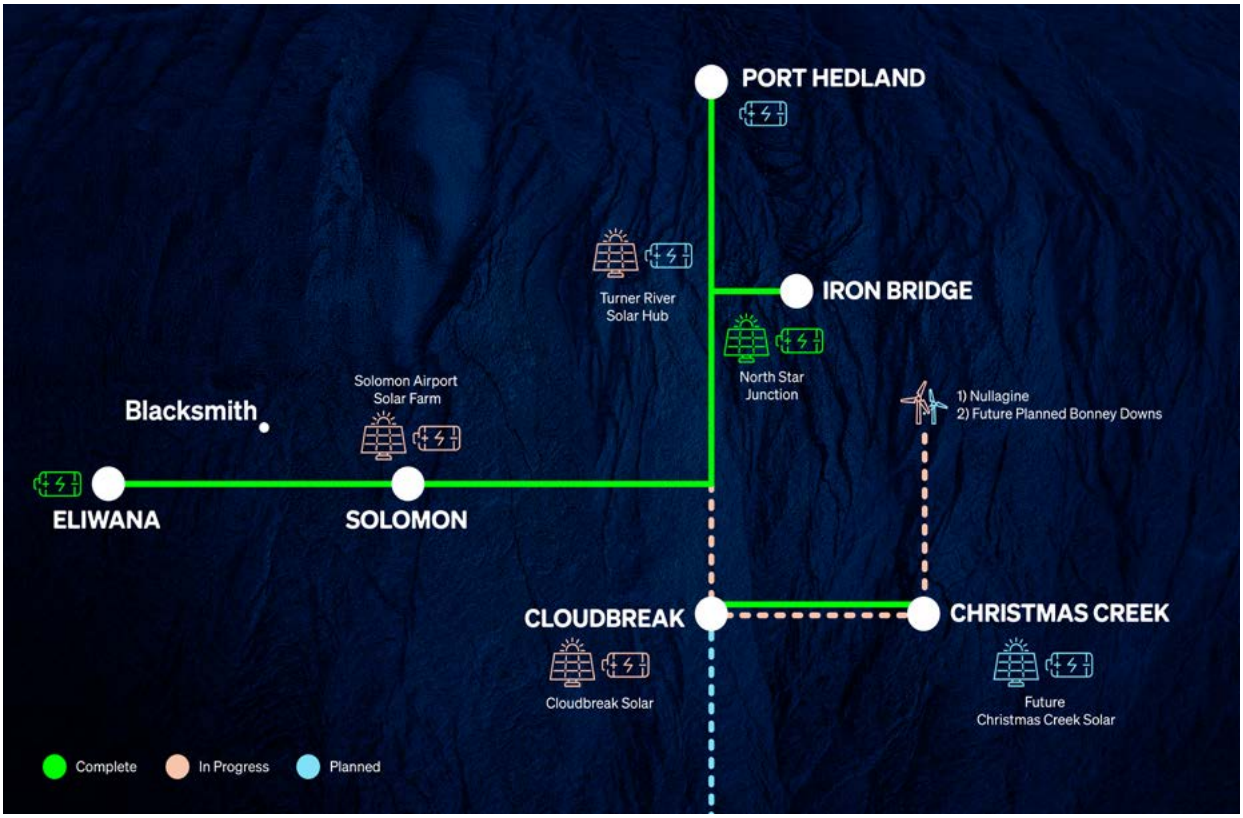
Reducing our emissions rapidly and profitably

02

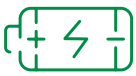
Developing solutions to drive decarbonisation globally.

REDUCING OUR EMISSIONS RAPIDLY AND PROFITABLY

Fortescue's operational decarbonisation pathway is built around three workstreams: power supply, mobility and system optimisation. Together, these workstreams support delivery of our Real Zero Target, further details of which are set out on page 93.



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Power supply

Strategy and solutions

Our strategy is to build and operate an integrated off-grid renewable energy system including 1.5 gigawatt (GW) of solar, 900 megawatt (MW) of wind generation, 4-5 gigawatt hour (GWh) of battery storage and 660 kilometres (km) of transmission lines to drive our decarbonisation and support business opportunities to provide power to third parties (which we refer to as our "Green Grid" see Glossary for further definition).

Progress in FY26

In FY26, Fortescue progressed solar, wind, battery storage and transmission projects across the Pilbara.

On solar, construction continued at our 190MW Cloudbreak solar farm, with more than 300,000 solar panels installed. Construction commenced at the 440MW Solomon Airport solar farm and 690MW Turner River solar farm.

On wind, construction commenced on the 133MW Nullagine Wind Project. We acquired Nabrawind for its innovative technologies for wind turbine blades and towers, under our Fortescue Zero brand.

On storage, the following progress was made:

- 250 megawatt hour (MWh) BESS commissioned at North Star Junction
- 120MWh BESS commissioned at Eliwana
- 650MWh BESS in construction at Cloudbreak.

On the power network, to date we have completed 550km of transmission lines, and construction has commenced on the remaining 110km.

Plan for FY27

Planned activities, subject to approvals, include:

- for wind: continue construction and commence commissioning of Nullagine Wind Project
- for solar: commission Cloudbreak solar farm and continue construction at Solomon Airport and Turner River solar farms
- for storage: commission Cloudbreak BESS
- for transmission: progress construction to connect Cloudbreak and Christmas Creek mine to our power network, pending remaining government approvals.

Key dependencies

Approvals, land access, Traditional Custodians engagement, supply chain availability, construction delivery, workforce capability and technology performance.



Mobility

Strategy and solutions

We aim to deploy electric heavy mining equipment and related charging infrastructure, in partnership with original equipment manufacturers.

Progress in FY26

In FY26, Fortescue progressed the deployment, commissioning and testing of electric drills, electric excavators, battery-electric locomotives, battery-electric truck technology and ancillary equipment. Our first electric drill and 18 electric excavators are now operational. We have built and commissioned the first two fast chargers for our battery electric haul fleet.

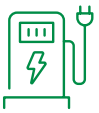
Plan for FY27

Planned activities include:

- deployment of further electric drills and electric excavators
- deployment of first battery electric haul trucks
- onsite testing of the battery electric water cart, loader, wheel dozer and grader prototypes and cable electric drill prototype
- progressing associated charging infrastructure, manufacturing and load testing of fast chargers in China, in preparation for shipping to Pilbara sites.
- for rail:
  - initiate the first stage of trials of the energy management system, a key enabling software for the future rail electrification solution
  - advance engineering validation of a commercially viable pathway to rail electrification.

Key dependencies

Technology readiness and commercial-scale deployment, supplier equipment inventory at the scale and speed required, transmission and charging infrastructure, workforce capability, production performance and supply chain availability.



System optimisation

Strategy and solutions

An AI-enabled integrated mining and power optimisation model that supports decisions on when to use and store variable renewable power to maintain mining production.

Progress in FY26

- Progressed commissioning Supervisory Control and Data Acquisition (SCADA) systems to support remote monitoring and control of in-pit electrified mining equipment.
- Continued to work with the Australian Bureau of Meteorology and other technology partners to improve forecasting for Pilbara solar and wind generation.
- Developed an AI-driven dispatch simulation to optimise charging of a minesite's battery-electric haul fleet.

Plan for FY27

- Commissioning control systems to support battery-electric truck charging.
- Deploying systems to optimise the reconfiguration of in-pit cable and electrical equipment to support mining priorities.
- Developing a decision support tool to help maximise utilisation of energy generated from new solar farms and BESS assets.

Key dependencies

Data quality, system integration, grid stability, operational readiness and workforce capability.

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DEVELOPING SOLUTIONS TO DRIVE DECARBONISATION GLOBALLY

Fortescue is pursuing opportunities that support the global energy transition where they align with our strategy and are expected to create long-term value. Fortescue assesses these opportunities against market demand, technology readiness, policy settings, capital requirements, approvals pathways and expected shareholder value.



Iron and steelmaking pathways

During FY26, Fortescue progressed construction and commissioning of the Christmas Creek Green Metal Project, comprising an electric smelting furnace and downstream processing, including granulation. Fortescue also continued to assess multiple reduction technology pathways. Broader testing of representative Fortescue ores with technology providers and partners began in FY26 and will continue in FY27, with selected campaigns intended to produce DRI for processing at Christmas Creek.

Fortescue continued research and development of its proprietary Low Energy Direct Electrochemical Reduction (LEDER) technology, including core-process testing, balance-of-plant design and simulation-assisted testing.

Fortescue also progressed studies for potential commercial-scale Green Metal projects in the Pilbara and selected international locations. We supported a Tsinghua University study examining the potential economic, employment and decarbonisation benefits of a China-Australia Green Iron supply chain combining Australia's renewable energy and iron ore resources with China's manufacturing capabilities.



Critical minerals

Fortescue continued to advance its critical minerals portfolio during FY26, increasing its exposure to commodities that are expected to support the global energy transition, particularly copper. Fortescue's pipeline of projects was progressed during the year through a combination of organic exploration activities and the assessment of inorganic growth opportunities.

Exploration programs conducted were concentrated in Australia, Latin America, Kazakhstan and Canada. Key activities included drill campaigns to evaluate priority copper targets together with early-stage geological analysis to support target generation and the planning of future drill programs across tenure holdings throughout our portfolio.

During FY26, Fortescue completed the acquisition of Alta Copper, securing control of the Cañariaco copper project in northern Peru. Following completion of the transaction, activities focused on integration and the technical reviews and community engagement required to progress the approvals needed to support the recommencement of field activities. Fortescue also continued to evaluate additional inorganic critical minerals opportunities during the year, applying a disciplined commercial approach to portfolio development and capital allocation.



Expansion of new industries in the Pilbara

In FY26, the Board approved a US$680 million investment to expand renewable power capacity in the Pilbara through the development of new infrastructure, and an expansion of the Green Grid. This investment is expected to provide renewable energy capacity to support regional decarbonisation opportunities across the Pilbara beyond our existing terrestrial operations.

We are actively working with government to address economic and regulatory barriers to the deployment of decarbonisation technology at pace.

Through Fortescue Zero, we are developing engineering and IT integration solutions that support industrial decarbonisation. These solutions may be deployed in selected global markets where they are technically proven, commercially viable, supported by customer demand and consistent with Fortescue's capital allocation framework.

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Capital expenditure and climate-related investment

Capital expenditure is required to support Fortescue's response to climate-related risks and opportunities and to progress our broader strategic objectives associated with the energy transition. This includes investment in decarbonisation initiatives towards meeting our Real Zero Target, as well as investment in Green Metal, critical minerals, operational resilience and continued exploration.

Updates on climate-related capital deployment, investment priorities and associated funding requirements are reported to management and the Board and are considered as part of our broader capital allocation framework, financial planning processes and funding strategy.

Category	2026 Capital Expenditure	2026 Operating Expenditure	Relevant to Climate-related risks and opportunities
Pilbara Decarbonisation Program	US$848m	US$52m	*Policy and regulatory uncertainty* *Market exposure* *Industrial decarbonisation and electrification*
Energy Segment	US$88m	US$577m	*Industrial decarbonisation and electrification*
Green Metal	US$122m	US$58m	*Market exposure* *Industrial decarbonisation and electrification*
Critical Minerals	US$120m	US$12m	*Diversify into minerals needed for the transition*

Expenditure supporting asset resilience, operational continuity and climate resilience forms part of Fortescue's broader operating and capital expenditure. Fortescue also continues to invest in exploration, studies and resource development activities to support the competitiveness of its iron ore portfolio and its ability to respond to evolving market demand. Activities during the period included ongoing Pilbara exploration and advancement of the Belinga Project in Gabon. These activities are driven by a range of strategic, operational and market factors, and the associated expenditure cannot be reliably attributed solely to climate-related risks and opportunities.

In the short to medium term, capital deployment associated with the industrial decarbonisation and electrification opportunity is expected to remain broadly consistent with existing guidance, including the previously announced US$6.2 billion investment in the Pilbara Decarbonisation Program and the additional US$680 million to expand our renewable assets, positioning Fortescue to pursue opportunities with potential demand for renewable power beyond our own terrestrial operations.

Beyond currently committed and announced projects, future capital deployment will continue to evolve based on market conditions, technology maturity, regulatory approvals, commercial readiness and strategic priorities. Investment decisions consider resilience under a range of transition pathways and are not based on a single assumed climate scenario.

CARBON PRICING

Fortescue applies carbon price assumptions, where relevant, in decision-making processes including operating expenditure forecasting, long-term planning, investment assessment and scenario analysis. The assumed price is currently based on a long-term carbon price of A$97.92 per tCO_2-e, expressed in real terms. This assumption is currently applied to Australian operations and investment activities. Activities in other jurisdictions are assessed with reference to carbon pricing regulation developments in those markets.

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CLIMATE-RELATED RESILIENCE

This section explains how Fortescue tested the resilience of its strategy and business model against the climate-related risks and opportunities that could affect its prospects.

As at 30 June 2026, and subject to the scope, assumptions and uncertainties described below, Fortescue's resilience assessment indicates that its strategy and business model have capacity to adapt under the scenarios assessed. The assessment did not identify a need for a fundamental change to Fortescue's strategy. This conclusion applies to the scenarios assessed and to the scope of analysis described below. It does not mean that climate-related risks could not have a material effect on Fortescue in the future.

Fortescue's mining business remains the main driver of our current revenue and cash generation. Our strategy is to maintain safe, reliable and low-cost Pilbara operations, reduce our emissions rapidly and profitably, maintain product and customer flexibility, and assess Green Metal, critical minerals and energy opportunities where they are supported by market demand, technology readiness, approvals and expected shareholder value.

Fortescue's business model comprises two interconnected businesses: (i) the production and sale of iron ore and future-facing minerals, and (ii) the development of energy and industrial decarbonisation solutions, with both businesses supported by integrated infrastructure, technology, supply chain and customer capabilities.

The resilience assessment reinforced the importance of the areas Fortescue is already focused on: production, cost, reducing operational emissions, customer engagement, product flexibility, operational continuity and disciplined capital allocation.

How we tested resilience

Fortescue used climate-related scenario analysis in FY26 to test how different climate, market, policy and technology conditions could affect its strategy and business model.

Scenarios are not forecasts. Fortescue does not assign probabilities to the scenarios used in this assessment. The scenarios are used to test potential pressure points and inform planning under different outcomes.

The assessment focused on Fortescue's Pilbara iron ore value chain because this is where current revenue and climate-related financial exposure are most concentrated. We will continue to review the scope of future assessments as our portfolio changes.

In line with Australian mandatory climate-related disclosure requirements, we considered multiple climate-related scenarios, including a 1.5°C scenario aligned with the latest international agreement on climate change, and a higher warming scenario that 'well exceeds' 2°C above pre-industrial levels.

When assessing physical resilience, we use IPCC's Shared Socioeconomic Pathway (SSP) climate scenarios and projections aligned with the Australian Climate Service (ACS). The Australian Climate Service is a federal initiative established to provide integrated data, intelligence and expert advice on climate risks and natural hazards, to help governments, industries and communities prepare for, respond to, and recover from extreme weather events and the ongoing impacts of climate change.

For transition resilience, we use scenarios from metals and mining sector-specific business intelligence providers.

The plausibility of limiting warming to 1.5°C with no or limited overshoot has declined. Current 1.5°C-aligned pathways are dependent on abrupt near-term emissions reductions, rapid policy coordination, major changes across energy and industrial systems, and material use of carbon dioxide removal. Based on assessments available at the time of our analysis, we consider that the plausibility of limiting warming to 1.5°C with no or limited overshoot has declined. Pathways achieving this outcome require rapid, deep and immediate global emissions reductions.[1] Current national commitments and implemented policies are projected to result in warming above 1.5°C.[2] This context needs to be considered when assessing resilience. As such, for transition resilience, we also modelled a 1.8°C scenario to provide additional insight into a lower warming pathway.

The scenarios considered are not intended to represent Fortescue's expected outlook. They are stress tests that help us understand how our business could perform if the global energy transition moved faster than current expectations, or if physical climate hazards became more severe over time.

[1] Intergovernmental Panel on Climate Change (IPCC), Climate Change 2023: Synthesis Report.

[2] United Nations Environment Programme (UNEP) 2025, Emissions Gap Report 2025: Off Target.

RESILIENCE TO TRANSITION RISKS

Objective
Testing the resilience of Fortescue's strategy and business model to transition risks and opportunities

Low warming scenario	High warming scenario
Externally sourced scenarios (1.5-1.8°C)	(>2.5°C) reflecting current policy settings and market expectations (our 'Base Case')

Time period	Drivers	Outputs assessed	Scope of assessment
Short (0-2 Years) Medium (3-10 Years) Long (11-20 Years)	Iron Ore Pricing, Discount Rates	Balance Sheet, Profit and Loss and cash flow statements, including key target ratio (debt to EBITDA) over the medium and long term	Pilbara Iron Ore value chain

Methodology

Fortescue considered the impact of transition-related changes in iron ore when assessing resilience to transition risks, focusing on changes in iron ore prices under a range of scenarios, and the resulting impacts on cash generation, capital management and target financial metrics such as gearing and debt to EBITDA.

Climate scenario analysis was undertaken in FY26 using Fortescue's established corporate planning and financial modelling framework, incorporating externally sourced third-party iron ore price assumptions for 1.5-1.8°C scenarios, together with Fortescue's internal assessment of expected product price realisation ("base case") relevant to prices. The results were assessed against target financial metrics while continuing with Fortescue's strategic objectives over the short, medium and long term.

In scoping the resilience assessment, a range of variables, including foreign exchange and inflation, were evaluated. These variables were not included as explicit sensitivities because they are incorporated within Fortescue's underlying forecast assumptions and were assessed as secondary to commodity price impacts in determining climate-related financial outcomes.

Key areas of uncertainty

All scenarios contain significant uncertainties relating to renewable energy deployment, technological development, enabling policies and future iron ore grade requirements. The level of uncertainty is further amplified in the lower warming (1.5°C) scenario due to the increased subjectivity in underlying assumptions. Within this scenario, a key area of uncertainty is the extent to which global decarbonisation pathways will influence long-term demand for lower-grade iron ore products.

Results

Fortescue's performance over the past 10 years provides relevant context for the resilience assessment, including the performance of its strategy through varying iron ore pricing and demand cycles.

Iron ore pricing inputs across scenarios and time horizons vary widely (Short US$85-$96, Medium US$65-$85, Long US$58-$111[2]) however, they remain within historically experienced ranges. Based on the scenarios assessed, Fortescue's underlying strategy and business model have capacity to adapt to the transition risks modelled. Target financial metrics were maintained across the short-, medium- and long-term horizons assessed. Where deviations were identified, the assessment indicated that Fortescue has capital management levers, if required, that could be used to support continued pursuit of its strategic objectives.

The assessment reinforced the importance of our existing monitoring activities focused on the pace of steel sector decarbonisation, development of low-emissions ironmaking technologies, evolution of demand for higher-grade iron ore products, and the long-term market positioning of lower-grade products under more ambitious transition pathways.

To support resilience under a range of market conditions, Fortescue is maintaining a low-cost operating position in the Pilbara through operational efficiency, resource development and its Pilbara Decarbonisation Program. In parallel, Fortescue is advancing Green Metal initiatives through studies, technology development and targeted investment to support potential future demand for lower-emissions products and steelmaking pathways.

These priorities are reflected in Fortescue's strategic direction, including efforts to expand exposure to higher-grade iron ore opportunities through exploration and hub development activities such as the Belinga Project, in Gabon, as well as the acquisition of Alta Copper to diversify revenue streams.

[1] CFR 61% $/dmt in 2026 real terms.

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Transition climate scenario assumptions

	Net zero 1.5°C	<2°C	Base case 2.6°C
Climate policy	Extraordinary global coordination, aggressive policy intervention, large-scale subsidies/regulation and massive investment enable full system rewiring. Developed economies reach net zero before 2050, with emerging economies reaching this milestone at a later date.	Coordinated global decarbonisation with high carbon prices and successful cost pass-through supports accelerated but economically manageable transition. Net-zero commodity emissions will be reached by 2079.	Current policies and gradual decarbonisation continue, but fragmentation, affordability pressures and delayed implementation slow the transition. Peak emissions are projected for 2028. Global warming is on a 2.6°C pathway.
Macroeconomic trends and steel demand	Economic activity becomes less iron ore-intensive through efficiency, electrification, circularity and higher scrap utilisation, reducing primary iron ore demand.	Reduced physical climate impacts support higher long-run GDP, population growth, industrial production and steel demand.	Economic growth, urbanisation and industrialisation continue to support steel demand, although delays in the energy transition and energy system constraints persist.
Energy usage	The entire pathway depends on the availability of low-cost renewable electricity, hydrogen infrastructure, storage, and grid expansion at an unprecedented scale.	Large scale renewable, grid and industrial electrification investment increases steel demand and raises energy costs across the value chain.	Renewable energy deployment continues to scale, but fossil fuels remain a significant part of the energy system due to infrastructure inertia, energy security considerations and affordability pressures. Hydrogen deployment and grid expansion progress more slowly than previously expected.
Developments in technology	Net zero is achieved through substantial investments in Electric Arc Furnace (EAF) steelmaking, facilitated by significant breakthroughs in emerging technologies and systems integration. These include Electric Smelting Furnace (ESF) technology, carbon capture and storage (CCS), advanced beneficiation processes, and potentially breakthrough electrochemical pathways.	Existing pathways such as Hydrogen Direct Reduced Iron (H_2-DRI), Blast Furnace-Basic Oxygen Furnace with carbon capture and storage (BF-BOF+CCS), metallics optimisation and gradual EAF growth scale successfully, driven primarily by deployment breakthroughs.	Direct Reduced Iron (DRI) and Electric Arc Furnace (EAF) continue to grow gradually, but hydrogen, carbon capture and storage (CCS) and Green Steel deployment remain slower and more commercially constrained.
Price outcomes	Benchmark iron ore prices decline further as steel demand weakens. Premiums for direct reduction (DR) grade, pellet feed and other high-quality ore products widen due to structural scarcity. Penalties on lower-grade fines narrow in dollar terms, with the help of new technology.	Iron ore price is expected to fall with less demand but sufficient supply before 2040. However, iron ore prices will rise after 2040, supported by higher carbon costs, stronger demand, and successful cost pass-through.	Benchmark iron ore prices decline as increasing volumes of low-cost supply enter the market. Discounts of lower-grade fines widen, while moderate premiums emerge for high-quality iron ore products.
Grade preferences	Iron ore demand declines significantly as steelmakers increase the use of scrap in steel production. The steel value chain becomes structurally dependent on high-grade and DR-suitable ores, with ore quality emerging as a key constraint on achieving net zero emissions.	Iron ore demand declines as scrap use increases in steelmaking. Demand preferences across ore grades shift, with demand for lower-grade fines declining more rapidly, while higher-grade ores become increasingly valuable due to the contribution to emissions reduction and productivity improvements.	Iron ore demand grows slightly as demand preferences shift across ore grades. Demand for higher-grade ores and pellets increases steadily, while demand for lower-grade fines declines as the steel industry progresses decarbonisation and consolidation.

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RESILIENCE TO PHYSICAL RISKS

Fortescue is working to enhance operational resilience to help safeguard critical assets[1] across its Pilbara operations and value chain. As climate change is projected to alter the frequency and severity of extreme weather events beyond historical experience, it is increasingly important to understand where existing measures may become less effective under future climate conditions.

SSPs describe different plausible socioeconomic futures which, when combined with different greenhouse gas (GHG) emissions and radiative forcing levels (e.g. SSP1-1.9, SSP2-4.5, etc.), form scenarios used to assess potential future climate conditions. They are developed by the international climate research community and presented and assessed in the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6).

We have engaged specialist climate data providers to produce site-specific hazard projections based on global climate model simulations (Coupled Model Intercomparison Project Phase 6, CMIP6) for our selection of SSP scenarios and time horizons. Further detail is provided in the Methodology section below and the Physical climate scenario assumptions table.

Objective

Testing the resilience of Fortescue's strategy and business model to a changing climate

Low warming scenario		High warming scenarios	
SSP1-1.9, SSP1-2.6		SSP2-4.5, SSP3-7.0	
Time periods assessed	**Hazard types**	**Outputs assessed**	**Scope of assessment**
Short (0-2 Years) Medium (3-10 Years) Long (11-30 Years)	Tropical cyclone / wind, Sea level rise & storm surge, Extreme rainfall, Extreme temperatures, Bushfire	Operational downtime, Lost tonnes	Pilbara Iron Ore value chain

Methodology

Physical climate resilience was assessed in FY26 using site-level modelling of acute climate-related hazards across critical assets and operational processes. The modelling combined downscaled climate projections with asset design and operational information to estimate potential impacts on operational downtime and production on an unmitigated basis.

For the short-term assessment, the model establishes present-day exposure by interpolating climate model simulations between the historical baseline and early 21st-century projection periods. For the medium and long-term time horizons, we assessed physical climate risks for 2030 and 2050, respectively.

Impacts from events of varying severity were weighted by their likelihood to estimate expected annual impacts. While severe events may result in significant disruption, their contribution to expected annual impacts may be proportionally lower than that of more frequent, less severe events. For example, a severe cyclone event that could cause three months of operational downtime contributes approximately 0.5 days to expected annual downtime when assessed using an estimated annual probability of 0.5 per cent (a 1-in-200-year event).

Fortescue has quantitatively assessed two higher-warming scenarios, comprising one intermediate emissions pathway (SSP2-4.5) and one higher emissions pathway (SSP3-7.0). The use of intermediate and higher emissions pathways reflects uncertainty regarding future emissions trajectories, policy effectiveness and climate system responses, with the high-emissions scenario used to assess whether asset design standards remain adequate under progressively more severe conditions. Recent observed warming trends and current policy settings remain broadly consistent with intermediate-to-high warming pathways. SSP3-7.0 is used as the primary high emissions scenario across physical hazards because it represents an upper-bound pathway that is consistent with the Australian Climate Service high-end emissions framework. We use SSP3-7.0 for all hazards except for 'sea level rise & storm surge' for which SSP5-8.5 is used due to the availability of hazard-specific downscaled data and modelling.

Fortescue quantitatively assessed SSP1-2.6 as the low-warming scenario because it is supported by stronger model availability, broader availability of Australian downscaled hazard datasets and greater consistency with climate datasets commonly used for physical risk modelling.

Fortescue also considered SSP1-1.9 as the scenario most closely aligned with limiting global average temperature increases to 1.5°C above pre-industrial levels. SSP1-1.9 was assessed qualitatively through a structured review comparing SSP1-1.9 and SSP1-2.6 climate assumptions, warming outcomes and physical hazard implications to determine whether use of SSP1-2.6 would materially affect the outcomes of our lower global warming scenario analysis. The review found that SSP1-1.9 and SSP1-2.6 are closely related low-emissions SSP1 pathways. The scenarios do not represent fundamentally different physical climate futures for the purpose of Fortescue's lower warming physical risk assessment. Accordingly, the use of SSP1-2.6 hazard data is not expected to materially alter conclusions regarding resilience under a 1.5°C scenario.

Key areas of uncertainty

Physical climate risk modelling is inherently uncertain because future climate outcomes, hazard behaviour and asset-level impacts cannot be predicted with precision. Modelled impacts are scenario-based estimates for the assessed time horizons and are subject to uncertainty associated with climate system responses, including variability across emissions pathways, climate models and regional downscaling approaches. Additional uncertainty arises from natural climate variability and the potential for non-linear responses or tipping point behaviour within the climate system. Actual impacts may differ from modelled estimates due to uncertainty in how climate hazards translate into operational impacts at specific assets and processes. This is particularly relevant where multiple hazards occur concurrently or interact to create compounding impacts.

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Results

Preliminary modelling indicates that, over the short and medium term, climate-related operational impacts are expected to remain largely within the range of weather-related disruptions currently incorporated into mine planning assumptions.

The assessment did not identify a need for fundamental changes to Fortescue's strategy given existing planning assumptions and current response capability. Short-term operational flexibility is maintained through stockpile utilisation, production sequencing and scheduling adjustments where required, which can help buffer the impact of weather-related downtime on production and shipments.

The assessment did, however, reinforce the importance of incorporating physical climate risk considerations into long-term resilience planning, including infrastructure design and strategic investment decisions. Under the high-emissions scenario, and in the absence of mitigation and adaptation measures, modelling indicates that average annual effective downtime could increase by approximately seven days in the long term relative to current conditions. Based on current production assumptions, this equates to an indicative financial impact in the range of US$100–500 million per annum in the long term.

Fortescue continues to strengthen its approach to physical climate resilience by embedding climate scenario analysis and risk assessment capabilities into business processes. These capabilities support the ongoing identification of vulnerabilities and the development of adaptive responses over time.

[1]Critical assets refer to Pilbara assets and supporting infrastructure considered essential to sustaining Fortescue's core iron ore production and export activities, where disruption would be expected to materially affect operational continuity, production throughput, or the timing of revenue generation.

Physical climate scenario assumptions

	Low warming scenarios	High warming scenarios	
Source	SSP1-1.9 and SSP1-2.6	SSP2-4.5	SSP3-7.0
Temperature outcome	1.5°C to 1.8°C	2.7°C	3.6°C
Climate policy	Strong global mitigation and rapid emissions reductions. Global net zero CO_2 is reached around 2050 under SSP1-1.9 and around 2070 under SSP1-2.6, followed by varying levels of net-negative CO_2 emissions.	Intermediate emissions pathway, continuation of current policy with moderate and uneven global mitigation progress. Global CO_2 emissions start declining by mid-century.	Limited global mitigation in a regionally fragmented world, with weak international cooperation and continued reliance on fossil fuels. Global CO_2 emissions approximately double by 2100.
Macroeconomic trends	Transition toward lower-emissions growth and improving resource efficiency, supported by sustainable investment and international cooperation.	Broad continuation of social, economic and technological historical trends; moderate growth with limited structural shift in consumption patterns.	Slow and uneven economic development; regional fragmentation, reduced international cooperation and trade, slower technological progress and higher economic vulnerability.
Energy usage and developments in technology	Rapid transition toward renewable energy, energy efficiency and lower-emissions technologies; various levels of carbon dioxide removal in modelled pathways.	Gradual and uneven transition; continued reliance on fossil fuels with incremental technological progress.	Slow and uneven energy transition; continued reliance on fossil fuels and limited renewable technology uptake.
Local weather patterns and impacts	Smaller long-term changes in climate hazards relative to higher warming pathways.	Moderate changes in hazard frequency and intensity in the longer term, with the direction and magnitude of change varying by hazard and location.	Larger long-term changes in many climate hazards and an increased likelihood of compound events, with outcomes varying by hazard and location.

The resilience assessment reinforces the importance of tracking the metrics that show how Fortescue is progressing its climate-related strategy. The following section reports Fortescue's GHG emissions, and outlines progress against Fortescue's climate-related targets.

MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

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RISK MANAGEMENT APPROACH

Fortescue takes a risk-based approach to understanding its exposure and vulnerability to climate change. Our risk culture is grounded in our Values, builds on our Code of Conduct and Integrity, and is operationalised through the Fortescue Risk Management Framework (FRMF). The FRMF provides a consistent approach to identifying, assessing, monitoring and managing risks through the Risk Management Policy, Risk Management Standard, Risk Management Procedure and supporting emergency response protocols.

The consistent application of the Risk Management Standard supports the Board's oversight of material risks that could affect Fortescue's ability to create or preserve value across the short, medium and long term. The Risk Management Standard establishes the criteria and thresholds used to assess, prioritise, escalate and manage business risks, including climate-related risks.

Integration with Fortescue's overall risk management process

Processes for identifying, assessing, prioritising and monitoring climate-related risks are governed by the FRMF. Under the framework, climate-related physical and transition risks may arise as standalone risks, drivers of existing risks or sources of emerging risk.

Accountable risk owners identify, assess and monitor climate-related exposures through relevant business and operational risk registers. Material and cross-cutting exposures are aggregated through the Group Risk Profile to support Group-level monitoring, challenge, escalation and reporting.

Climate-related risks and opportunities are also consolidated within the Group climate and sustainability risk category to support oversight of common drivers, interdependencies and Fortescue's overall climate-related risk profile.

For more information on the FRMF and material risks, refer to pages 121 to 128 of the Corporate Governance Statement.

Risk processes

Climate-related risks are identified by considering a range of internal and external factors that influence how climate change may affect Fortescue's operations, projects and strategic activities.

- Internal factors include the nature of Fortescue's assets, operational processes, strategic priorities and growth initiatives, decarbonisation activities and insights from relevant business functions.
- External factors include economic and geopolitical developments, evolving climate science and projections, climate-related scenario analysis, community and investor expectations, peer benchmarking and changes in legislative and regulatory requirements.

Fortescue applies scenario analysis to inform the identification and assessment of transition and physical climate risks across the short, medium and long term.

Fortescue considers a range of lower- and higher-warming scenarios, including pathways associated with accelerated global energy transition and pathways characterised by slower decarbonisation and more severe physical climate impacts.

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For transition risks, scenario analysis explores how different decarbonisation pathways may influence commodity markets, technology adoption and demand for iron ore products and informs the identification of risks and opportunities associated with both our existing operations and investment in low-emission technologies and projects. For physical risks, scenario analysis assesses how changes in the frequency and severity of climate-related hazards may affect our operations, infrastructure and value chain.

Climate change can directly and indirectly influence Fortescue's risk profile, with the potential to create or exacerbate risks related to asset integrity, market access, regulatory change, input pricing, funding access and reputation. The nature, likelihood and magnitude of climate-related risks are assessed in accordance with the FRMF, including application of the enterprise risk matrix.

Fortescue assesses the nature, magnitude, timing and uncertainty of the potential financial, operational and strategic impacts of climate-related risks across relevant time horizons, using qualitative and quantitative information. Climate-related risks are prioritised alongside other enterprise risks through established governance and reporting processes. Fortescue assesses whether information about climate-related risks and opportunities is material for inclusion in the Climate Statements in accordance with AASB S2. Internal risk assessments, ratings and escalation thresholds inform this assessment but do not determine disclosure materiality.

Monitoring climate-related risks

Fortescue monitors material risks through its existing corporate risk management system, which provides a consistent and structured approach to traceability, accountability and oversight across the business. Risks are reviewed at least annually through Fortescue's enterprise risk management processes, including reassessment of the internal and external risk environment, evaluation of critical control effectiveness and monitoring of progress against risk treatment actions.

The Audit, Finance and Risk Management Committee (AFRMC) supports Board oversight of climate-related risk monitoring through regular reporting as part of its review of the Group's consolidated risk profile. The AFRMC also monitors progress in managing high and extreme risks. Climate-related risks and opportunities are also subject to oversight through the Board's Safety and Sustainability Committee (SSC), consistent with its responsibilities.

Opportunity management

Through Fortescue's values of empowerment and generating ideas, climate-related opportunities are identified, assessed and progressed in alignment with business planning and investment evaluation processes, with Board endorsement sought where required by our Delegations of Authority policy.

METRICS AND TARGETS

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Fortescue is committed to profitably achieving our Real Zero Target by 2030.

We are implementing the key technologies, infrastructure and operational changes to reach this target, while maintaining mine productivity and meeting our market guidance. Our focus is now on scaling these solutions and developing commercially viable pathways for remaining sources of emissions.

As delivery of our Pilbara Decarbonisation Program accelerates to progress towards our Real Zero Target, Scope 1 and Scope 2 emissions are expected to begin declining from FY28 based on current plans and assumptions. The temporary increase before then is primarily driven by three factors: increased ore shipped, increased gas consumption to meet growing power demand as Iron Bridge ramps up production and increased total material movement required to meet current mine plans.

Like all businesses, delivery of Fortescue's voluntary emissions reduction targets is influenced by a range of technical, regulatory and supply-chain factors. Achieving profitable pathways also requires that we continue to work closely with government to remove disincentives to decarbonisation and support stronger emissions reduction outcomes.

In this context, profitable decarbonisation means that proposed solutions meet Fortescue's investment requirements over the relevant asset life, after considering capital costs, operating savings, and remaining life of mine.

The economic case for decarbonisation varies across Fortescue's operations. At mines with shorter remaining lives, there may be less time to recover investment, while some fixed infrastructure may have limited value once an asset closes. We manage this by assessing projects against asset life, operating cost savings, deployment timing and opportunities to relocate or reuse equipment and infrastructure across the Pilbara network.

GREENHOUSE GAS (GHG) EMISSIONS

Emissions are calculated in accordance with the Greenhouse Gas (GHG) Protocol's Corporate Standard, the Corporate Value Chain (Scope 3) Standard, the Scope 2 Guidance, and the Scope 3 Calculation Guidance. Emissions mandated by the Australian National Greenhouse and Energy Reporting Scheme (NGER) are calculated using the Australian National Greenhouse and Energy Reporting Measurement Determination 2008 (NGER Measurement Determination).

Scope 1 emissions are direct emissions from sources owned or controlled by Fortescue. Scope 2 emissions are indirect emissions from the generation of electricity, heat or steam purchased by Fortescue. Scope 3 emissions are all other indirect greenhouse gas emissions that occur in our value chain, including both upstream and downstream emissions.

Scope 1 and Scope 2 GHG emissions are reported in the table below on an operational control basis in accordance with NGER requirements, then disaggregated between consolidated accounting group and other investees, in accordance with AASB S2 Climate-related Disclosures.

	2026
Group emissions[1,2]	**$MtCO_2$-e**
Scope 1	**2.75**
Scope 1 - Consolidated accounting group	2.69
Scope 1 - Other investees	0.05
Scope 2 - location-based	**0.39**
Scope 2 location-based - Consolidated accounting group	0.38
Scope 2 location-based - Other investees	0.01
Scope 3 emissions	**275.64**
Category 10: Processing of sold products	268.64

[1] For NGER purposes, operational control is determined under the National Greenhouse and Energy Reporting Act 2007 (Cth); reporting and measurement requirements are set out in the National Greenhouse and Energy Reporting Regulations 2008 (Cth) and the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (Cth), as applicable to the reporting year.

[2] Metrics are presented on a rounded basis.

Please refer to Note 5 Emissions data - Basis of Preparation for more detail on our emissions, including other Scope 3 categories, such as transport (shipping of products in third-party vessels).

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PROGRESS TOWARDS TARGETS

Fortescue's emissions reduction targets support our commitment to decarbonisation across our operations and value chain.

Progress towards voluntary targets

In 2022, Fortescue set its three 2030 climate-related targets (described below) to eliminate fossil fuel risk, while positioning Fortescue to lead industry decarbonisation. The external environment continues to evolve through changes in policy settings and disruptions in the geopolitical and commercial environment. Fortescue continues to progress its transition pathway while remaining focused on delivering these targets.

Real Zero Target

We use this term (Real Zero Target) to refer to Fortescue's target to eliminate Scope 1 and 2 emissions from our Australian terrestrial iron ore operations in the Pilbara by the end of 2030. Our commitment is to eliminate emissions equivalent to Fortescue's 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. Further detail on our plan to meet this target, and the risks and dependencies associated with achieving it, can be found throughout this report. For the purpose of this target, "terrestrial" means that Scope 1 shipping emissions are excluded. These emissions are addressed through our Shipping Target.

Target disclosure element	Target details
The metric used to set the target	Scope 1 and 2 emissions in $MtCO_2$-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, equivalent to our equity share
The period over which the target applies	2030
Whether the target is an absolute or intensity target	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
Derived using sectoral decarbonisation approach	No
Target validation by a third party	No
Net or gross emissions target	Gross

Progress towards Real Zero Target

	2026
	$MtCO_2$-e
Scope 1 emissions covered by our Real Zero Target	2.35
Scope 2 emissions covered by our Real Zero Target	0.37
Scope 1 and 2 emissions covered by our Real Zero Target	2.72

[1] Metrics are presented on a rounded basis.

North Star Junction produced 236 GWh in FY26, avoiding an estimated 0.116 $MtCO_2$-e that would have been emitted by Solomon Gas Power Station otherwise.

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Steelmaking Target

By 2030, enable a reduction in emissions intensity from steelmaking by Fortescue's customers of 7.5 per cent, from FY21 levels.

Target disclosure element	Target details
The metric used to set the target	Emissions, in $MtCO_2$-e/million tonnes shipped, from the processing of our iron ore by our customers
The objective of the target	Mitigation
The part of Fortescue to which the target applies	Scope 3 emissions from processing of Fortescue's iron ore sold product
The period over which the target applies	2030
Base year	FY21
Whether the target is an absolute or intensity target	Intensity
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
Derived using sectoral decarbonisation approach	No
Target validation by a third party	No
Net or gross emissions target	Gross

Progress towards Steelmaking Target

		2026	2021
	Unit		Baseline
Iron ore shipped	Mt	201.33	182.18
Scope 3 Steelmaking emissions	$MtCO_2$-e	268.64	246.14
Scope 3 Steelmaking emissions intensity	$MtCO_2$-e/Mt of ore shipped to our customers	1.33	1.35

[1] Metrics are presented on a rounded basis.
[2] Detailed emissions calculation methodology with product- and location-specific emission factors was implemented in FY22 and for all subsequent years. Our baseline emission intensity was set using global sectoral emission factors, hence is not directly comparable.

While our volume of iron ore shipped to our customers increased from 198.38Mt in FY25 to 201.33Mt in FY26, the associated steelmaking emissions by our customers decreased. Indeed, steelmaking emission intensity (absolute emissions in $MtCO_2$-e per million tonnes of ore shipped) reduced year on year by 1.67 per cent to 1.33 $MtCO_2$-e per million tonnes of ore shipped in FY26.

Several factors have influenced this result:

- Steel mills are making improvements and the emission intensity of their processes is reducing. Independent mining and metals consultancy CRU has estimated this reduction and updated the emission factors applied to our product.
- Increased sales of Iron Bridge Concentrate and increased share of Fortescue Lump in Fortescue's total sales, contributed to the overall reduction through their lower associated steelmaking emission intensities than Fortescue's average product portfolio.
- The reduction was partially offset by increased sales of lower-grade iron ore products, such as Super Special Fines, which have higher associated steelmaking emission intensities than Fortescue's average product portfolio.

The achievement of this target is dependent on various factors including the pace of the energy transition to allow low emissions steelmaking, and the quality of our iron ore product. Our contribution to progressing decarbonisation in steelmaking is further described in *Iron and steelmaking pathways.*

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Shipping Target

By 2030, enable a reduction in emissions intensity levels from the shipping of our iron ore by 50 per cent, from FY21 levels. This target applies to both Fortescue operated very large ore carriers and third-party vessels, representing 8 per cent and 92 per cent of our shipments respectively this financial year. Under the GHG Protocol Corporate Value Chain (Scope 3) Standard, shipping-related emissions contribute to Categories 3, 4 and 9.

Target disclosure element	Target details
The metric used to set the target	Emissions, in $MtCO_2$-e/million tonnes shipped, from shipping of our iron ore
The objective of the target	Mitigation
The part of Fortescue to which the target applies	Scope 1 emissions from shipping and Scope 3 emissions from shipping
The period over which the target applies	2030
Base year	FY21
Whether the target is an absolute or intensity target	Intensity
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
Derived using sectoral decarbonisation approach	No
Target validation by a third party	No
Net or gross emissions target	Gross

Progress towards Shipping Target

		2026	2021
	Unit		Baseline
Iron ore shipped	Mt	201.33	182.18
Total Shipping emissions (Combined Scope 1 and 3 emissions related to shipping)	$MtCO_2$-e	3.81	4.07
Shipping emissions intensity	$MtCO_2$-e/ Mt of ore shipped	0.019	0.022

[1] Metrics are presented on a rounded basis.

[2] FY26 shipping emissions were calculated using the latest fuel-consumption emissions factors from the Global Logistics Emissions Council Framework. As fuel consumption data was not available for the baseline year, baseline emissions were estimated using voyage-distance data.

FY26 shipping emission intensity decreased by 15 per cent relative to the baseline year. This reduction was achieved by applying our policy of chartering lower-emission vessels with RightShip GHG ratings of A-D, the use of fuel-efficient operating practices, including eco steaming, optimisation of voyages and schedules, and installing energy-saving devices on our Very Large Ore Carriers (VLOCs).

The pace of decarbonisation of shipping is dependent on various factors, including the implementation of the IMO Net-Zero Framework. While Fortescue has undertaken sustained advocacy efforts, progress at the IMO has been slower than anticipated.

Scope 3 Target

Net zero Scope 3 by 2040. This target applies to all relevant and calculated GHG Protocol Scope 3 categories.

Target disclosure element	Target details
The metric used to set the target	Scope 3 emissions in $MtCO_2$-e
The objective of the target	Mitigation
The part of Fortescue to which the target applies	All relevant and calculated Scope 3 categories
The period over which the target applies	2040
Whether the target is an absolute or intensity target	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
Derived using sectoral decarbonisation approach	No
Target validation by a third party	No
Net or gross emissions target	Net

Targets required by regulation

Australia's Safeguard Mechanism (SGM)

The SGM establishes facility-specific emissions baselines for large industrial facilities and is designed to support emissions reductions while recognising changes in production levels. For most covered facilities, baselines are calculated using production-adjusted methodologies that link allowable emissions to defined production variables and associated emissions-intensity values. As a result, compliance obligations are primarily driven by improvements in emissions intensity rather than reductions in output. Facilities that emit below their baseline may generate Safeguard Mechanism Credits (SMCs), while facilities that exceed their baseline must surrender eligible Australian Carbon Credit Units (ACCUs) or SMCs to meet compliance. This baseline-and-credit framework is intended to provide an economic incentive to reduce emissions while maintaining flexibility for facilities to respond to operational and market-driven changes in production. Baselines decline over time in line with Australia's emissions reduction objectives, increasing the incentive for ongoing decarbonisation.

In FY26, seven Fortescue facilities (Iron Bridge, Cloudbreak, Christmas Creek, Solomon, Eliwana, Solomon Power Station and Rail) were covered by the Safeguard Mechanism.

The Clean Energy Regulator sets emissions intensity targets depending on facility type. Existing facilities use a combination of site-specific and industry-average (default) emissions intensity, measured per unit of production. New facilities, like Iron Bridge, are benchmarked against international best-practice emissions intensity with baselines set at that determined benchmark.

The emissions intensity determination for each facility is published on the Clean Energy Regulator's *Emissions-intensity determination data* page.

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Safeguard Mechanism target set by Clean Energy Regulator	
The metric used to set the target	Scope 1 emissions in tCO_2-e/unit of production
The objective of the target	Nationally Determined Contribution (NDC)
The part of Fortescue to which the target applies	Scope 1 emissions from Fortescue's covered facilities
Base year	N/A
Whether the target is an absolute or intensity target	Intensity
The international agreement informing the target	UN Paris Agreement
Greenhouse gases covered by the target	CO_2, CH_4, N_2O, SF_6, HFC and PFC
Derived using sectoral decarbonisation approach	No
Target validation by a third party	Target set by a third party
Net or gross emissions target	Net

Fortescue acquires and surrenders SMCs and ACCUs only to meet regulatory compliance obligations under the Safeguard Mechanism. These units are not used to meet Fortescue's Real Zero Target.

Fortescue's compliance requirement for FY26 was approximately 0.3 MtCO2-e ACCUs/SMCs to be acquired and surrendered to the Australian Government. Fortescue prefers the use of SMCs over ACCUs. Where sufficient SMCs are not available, Fortescue will acquire and surrender the lowest cost ACCUs.

Fortescue acquires ACCUs and SMCs produced by third parties under Australian Government-approved methodologies and schemes. Fortescue considers the Clean Energy Regulator's (CER) issuance of SMCs, together with its review and validation of our compliance against SGM obligations, to provide appropriate assurance regarding the integrity of these credits.

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NOTES TO THE SUSTAINABILITY REPORT: CLIMATE STATEMENTS

1. First-time adoption of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures and transition relief

The Sustainability Report: Climate Statements provides information about Fortescue's governance, strategy, risk management and metrics and targets and has been prepared in accordance with Australian Sustainability Reporting Standard S2 Climate-related Disclosures (AASB S2).

This is the first year of reporting in accordance with AASB S2 Climate-related Disclosures for Fortescue.

In preparing this Sustainability Report, the Group has relied on the transition relief from the requirement to disclose comparative climate-related information. In addition, the Group has elected to provide Scope 3 greenhouse gas (GHG) emissions on a voluntary basis.

2. Connectivity with financial statements

This Sustainability Report: Climate Statements has been prepared for the Group and should be read in conjunction with the Group's consolidated financial statements prepared in accordance with AASB Accounting Standards. It covers a 12- month period for the year ended 30 June 2026 which is aligned with the reporting period of the related consolidated financial statements.

The climate-related financial disclosures cover the same reporting entity as the related consolidated financial statements. The reporting entity includes the parent company Fortescue Ltd and its subsidiaries. In preparing its climate-related financial disclosures, the Group has assessed its own operations and its value chain which includes, amongst others, the joint ventures and associates of the Group. Refer to page 24 of the Operating and Financial Review for information on the value chain.

The presentation currency of the climate-related financial disclosures is the United States dollar, which aligns to the presentation currency used in the consolidated financial statements, and amounts disclosed are rounded to the nearest million dollars unless otherwise stated.

3. Reporting entity

This Sustainability Report: Climate Statements provides information about Fortescue's governance, strategy, risk management and metrics and targets and has been prepared in accordance with Australian Sustainability Reporting Standard S2 Climate-related Disclosures (AASB S2).

This is the first year of reporting in accordance with AASB S2 for Fortescue.

Consolidated accounting group

The financial statements cover the consolidated group comprising Fortescue Ltd (the Company) and its subsidiaries, together referred to as Fortescue or the Group.

4. Events occurring after the reporting period

No transactions, other events or conditions occurring after the end of the reporting period and before the date of authorisation of issue of this document have taken place that need to be disclosed in this Sustainability Report: Climate Statements.

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5. Emissions data basis of preparation

Emissions Calculation Methodology

Emissions are calculated in accordance with the Greenhouse Gas (GHG) Protocol's Corporate Standard, the Corporate Value Chain (Scope 3) Standard, the Scope 2 Guidance, and the Scope 3 Calculation Guidance. Emissions mandated by the Australian National Greenhouse and Energy Reporting Scheme (NGER) are calculated using the Australian National Greenhouse and Energy Reporting Measurement Determination 2008.

Scope 1, 2 and 3 data is externally assured annually. PwC provided reasonable assurance over Group and NGER Scope 1 and 2 emissions and limited assurance over Scope 3 emissions for the 12 months ended 30 June 2026, refer to assurance reports.

Boundary setting

Scope 1 and 2 emissions are reported on an operational control basis in accordance with NGER requirements, then disaggregated between consolidated accounting group and other investees, in accordance with AASB S2.

For FY26, Fortescue's GHG emissions disclosures under AASB S2 comprise Scope 1 and Scope 2 emissions, with Scope 3 GHG emissions disclosures included voluntarily in accordance with the transition relief available to first-time adopters of AASB S2.

Under the NGER framework, entities are required to apply the operational control approach, and Fortescue has adopted this approach for all emissions reporting across the Group to maintain consistency. Fortescue accounts for 100 per cent of emissions from operations over which it or one of its subsidiaries has operational control. For example, while Fortescue owns a 69 per cent share of Iron Bridge Joint Venture, it reports 100 per cent of Iron Bridge emissions within Fortescue's Scope 1 and 2 emissions in FY26. For AASB S2 disaggregation purposes, 69 per cent of Iron Bridge emissions are aligned to the consolidated accounting group, and the remaining 31 per cent is disaggregated as other investees, in line with Fortescue's ownership interest.

Scope 1

The majority of Fortescue's FY26 Scope 1 emissions originate from our Pilbara operations. The largest sources of emissions are:

- Diesel consumption (Pilbara operations) — tracked via a fuel management system and reconciled against supplier invoices and deliveries.
- Natural gas used for electricity generation at Solomon Power Station — with emission factors derived from monthly gas composition data per the NGER Measurement Determination.
- Shipping from our Very Large Ore Carriers (VLOCs) — calculated from fuel consumption data using the GLEC Framework v3.2, tracked via a shipping management platform.

Smaller sources of Scope 1 emissions include oils, greases, LPG, aviation fuel, refrigerants and other miscellaneous fuels. Given the relatively small scale of Fortescue's emissions across jurisdictions outside Australia, and the absence of mandatory local regulations in all countries of operation, the NGER Measurement Determination has been adopted as the default source for emission factors and methodologies to ensure consistency across Fortescue's Group Scope 1 emissions reporting. There were no changes in measurement approach this period.

Biogenic Scope 1 emissions

Fortescue has considered biogenic emissions in preparing its climate-related disclosures, with reference to AASB S2 and the Greenhouse Gas Protocol's Land Sector and Removals Standard. Fortescue's Scope 1 biogenic emissions are expected to arise primarily from land clearing associated with operations.

For FY26, no quantitative figure has been reported for these emissions, as further time is required to assess the applicability of the Land Sector and Removals Standard to Fortescue and provide decision-useful information. We will continue to monitor developments and applicability of relevant standards and market practice.

Scope 2

Fortescue reports Scope 2 emissions using location-based method. The majority of Fortescue's FY26 Scope 2 emissions originate from our Pilbara operations. Figures are calculated from electricity invoice data, with a small portion (<1 per cent of location-based emissions) estimated using the NABERS (National Australian Built Environment Rating System) benchmarks where invoice data is unavailable. There were no changes in measurement approach this period.

Notes to the Sustainability Report: Climate Statements

For the year ended 30 June 2026

5. Emissions data basis of preparation (continued)

Scope 3

In FY26, the vast majority of Fortescue's Scope 3 emissions arise from Category 10: Processing of sold products (iron ore into steel).

Categories 1, 2 and 8

	2026	
Group Scope 3 category	**$MtCO_2$-e**	**Evaluation status**
Category 1: Purchased goods and services	2.27	Relevant, calculated
Category 2: Capital goods	0.11	Relevant, calculated
Category 8: Upstream leased assets	0.09	Relevant, calculated

[1]Metrics are presented on a rounded basis.

All three categories are calculated using the same spend-based methodology, where financial expenditure is multiplied by the relevant emission factors ($kgCO_2$-e per US dollar spend). Expenditure is mapped to UNSPSC codes where available, or otherwise to General Ledger codes. Emission factors are sourced from Climatiq datasets (EXIOBASE and CEDA) and are adjusted for annual inflation using US Consumer Price Index data as necessary.

Category 3

	2026	
Group Scope 3 category	**$MtCO_2$-e**	**Evaluation status**
Category 3: Fuel- and energy-related activities not included in Scope 1 or Scope 2	0.64	Relevant, calculated

[1]Metrics are presented on a rounded basis.

This category covers the upstream emissions associated with the production of fuels and energy purchased by Fortescue. Emissions are calculated by applying Scope 3 emission factors from the National Greenhouse Accounts (NGA) Factors to terrestrial fuel and electricity consumption data. For fuels not covered by NGA Factors, or for electricity consumed outside Australia, conservative existing NGA factors are applied in the absence of jurisdiction-specific upstream factors. For Fortescue-operated Very Large Ore Carriers (VLOCs), well-to-tank emissions are calculated as the difference between well-to-wake and tank-to-wake emissions, calculated through the Sea platform, provided by Maritech Services Ltd, using GLEC Framework v3.2 emission factors.

Category 4

	2026	
Group Scope 3 category	**$MtCO_2$-e**	**Evaluation status**
Category 4: Upstream transportation and distribution	3.33	Relevant, calculated

[1]Metrics are presented on a rounded basis.

This category covers emissions from third-party shipping services paid for by Fortescue on a Cost and Freight basis (see Category 9 for customer-arranged shipping on a Free on Board basis). A fuel-based method is applied using fuel consumption data collected from chartered vessel owners through the Sea platform, with a response rate of more than 95 per cent. GLEC Framework v3.2 factors are applied. Where fuel data is unavailable, representing less than 5 per cent of voyages, Sea's proprietary model estimates consumption based on vessel speed and activity. Remaining freight costs are captured via the spend-based method outlined above and account for 9 per cent of category emissions.

Category 5

	2026	
Group Scope 3 category	**$MtCO_2$-e**	**Evaluation status**
Category 5: Waste generated in operations	0.02	Relevant, calculated

[1]Metrics are presented on a rounded basis.

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5. Emissions data basis of preparation (continued)

This category covers emissions from the treatment and disposal of waste generated in Fortescue's operations by third parties. Emissions are calculated primarily using the waste-type specific method using mass of waste generated by material type and treatment pathway. Applicable emission factors are sourced from Australian and UK Government datasets. Where waste quantity data is unavailable, estimates are derived using spend-based emission factors or waste-intensity benchmarks, where waste quantities are estimated based on occupied floor area of Fortescue offices.

Category 6

	2026	
Group Scope 3 category	**$MtCO_2$-e**	**Evaluation status**
Category 6: Business travel	0.03	Relevant, calculated

[1]Metrics are presented on a rounded basis.

This category covers emissions from employee business travel, including air, car, rail travel and other travel-related activities. A distance-based method is applied using flight, car hire and rail travel data obtained directly from Fortescue's travel providers, with UK Government emission factors applied. Business travel not captured through the distance-based method is estimated using the spend-based method outlined above.

Category 7

	2026	
Group Scope 3 category	**$MtCO_2$-e**	**Evaluation status**
Category 7: Employee commuting	0.11	Relevant, calculated

[1]Metrics are presented on a rounded basis.

This category covers the following emission sources associated with employee commuting emissions and working from home: chartered and commercial flights for site-based fly-in, fly-out employees travelling to and from Fortescue's Pilbara operations; commuting by office-based employees to Fortescue's corporate offices; and working-from-home activities. Emissions are calculated using a combination of fuel-based, distance-based and average-data methods, drawing on internal employment data and Australian Bureau of Statistics averages for commuting distance and modes of transport.

Category 9

	2026	
Group Scope 3 category	**$MtCO_2$-e**	**Evaluation status**
Category 9: Downstream transportation and distribution	0.40	Relevant, calculated

[1]Metrics are presented on a rounded basis.

This category covers shipping emissions from the transportation and distribution of products by third-party shipping providers, where shipping is arranged by customers and transported on a Free on Board basis, rather than paid for by Fortescue (see Category 4 for shipping organised and paid for by Fortescue on a Cost and Freight basis). A fuel-based method is applied using data collected through the Sea platform, with GLEC Framework v3.2 factors applied. Where fuel data is unavailable, representing less than 5 per cent of voyages, Sea's proprietary model estimates fuel consumption based on vessel speed and activity. Fortescue conservatively includes both the laden and ballast legs, resulting in a potential emissions overstatement of less than 1 per cent.

Category 10

	2026	
Group Scope 3 category	**$MtCO_2$-e**	**Evaluation status**
Category 10: Processing of sold products	268.64	Relevant, calculated

[1]Metrics are presented on a rounded basis.

Notes to the Sustainability Report: Climate Statements

For the year ended 30 June 2026

5. Emissions data basis of preparation (continued)

This category includes emissions from processing of shipped products by third parties subsequent to sale by Fortescue in FY26. Processing of iron ore into crude steel is by far the largest contributor to Fortescue's emissions profile, with 97 per cent of Scope 3 emissions in FY26.

The average-data method estimates emissions by multiplying the quantity of total ore volumes shipped, and regional-average emission factors applied by CRU ($MtCO_2$-e/million wet metric tonnes of ore) based on each Fortescue product type.

Fortescue has engaged an independent mining and metals consultancy CRU since FY22 to conduct research on emission factors relevant to Fortescue's customers, and to support our understanding of how our iron ore blends are used in the steelmaking processes across segments and the following regional groups: Japan, Korea and Taiwan; Coastal China; Inland China; South East Asia; and Europe. CRU assesses the relationship between the quality of our ore, mill burden and the emissions produced during various stages of steel production. CRU models emissions of steel production plants based on their operating processes, depending on the type of furnace used, if it has a pellet plant, etc. Fortescue provides weighted average shipped product quality as an input for CRU to calculate the emission intensity per product and region.

The emissions calculation methodology focuses on the stages from the arrival of iron ore at the steel plant to the casting of crude steel. This includes processes like sintering, pelletising, lime and dolomite processing, coke making, blast furnace operations, refining and casting. The analysis accounts for both direct emissions (accounted for in Scope 1 of the steelmaker) and indirect emissions from purchased electricity (accounted for in Scope 2 of the steelmaker) that occur during these processing stages. Emissions from further processing of crude steel into finished products and the transportation of iron ore from ports to steel mills are excluded from CRU's analysis. Emissions associated with the shipping of iron ore are accounted for as part of our shipping-related emissions and are reported separately.

This approach allows Fortescue to estimate the emissions associated with the initial processing of its iron ore into crude steel, providing a clearer picture of its downstream environmental impact.

Categories 11, 12, 13, 14 and 15

	2026	
Group Scope 3 category	**$MtCO_2$-e**	**Evaluation status**
Category 11: Use of sold products	—	Not relevant, end of reporting boundary as Fortescue only sold intermediate products in FY26.
Category 12: End-of-life treatment of sold products	—	
Category 13: Downstream leased assets	0.003	Relevant, calculated
Category 14: Franchises	—	Not relevant, Fortescue does not have franchise operations in FY26.
Category 15: Investments	—	Not relevant, emissions have been assessed to be immaterial in FY26.

[1]Metrics are presented on a rounded basis.

Categories 11 (Use of sold products) and 12 (End-of-life treatment of sold products) are not relevant, as Fortescue sells only intermediate products. Category 13 (Downstream leased assets) is calculated using electricity consumption data collected directly from lessees. Category 14 (Franchises) is not applicable, and Category 15 (Investments) was assessed as immaterial in FY26.

Targets

Steelmaking target

The metric used to set the target is emissions, in MtCO2-e, from the processing of our iron ore by our customers (classified under Scope 3 category 10 – Processing of sold products).

Shipping target

This target applies to Scope 1 emissions from shipping and Scope 3 emissions from shipping reported in GHG Protocol categories 3, 4 and 9.

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DIRECTORS' DECLARATION

Directors' declaration - Sustainability Report: Climate Statements

The directors of Fortescue Ltd declare that, in their opinion, Fortescue Ltd has taken all reasonable steps to ensure that the substantive provisions of Fortescue Ltd's Sustainability Report: Climate Statements for the financial year ending 30 June 2026 set out on pages 69 to 102 are in accordance with the *Corporations Act 2001* (Cth) ("the Act") including section 296C of the Act (compliance with applicable sustainability standards such as the *Australian Sustainability Reporting Standards AASB S2 Climate-related Disclosures*) and section 296D of the Act (Climate Statement Disclosures).

This declaration is made on 20th August 2026 in accordance with a resolution of the Board of Directors of Fortescue Ltd, and is signed for and on behalf of the Board of Directors by:



Dr Andrew Forrest AO
Executive Chairman
Dated in Perth this 20th day of August 2026.

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Independent Auditor's Report on specified Sustainability Disclosures

To the Members of Fortescue Ltd

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report: Climate Statements (the Sustainability Report) of Fortescue Ltd (the Company) and its controlled entities (together, the Group) for the year ended 30 June 2026 in accordance with Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (ASSA 5010) issued by the Auditing and Assurance Standards Board (AUASB).

Specified Sustainability Disclosures Reviewed	**Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) (including related general disclosures required by Appendix D)**	**Location in Sustainability Report**
Governance	Paragraph 6	Section Climate-related governance on page 72
Strategy (risks and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Climate-related risks and opportunities included in section Climate-related risk and opportunities on pages 76 to 80 Risk assessment processes included in section Managing climate-related risks and opportunities on pages 90 to 91

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the Governance and Strategy (risks and opportunities) disclosures as specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

PricewaterhouseCoopers, ABN 52 780 433 757
Brookfield Place, Level 15, 125 St Georges Terrace, PERTH WA 6000,
GPO Box D198, PERTH WA 6840
T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

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Audit opinion

We have conducted an audit of the following specified Sustainability Disclosures in the Sustainability Report of the Group for the year ended 30 June 2026 in accordance with ASSA 5010.

Specified Sustainability Disclosures Audited	Reporting requirement of AASB S2 (including related general disclosures required by Appendix D)	Location in Sustainability Report
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Section Metrics and targets on page 92 Applicable method and measurement approaches contained within section Notes to the Sustainability report: Climate Statements on page 99

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

In our opinion the Scope 1 and 2 emissions disclosures specified in the table above are prepared in accordance with the Act, including:

a. subsection 296A(2) (contents of climate statements); and

b. section 296C (compliance with Australian Sustainability Reporting Standard S2 *Climate-related Disclosures* issued by the Australian Accounting Standards Board and any Ministerial legislative instrument); and

c. section 296D (climate statement disclosures).

Basis for Conclusion and Opinion

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Governance and Strategy (risks and opportunities) disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

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Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of our report below.

Basis for Opinion

Our audit has been conducted in accordance with ASSA 5000. Our audit includes obtaining reasonable assurance that the specified Scope 1 and 2 emissions disclosures are free from material misstatement.

Basis for Conclusion and Opinion

Our responsibilities under ASSA 5000 are further described in the Auditor's Responsibilities section of this report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code), together with the ethical requirements in the Act, that are relevant to our review /audit of the specified Sustainability Disclosures and public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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 and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion and opinion.

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report for the year ended 30 June 2026, but does not include the specified Sustainability Disclosures and our auditor's report thereon.

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Our conclusion on the specified Governance and Strategy (risks and opportunities) disclosures and opinion on the specified Scope 1 and 2 emissions disclosures does not cover the other information and we do not express any form of assurance conclusion thereon. We have issued a separate opinion on the Financial Report, including the Remuneration Report, a separate limited assurance conclusion on the Eligible Project Cumulative Spend, and separate limited assurance conclusion on the Scope 3 emissions, all included in the Annual Report.

Our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified disclosures, or our knowledge obtained when conducting the review or audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 for the Specified Disclosures

The directors of the Company are responsible for:

- The preparation of the specified Governance, Strategy (risks and opportunities) and Scope 1 and 2 emissions disclosures in accordance with the Act.
- Designing, implementing and maintaining such internal controls necessary to enable the preparation of the specified disclosures, in accordance with the Act that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in preparing the Specified Disclosures

Sustainability information may be subject to more inherent limitations than financial information, given both its nature and the methods used for determining, calculating, and estimating such information. Different acceptable methods have varying precision and can affect the comparability of sustainability information across entities and over time.

In addition, greenhouse gas emissions quantification is subject to inherent uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

The specified Sustainability Disclosures in relation to Strategy (risks and opportunities) have been prepared using assumptions about future events, and management's actions, that may not occur.

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Auditor's Responsibilities

Our objectives are to:

- Plan and perform the review to obtain limited assurance about whether the specified Governance and Strategy (risks and opportunities) disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion.
- Plan and perform the audit to obtain reasonable assurance about whether the specified Scope 1 and 2 emissions disclosures are free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our opinion.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified disclosures.

As part of our review and audit in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- For a review engagement:
  - Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
  - Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- For an audit engagement:
  - Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatement, whether due to fraud or error, at the assertion level for the disclosures but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
  - Design and perform procedures responsive to assessed risks of material misstatement at the assertion level for the disclosures. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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Summary of the Work Performed in our Review

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Governance and Strategy (risks and opportunities) disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Inspected the specified Sustainability Disclosures and assessed the completeness and accuracy of these disclosures against the relevant disclosure requirements of AASB S2 and with reference to the knowledge and evidence obtained during the assurance engagement;
- Performed enquiries of management regarding the methodologies, processes and controls for capturing, collating, calculating and reporting the specified Sustainability Disclosures and assessed their alignment with AASB S2 and applicable method and measurement approaches;
- Inspected and assessed, on a sample basis, charters, policies, minutes of meetings regarding the monitoring, management and oversight of climate-related matters, and other underlying evidence supporting the climate-related financial disclosures on governance;
- Performed enquiries of management regarding the approach taken by Group to:
    - Identify climate-related risks and opportunities;
    - Identify material information for disclosure with regards to the Strategy (risks and opportunities) disclosures.

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Rachel Meadows

Rachel Meadows
Partner

Perth
20 August 2026

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CORPORATE GOVERNANCE STATEMENT



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1. OVERVIEW OF CORPORATE GOVERNANCE

Good corporate governance is fundamental to Fortescue's long-term sustainability and success

Good governance is the collective responsibility of the Board and management at all levels of the organisation. 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 principles underpinning the 4th Edition of the Australian Securities Exchange (ASX) Corporate Governance Council's Corporate Governance Principles and Recommendations (Principles and Recommendations). Unless otherwise stated, 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. We encourage innovation and strategic thinking in making decisions that align with our risk appetite and corporate expectations and standards.

1.4 Corporate accountability

Ensuring that there is clarity of decision-making and governance processes to ensure decisions are made efficiently by the appropriate individuals and with accountability for following these established processes and procedures.

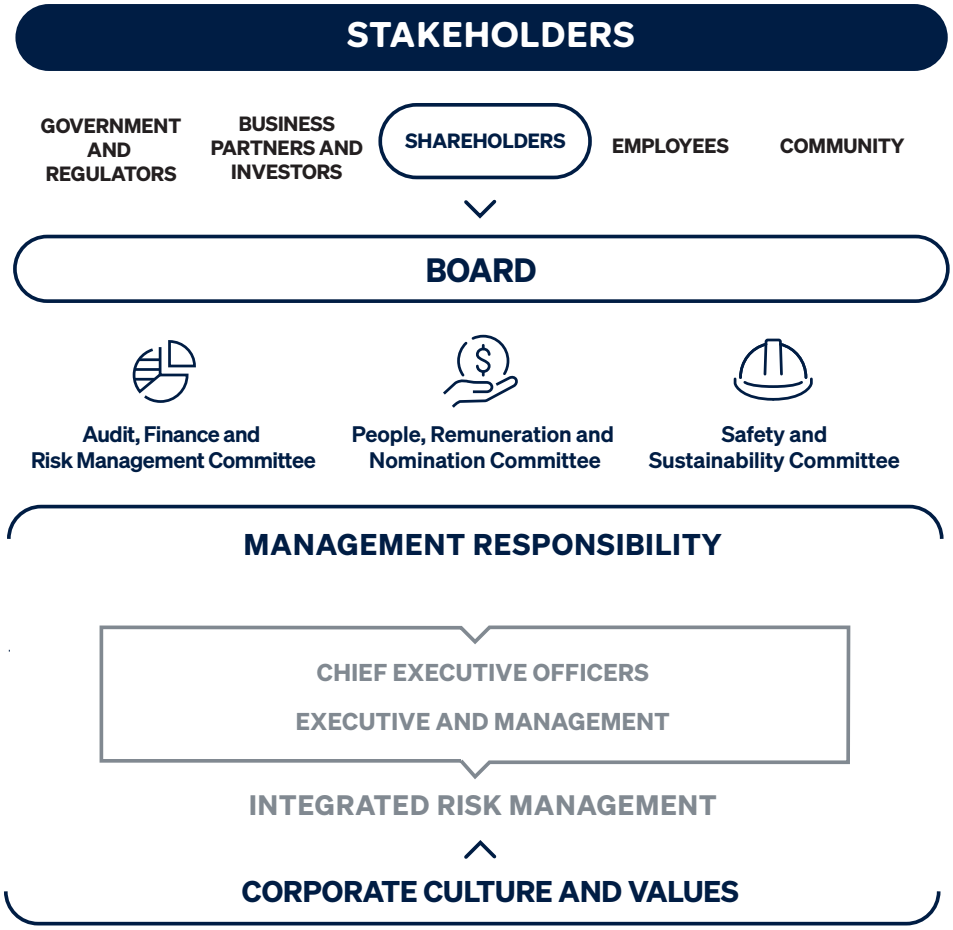
1.5 Stewardship

Developing and maintaining a company-wide recognition that Fortescue is managed for the benefit of its shareholders, while recognising and considering the interests of other stakeholders.



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GOVERNANCE FRAMEWORK



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2. BOARD OVERSIGHT AND STRUCTURE

2.1 ROLE AND RESPONSIBILITIES

The Board is responsible for Fortescue's performance on behalf of the shareholders. In fulfilling its responsibilities, the Board seeks to enhance and protect the interests of shareholders and other key stakeholders and ensure Fortescue is properly managed. The Board recognises the importance of a strong and constructive working relationship with management for effective governance and organisational performance.

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 Fortescue.
- 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 and reviewing operating information to understand at all times the state of health of Fortescue.
- 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 effective reporting systems, governance frameworks and internal controls are in place to support operational, financial, compliance, risk management, sustainability and reporting obligations.
- Satisfying itself that remuneration policies and practices align with our purpose, culture, Values, strategic objectives and risk appetite.
- Assuring itself that appropriate internal and external audit arrangements are in place.
- Promoting lawful, ethical, and responsible conduct in accordance with our Code of Conduct and Integrity Policy.
- Challenging management and holding it to account.
- Reporting to and engaging with shareholders.

The Board has also established a Delegation 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 Delegation of Authority are reviewed periodically 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 for consideration of key business issues and assessing progress towards achievement of corporate objectives and strategic priorities.

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.

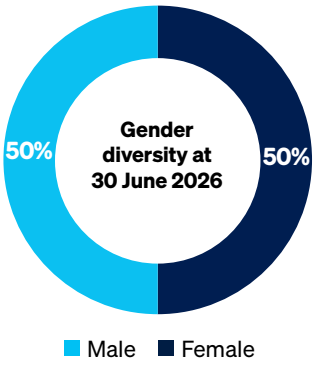
2.2 Board composition

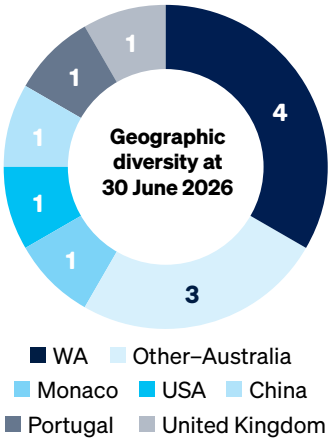
Under Fortescue's Constitution, the Board must have a minimum of three and a maximum of twelve directors. No director may retain office without re-election for more than three years or past the third Annual General Meeting (AGM) following the director's appointment, whichever is the longer. Additionally,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

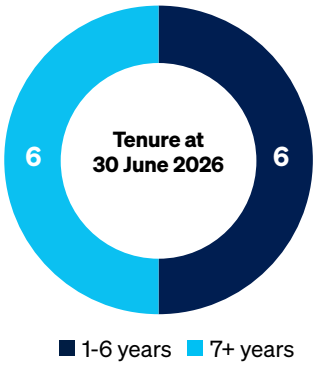
The Board believes its composition represents an appropriate balance of executive and non-executive directors to achieve the promotion of long-term shareholder value and effective governance of Fortescue. The Board also has access to, and engages with, senior executives who may also attend Board and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

The Board is committed to maintaining a diverse mix of skills, experience, backgrounds, and perspectives to support effective governance and strategic decision-making.

Directors of Fortescue during FY26







Director	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	FY27 AGM
Penny Bingham-Hall	16 November 2016	Full year	FY23 AGM	FY26 AGM
Yasmin Broughton	1 July 2025	Full Year	FY25 AGM	FY28 AGM
Lord Sebastian Coe CH, KBE	21 February 2018	Full year	FY24 AGM	FY27 AGM
Elizabeth Gaines	22 February 2013	Full year	FY25 AGM	N/A
Yifei Li	22 August 2022	Full year	FY25 AGM	FY28 AGM
Noel Pearson	1 August 2024	Full year	FY24 AGM	FY27 AGM
Noel Quinn	12 March 2025	Full year	FY25 AGM	FY28 AGM
Usha Rao-Monari	24 January 2024	Full year	FY24 AGM	FY27 AGM

Note: Sigrid Kaag will be appointed Non-Executive Director effective on the completion of regulatory procedures. Elizabeth Gaines resigned as Executive Director on 30 June 2026.

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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 Board and Board Committee meetings during FY26 is summarised below.

	BOARD[1]		BOARD COMMITTEES[2]					
			Audit, Finance and Risk Management		People, Remuneration and Nomination		Safety and Sustainability	
Director	Eligible[3]	Attended	Eligible[3]	Attended	Eligible[3]	Attended	Eligible[3]	Attended
Dr Andrew Forrest AO	6	6	0	0	0	0	0	0
Mark Barnaba AM CitWA	6	6	4	4	0	5	1	4
Dr Larry Marshall	6	4	4	4	2	2	1	1
Dr Jean Baderschneider	6	5	4	4	2	2	4	4
Penny Bingham-Hall	6	5	1	1	5	5	1	1
Yasmin Broughton	6	5	0	0	3	3	1	1
Lord Sebastian Coe CH KBE	6	3	0	0	5	5	0	0
Elizabeth Gaines	6	5	0	4	0	5	0	4
Yifei Li	6	5	0	0	2	2	3	3
Noel Pearson	6	4	0	0	0	0	4	2
Noel Quinn	6	6	4	3	0	0	0	0
Usha Rao-Monari	6	6	4	4	0	0	1	1

1 This includes a Board meeting called at short notice.
2 There were changes to Board Committee memberships during FY26. Current memberships are noted in section 3.1.
3 Eligible means eligibility for attendance as a member of a Board Committee or Board.

Generally, Board meetings are held over two to three 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.

In addition to Board and Board Committee meetings, the Board and key members of the management team also participate in dedicated multi-day strategy sessions focused on considering the strategic opportunities and issues facing Fortescue and reviewing our future direction and objectives. Board members also engage with management through additional meetings, briefings, and information sessions as required to support effective oversight and informed decision-making.

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2.4 Board skills matrix

The Board is focused on its composition, ensuring that its directors collectively 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 sets out the composition of skills and experience of the Board. The directors' skills, experience and qualifications are set out in the "Our Board" section of this Annual Report.

LEADERSHIP

- Successful history in business at a senior executive level working in high-performance environments
- 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 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.

CLIMATE CHANGE AND SUSTAINABILITY

- Experience in overseeing strategies designed to respond to climate-related risks and opportunities
- Experience in managing changes in capital and product markets, and supply chains
- Knowledge of sustainability, decarbonisation and climate-related reporting frameworks.

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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 Indigenous peoples 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

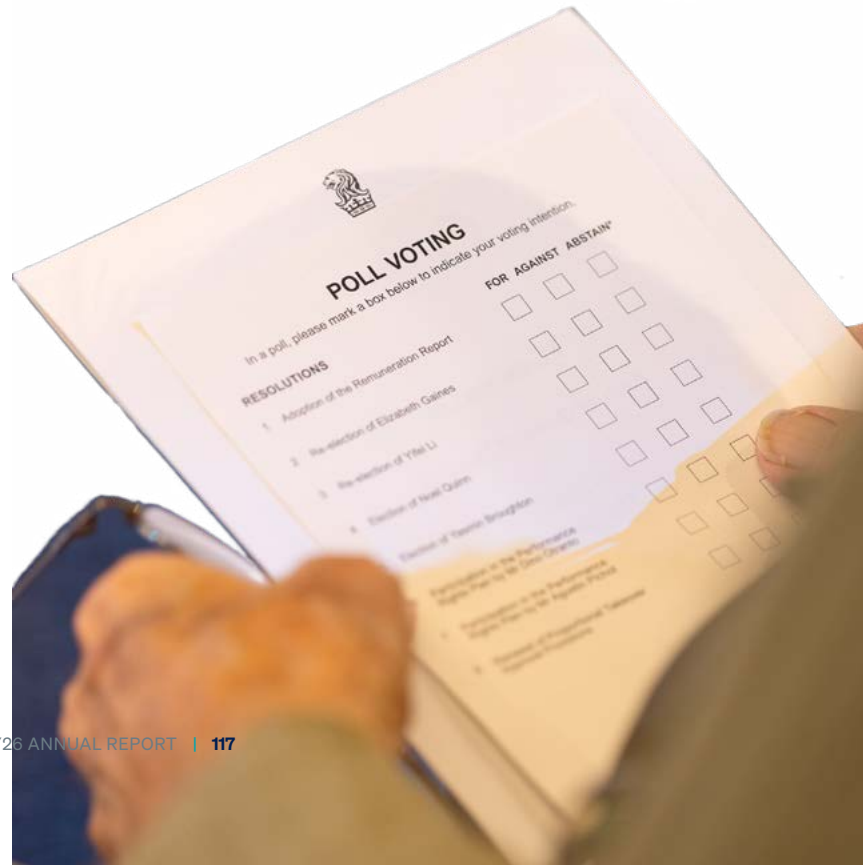
- Senior executive experience in sales and marketing
- Building long-term, sustainable customer relations across a diverse customer base
- Detailed knowledge of Fortescue's strategy, markets, and competitors.

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.

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.



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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 Indigenous 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, constituting a 50 per cent female Board composition as at 30 June 2026 with the average age of directors being 64 years, and an age range from 54 to 74.

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 Indigenous employment is included in the FY26 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, 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 director 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.

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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

During FY26, the Board had two Executive Directors. With the resignation of Elizabeth Gaines on 30 June 2026, the Board now has one Executive Director, Dr Andrew Forrest AO, Fortescue's Executive Chairman.

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 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 2026, the Board had ten non-executive directors. Based on the above criteria, all ten are considered to be independent.

The table below shows the composition of the Board as at 30 June 2026 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 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.

Board composition and independence:

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
Penny Bingham-Hall	Non-Executive	Yes
Yasmin Broughton	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
Usha Rao-Monari	Non-Executive	Yes
Noel Quinn	Non-Executive	Yes

Note: Sigrid Kaag will be appointed Non-Executive Director subject to the completion of regulatory procedures.

* Elizabeth Gaines resigned as Executive Director on 30 June 2026.

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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 have 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.

The position of Deputy Chairman is held by Mark Barnaba AM CitWA. 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.

Dr Larry Marshall acts as the Lead Independent Director. 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 2026.

Actions and recommendations, where applicable, are acted on utilising the 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 FY26 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 available if needed 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 (AU) Limited.

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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, supporting management in the execution of the business strategy.

3.1 Board Committees

As at 30 June 2026, 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).

Memberships of the Board Committees as at 30 June 2026 are shown in the following table.

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**.

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	Members[1]	Composition Requirements	Responsibilities
AUDIT, FINANCE AND RISK MANAGEMENT COMMITTEE	• Mark Barnaba AM CitWA (Chair) • Dr Jean Baderschneider • Dr Larry Marshall • Noel Quinn • 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 cybersecurity • Business integrity, anti-bribery and corruption, sanctions and whistleblower reporting • Related party transactions • Material investment and financing decisions, including: – Capital markets and other debt issues or repayment – Major acquisitions and disposals
PEOPLE, REMUNERATION AND NOMINATION COMMITTEE	• Penny Bingham-Hall (Chair) • Lord Sebastian Coe CH, KBE • Yasmin Broughton	• Minimum three non-executive directors • Majority independent directors • Chair must be an independent director	• Remuneration strategy • Non-Executive Director remuneration • Chief Executive Officers' and 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) • Sigrid Kaag [2] • Yifei Li • Noel Pearson	• 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 Indigenous communities • Community investment framework

[1] The Board Committee memberships were amended during FY26 and the above table reflects memberships as at 30 June 2026.

[2] Sigrid Kaag will be appointed as a Member of the Safety and Sustainability Committee subject to completion of regulatory procedures.

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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 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 with the People, Remuneration and Nomination Committee for endorsement by 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.

Fortescue provides ongoing education and briefing sessions for non-executive directors on matters relevant to the Group's operations, strategy, governance and risk profile. Over the last two years, these have focused on various topics including C1 costs, iron ore market, cybersecurity, business integrity, safety and psychosocial risk, and global approvals and land access.

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**.



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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.

Material risks are reviewed at least annually, with ongoing monitoring and quarterly reporting to management and the AFRMC. Reviews include reassessment of the risk environment, critical control effectiveness and progress of risk treatment actions.

Over the last two years, Fortescue has conducted internal audit and assurance activities across selected material risk areas and risk management processes. These activities assess the design and operating effectiveness of relevant controls and may include targeted reviews of governance, compliance, operational, technology, environmental and project risk processes. Findings and improvement actions are reported to management and, where applicable, AFRMC, with actions tracked through completion.

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.



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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, methodologies and enterprise-wide awareness of risk management principles, processes and responsibilities
- 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 2026. 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, 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.

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 low emissions 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.

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CONTEXT	KEY MANAGEMENT ACTIONS
Global political and economic uncertainty	
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 maintain proactive engagement with governments on policy and regulatory measures, at both the legislative and individual project levels. • We monitor regulatory and trade changes in the jurisdictions we operate in, to help ensure any potential adverse impacts are understood in advance and mitigated where possible. • 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. • We continue to monitor the fuel supply environment and have worked through a range of scenarios to help ensure we have plans in place to best support business continuity should there be longer-term fuel supply impacts.
Volatility in Chinese iron ore demand and commodity prices	
China is the largest global importer of seaborne iron ore, making Fortescue's business highly dependent on continued access to the market in China, and demand from China's steel industry. Demand for Fortescue's products and realised pricing may also be affected by changes in customer purchasing arrangements, pricing benchmarks and market access conditions in key markets, particularly China, amidst evolving trade developments. The demand for Australian-sourced iron ore could be impacted by new and expanding supply from non-Australian iron ore producers, evolving decarbonisation pathways, policies and technologies across the steel value chain, 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 are subject to evolving pricing dynamics, including customer behaviours, 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 may materially affect Fortescue's business, results of operations and financial position.	We have a strong balance sheet and access to significant liquidity, supporting our capacity to withstand demand-side shocks. There is also operational flexibility to adjust production levels and cost structures in response to changes in market conditions. In addition: • we have disciplined cost management and continue to optimise Fortescue's iron ore product mix • we have an agile, integrated operations and marketing strategy, which enables us to respond quickly to market dynamics • we maintain proactive engagement with Chinese stakeholders by active collaboration, diplomacy and community engagement • we maintain strong relationships with our customers to help ensure supplies of iron ore meet their expectations in terms of quality, consistency and reliability of supply.

CONTEXT	KEY MANAGEMENT ACTIONS
Fluctuations in currency exchange rates and interest rates, and access to funding	
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 is also exposed to Chinese Yuan (CNY) through financing arrangements, procurement and iron ore sales. 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	
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 from geopolitical factors and increased logistics volumes from Decarbonisation programs) 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 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 supply sources and trade routes for critical goods and services to diversify our supply chain. • Our diversity in energy sources and supplier arrangements helps minimise 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.

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CONTEXT	KEY MANAGEMENT ACTIONS
Project execution across domestic and international operations	
Fortescue is advancing a portfolio of major capital programs designed to deliver on its strategic priorities. Focus on decarbonisation and the development of green metal capability have introduced additional complexity in system integration, large scale deployment and performance assurance across interconnected operations. Fortescue has a 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 fleet • Continued expansion and maintenance of Pilbara iron ore operations • Domestic and international exploration, including iron ore studies in Gabon and copper exploration in Latin America. The successful delivery of our growth strategy depends on our ability to develop and execute projects efficiently and competitively. These projects involve complex, multi-year studies and execution plans, and are subject to a range of risks. These include regulatory approval and permitting timeframes, supply chain disruption, cost escalation, stakeholder activism, and the challenges associated with integrating and scaling new technologies. In addition, the development and commercialisation of technology products requires careful balancing of performance, cost and competitive positioning. Manufacturing activities may also give rise to statutory and non-statutory warranty obligations, which could result in additional costs and potential reputational impacts.	We apply a structured governance and risk management framework to support disciplined project execution. This includes: • Board approval processes to ensure alignment with our strategic objectives • defined project funding and stage-gating requirements, with verification of performance, safety and cost metrics prior to progression • governance and oversight of our decarbonisation portfolio, including reporting to steering committees, the Portfolio Management Office and the Board • independent technical, safety and commercial reviews, including testing and validation prior to full-scale deployment • integrated planning and coordination across interdependent projects and technologies to manage interfaces and reduce schedule risk • embedded controls across digital and autonomous systems, including cybersecurity, data governance and intellectual property protection • country risk assessments and due diligence processes for international activities.
Major unplanned disruptions to operations	
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: • Critical machine or infrastructure failure • 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 seek to operate in accordance 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 applicable regulatory requirements and the Australian National Committee on Large Dams (ANCOLD) guidelines. • Property and business continuity insurances partially mitigate the financial impact of major unplanned disruptions arising from potential TSF failure.

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CONTEXT	KEY MANAGEMENT ACTIONS
Health and safety events	
Fortescue operates across complex, large-scale mining, processing, rail and port environments that involve inherently hazardous activities, creating a risk of serious injury or loss of life. These risks include both acute physical hazards and longer-term health exposures, as well as psychosocial factors that may impact workforce wellbeing, engagement, performance and culture. Risk exposure is heightened by the scale, complexity and geographic dispersion of operations, the integration of contractors and business partners, and the increasing adoption of new technologies, automation and evolving work practices. Maintaining consistent safety standards across a diverse, mobile and multi-employer workforce presents additional challenges. External factors, including labour market constraints and evolving regulatory expectations, may further influence workforce capability, behaviours and overall risk profile.	• We maintain a comprehensive health and safety management system, supported by internal policies, standards and controls designed to prevent and mitigate risk. • We undertake health risk assessments to identify, evaluate and manage workplace hazards. • Our Major Hazard Control Standards program establishes entity-wide minimum standards and Critical Controls for common fatality (or equivalent) risks, with controls regularly verified for presence and effectiveness. • We are enhancing assurance through Continuous Assurance of Critical Controls, including automated escalation of deficient controls. • We provide training and conduct fitness-for-work assessments for employees and contractors to support safe and effective performance. • We maintain emergency response capability, including medical response teams, to manage workplace incidents. • We implement layered assurance activities to provide independent oversight of health and safety risks management and compliance with internal standards. • Fortescue manages Psychosocial risks through the Major Hazard Control Standards, the Health and Safety Management System, our business-wide Psychosocial Multi-Year Plan to drive continuous improvement, as well as through confidential reporting mechanisms.
Resource and reserve estimation, development and approval risk	
Resource and reserve estimates are based on 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 Ore Reserves and Mineral Resources, 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 Indigenous sites or objects of cultural significance. Fortescue consults with relevant Indigenous 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 Indigenous 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 Ore Reserves and Mineral Resources. 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 Indigenous 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.

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CONTEXT	KEY MANAGEMENT ACTIONS
Performance of key business partners is not aligned with our expectations	
Fortescue relies on strategic partners, suppliers, contractors and subcontractors to deliver key aspects of its operations and projects, and is exposed to risks associated with their performance. Failure by counterparties to meet contractual or operational obligations may adversely impact cost, schedule and production outcomes, and may expose Fortescue to third-party liability and reputational harm. Macroeconomic conditions, including inflationary pressures, rising interest rates and increased operating costs, continue to place financial strain on businesses. This elevates the risk of supplier distress or failure, which could disrupt supply chains and impact project delivery.	• We strengthen strategic supplier relationships to enhance resilience, align values, and set clear expectations on cost, performance and technology outcomes. • We apply rigorous pre-qualification and tender processes to assess financial capacity, safety performance, technical capability and alignment with our standards prior to engagement. • We establish clear contractual performance requirements, including remedies and performance security arrangements. • We require and monitor compliance with Fortescue's Code of Conduct and Integrity, across safety, environmental, ethical and human rights standards. • We maintain an appropriate balance of insourced and outsourced resources to support control and flexibility. • We actively monitor and engage with key suppliers to assess their financial stability and contractual performance.
Information technology security breach or unsuccessful technological innovation	
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 such as ransomware, data extortion and supply chain compromise, are continually evolving and becoming 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, disruption and loss of control, 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 ISO/IEC 42001, NIST AI RMF, the EU AI Act and Singapore's Model AI Governance Framework. 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 use technology readiness and governance reviews to assess whether IT innovation projects and related partner capabilities are suitable for development, deployment or commercialisation.

CONTEXT	KEY MANAGEMENT ACTIONS
Managing workforce capacity and capability	
Fortescue's ability to identify, attract and retain people in critical roles is essential to maintaining the workforce capability required to deliver its operational, decarbonisation and growth objectives. The risk is heightened by high global demand for specialist skills, a changing industrial relations environment, increasing workforce mobility and exposure to travel, property and people-related incidents. A loss of critical talent, capability gaps, or workforce disruption could directly affect productivity, project delivery, safety performance and organisational stability.	• We have robust approaches to talent and recruitment management, remuneration, skills development, global mobility initiatives and succession planning. • We work to strengthen our reputation and status in the community as an employer of choice through community engagement programs and commitment to a diverse and inclusive workplace. • 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 seek to remunerate all our employees in a fair and equitable manner to promote high levels of employee engagement and productivity.
Climate-related physical and transition risks	
Climate change is a material consideration for Fortescue, shaping our operating environment, strategic direction and long-term value creation. Our exposure arises from both the physical impacts of a changing climate and the global transition to a low-emission economy, which is reshaping policy settings, market dynamics and technology pathways across our value chain. Fortescue's physical risk exposure is concentrated in the Pilbara region of Western Australia, where our integrated mining, rail and port operations are located. Our operations are already subject to severe weather conditions, including extreme temperatures, cyclones, intense rainfall and flooding. Acute weather events and longer-term climate shifts have the potential to disrupt operations, damage critical infrastructure and place pressure on water availability. These impacts may affect production, logistics and shipping, potentially leading to variability in throughput, costs and financial performance over time. The global transition to a low-emission economy is reshaping policy, regulatory and market conditions. Evolving climate policy, carbon regulation and customer expectations may increase costs, influence project timing and alter demand for our products. In particular, decarbonisation of the steel value chain may change customer preferences, product requirements and pricing outcomes, with implications for our long-term competitiveness. Further information on Fortescue's climate-related risks and opportunities is set out in the Sustainability Report: Climate Statements within this Annual Report.	• We have set industry leading targets for Scope 1, Scope 2 and Scope 3. • We integrate climate-related risks and opportunities into our enterprise risk management framework, including identification, assessment and monitoring across short-, medium- and long-term time horizons. • We incorporate climate considerations into strategic planning, capital allocation and operational decision-making, including through our Climate Transition Plan. • We invest in renewable energy, electrification and low-emission technologies to reduce exposure to carbon costs and support the decarbonisation of our operations. • We undertake scenario analysis to assess the resilience of our strategy and business model under different climate, policy and market conditions. • We embed climate resilience into asset design, operational planning and maintenance programs to protect critical infrastructure and minimise disruption from extreme weather events. • We maintain production flexibility through scheduling, inventory management and supply chain engagement to manage weather-related and market disruptions. • We continue to develop low-emission products, technologies and growth opportunities to support global decarbonisation. • We closely monitor policy and regulatory developments and proactively engage with government bodies, regulators and industry associations to influence favourable policy and regulatory outcomes. Additional information can be found in the following sections of the Sustainability Report: Climate Statements within this Annual Report: Managing climate-related risks and opportunities, Climate-related resilience, Metrics and targets, and Climate-related risks and opportunities.

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CONTEXT	KEY MANAGEMENT ACTIONS
Breaches of our legal and regulatory obligations	
The regulatory environment in which Fortescue operates remains complex, with extensive compliance obligations across all jurisdictions that have become increasingly stringent in recent years. Fortescue is exposed to a range of business integrity and regulatory compliance risks, including risk relating to fraud, bribery and corruption, competition law compliance, whistleblower protections obligations, related party transactions requirements, continuous disclosure obligations, insider trading laws, privacy obligations and modern slavery, across the geographic locations in which we operate. Fortescue must also comply with economic sanctions and trade controls across multiple jurisdictions, which are complex, evolving and may restrict dealings with certain countries, governments, entities and individuals. Fortescue's expanding global growth portfolio, delivered through partnerships, joint ventures, acquisitions, equity investments and supply agreements, increases exposure to business integrity and regulatory compliance risks, particularly as we enter new markets, engage with new counterparties, and navigate evolving regulatory requirements. Non-compliance with relevant laws and regulations may result in significant fines, sanctions, civil or criminal penalties, adverse publicity or change to license to operate.	• We maintain an organisational structure to enable clear oversight, accountability, streamlined governance and consistent execution across Fortescue. • We maintain a risk-based business integrity compliance framework aligned to regulatory expectations. • We provide targeted training to employees in high-risk roles and relevant third parties on compliance obligations and program requirements. • We monitor and oversee compliance with internal policies, standards and procedures. • We maintain dedicated legal and compliance functions to support the identification and management of current and emerging regulatory obligations. • We maintain specialist governance and compliance capabilities across key risk areas, including anti-bribery and corruption, sanctions and trade controls, securities trading, related parties and privacy. • We operate a secure and confidential third-party whistleblower service that supports the reporting of anonymous concerns. • We engage specialist external legal, governance and compliance consultants.
Operations adversely impacting the community and environment	
Fortescue's operations and development activities have the potential to adversely impact the environment and the communities in which it operates. Key risk exposures include land disturbance, water use and quality, biodiversity impacts, emissions, waste management, mine closure and rehabilitation obligations, and the potential for unplanned environmental incidents. Fortescue also operates in proximity to local communities and Traditional Owners, and is exposed to risks associated with community health and safety, cultural heritage management, and maintaining its social licence to operate. Environmental and heritage laws and regulations have also become increasingly stringent over time in line with community and stakeholder expectations. These risks are heightened by the scale and geographic spread of operations, the development of new projects, evolving regulatory requirements, and increasing stakeholder expectations in relation to environmental performance, climate change and sustainable development. Failure to effectively manage these risks may result in environmental harm, loss of cultural heritage, adverse impacts to communities, regulatory breaches and penalties, project delays or approvals constraints, increased costs, litigation, and damage to Fortescue's reputation and social licence to operate.	• We maintain an integrated approvals governance and oversight of the approvals planning process, to help ensure robust, transparent processes aligned with environmental and heritage requirements. • We apply disciplined processes to identify and manage environmental and heritage legal and regulatory obligations from project scoping through delivery, including surveys, consultation, project planning and impact mitigation, including alignment to ISO 14001 for environmental standards. • We collaborate with government and stakeholders to establish clear approval pathways and timelines, and integrate environmental and closure requirements into project design and operations. • We embed mine closure considerations across the asset lifecycle, including progressive rehabilitation, to minimise financial, environmental and social impacts and achieve closure objectives. • We engage proactively with Native Title partners and regulators to identify, manage and protect significant Indigenous cultural heritage in compliance with applicable legislation. • We support local communities by creating economic opportunities, including local employment and procurement, to foster sustainable and resilient regional communities.

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4.6 Annual Executive Certifications

To support the requirements of ASX Principle 4 and section 295A of the *Corporations Act 2001*, an extensive executive certification process was undertaken for the year ended 30 June 2026. 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.



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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 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 and Sustainability Report: Climate 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*.

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 AGM and is available to answer questions from shareholders in relation to the audits.

5.3 Other assurance

In addition to external and internal audits, 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 regulations. 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

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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, Sustainability Report: Climate Statements 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 substantive 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 and send communications electronically.

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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. Fortescue has processes in place to ensure that any material breaches of the Code and Policies are promptly escalated to the executive and/or the Board through the AFRMC.

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 and Business Integrity sections 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 FY26 Sustainability Report available on our website **fortescue.com**.

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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.

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 through the AFRMC.

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 sets out the restrictions on dealing in securities by people who work for, or who are associated with, Fortescue. The Securities Trading Policy also sets out the restriction for designated persons from entering into transactions which would have the effect of hedging or transferring the risk of any fluctuation in the value of any unvested entitlement to Fortescue securities, or any vested Fortescue securities that are subject to a holding lock.



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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, selected disclosures within the annual Sustainability Report: Climate Statements 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, Climate Transition Plan 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**.

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DIRECTORS' REPORT



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DIRECTORS' REPORT

At 30 June 2026

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 2026 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	47,861	–
Dr Larry Marshall	28,973	–
Dr Jean Baderschneider	138,000	–
Yasmin Broughton (appointed 1 July 2025)	–	–
Penny Bingham-Hall	65,721	–
Lord Sebastian Coe CH, KBE	12,000	–
Elizabeth Gaines (resigned 30 June 2026)	–	–
Sigrid Kaag[1]	–	–
Yifei Li	–	–
Noel Pearson	–	–
Noel Quinn	–	–
Usha Rao-Monari	872	–

[1] Sigrid Kaag will be appointed Non-Executive Director effective on the completion of regulatory procedures.

The remuneration of Directors and Key Management Personnel is detailed in the Remuneration Report on pages 145 to 184.

Operating and financial review

Fortescue's principal activities during the year included the exploration, development, production, processing and sale of iron ore, together with advancement into critical minerals and development of green energy and decarbonisation technologies.

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 50 and Corporate Governance Statement section 4 Risk Management.



DIRECTORS' REPORT

At 30 June 2026

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DIVIDENDS

	2026
Profit	**US$m**
Net profit after tax	2,860
Underlying net profit after tax	3,458
Declared and paid during the year:	**A$ cents**
Final ordinary dividend for the year ended 30 June 2025 – paid in September 2025	60
Interim ordinary dividend for the year ended 30 June 2026 – paid in March 2026	62
Total – declared and paid during the year	122
Declared since the end of the financial year:	
Final ordinary dividend for the year ended 30 June 2026 – to be paid in September 2026	46

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 FY26 Sustainability Report on our website **fortescue.com**. There have been no significant known breaches of the Group's licence conditions or any environmental regulations to which it is subject.

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 FY26 Sustainability Report: Climate Statements on pages 69 to 102 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 2026 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.

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.

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DIRECTORS' REPORT

At 30 June 2026

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 257 and forms part of this report.

Future developments

The Operating and Financial Review section set out on pages 22 to 50 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 2026

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Rounding of amounts

The Company is of a kind referred to in ASIC Corporations Instrument 2026/183, 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

Class Action Proceedings

On 6 July 2026, Fortescue was served with a representative proceeding (class action) filed in the Federal Court of Australia containing allegations relating to workplace matters including sexual harassment and sex discrimination. The proceedings are at an early stage and the amount of damages sought is unspecified.

Yindjibarndi Native Title Claim Proceedings

On 1 July 2026, the Federal Court made final orders in the legal proceedings which required Fortescue to pay A$150,353,909 in compensation to Yindjibarndi Ngurra Aboriginal Corporation (YNAC) by 14 July 2026, comprising:

- Economic loss in the total sum of A$136,757;
- Cultural loss in the total sum of A$150 million; and
- Compound interest on the economic loss in the total sum of A$217,152.

Fortescue made payment of the total amount on 1 July 2026. On 30 July 2026, YNAC announced its intention to appeal the Federal Court's decision with lodgement to be made before the appeal deadline of 26 August 2026.

Dividend

On 20 August 2026, the Directors declared a final dividend of 46 Australian cents per ordinary share payable in September 2026.

This report has been made in accordance with a resolution of the Directors.



Dr Andrew Forrest AO
Executive Chairman
Dated in Perth this 20th day of August 2026.

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REMUNERATION REPORT

CONTENTS

1. Introduction and FY26 Key Management Personnel
2. Remuneration snapshot
3. Business performance
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5. Incentive plan operation
6. FY27 Remuneration framework
7. Executive contract terms
8. Non-Executive Director remuneration
9. Remuneration governance
10. Statutory disclosures



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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 2026 (FY26).

FY26 PERFORMANCE

FY26 was a year of strong operational and financial performance for Fortescue. Our people once again demonstrated the determination, resilience and ingenuity that have defined Fortescue since its founding.

Operational excellence remained the foundation of our success. We delivered record shipments of 201.3Mt and maintained our industry-leading Hematite C1 cost position at US$18.74/wmt while continuing to sustain strong safety results across all key measures. These outcomes enabled us to continue investing in Fortescue's future while maintaining returns to shareholders.

None of these achievements would be possible without our people. Their willingness to embrace new ideas, challenge convention and continually look for better ways of working remains one of Fortescue's greatest strengths. The Board was pleased to see an improvement in our employee engagement survey results following two years of below-target results. Our diverse workforce makes us a stronger business. During FY26 we continued to increase the proportion of female and Aboriginal and Torres Strait Islander employees in leadership roles while maintaining a low voluntary employee turnover of 7.2 per cent.

As a Board, we know that performance and culture go hand in hand. Every person who comes to work at Fortescue deserves to feel safe, respected and valued. Those standards are fundamental to who we are and maintaining them remains a priority for the Board.

KEY MANAGEMENT PERSONNEL CHANGES

In May 2026, it was announced that Elizabeth Gaines would resign as Executive Director with effect from 30 June 2026. Elizabeth had an extraordinary impact on Fortescue over more than thirteen years, serving in both executive and non-executive positions. I would like to personally thank Elizabeth for her support, contribution and significant achievements over this time. Fortescue also announced in May 2026, that Sigrid Kaag will be appointed as Non-Executive Director (subject to completion of regulatory procedures). Sigrid brings extensive experience in international affairs, trade and finance in addition to significant expertise with organisations focused on climate transition and investment.

FY26 REMUNERATION FRAMEWORK AND OUTCOMES

Fortescue's remuneration framework is designed to be competitive in attracting and retaining the best talent, while delivering outcomes valued by shareholders by setting challenging stretch targets and rewarding 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.

Fixed remuneration

Fortescue positions fixed remuneration for executives with reference to the median of ASX50 and ASX resources peer groups. On appointment to the role of Chief Executive Officer Growth and Energy on 1 July 2025, Agustin (Gus) Pichot's remuneration was set at A$2,080,000 to align with Dino Otranto's remuneration, supported by market benchmarking. Apple Paget's remuneration was increased to A$1,054,708 effective 1 July 2025 to reflect her performance in role and position relative to market benchmarks. Further detail regarding fixed remuneration is outlined in section 4.

FY26 Executive and Senior Staff Incentive Plan (ESSIP) outcomes

The Board set stretch targets for the FY26 ESSIP to drive outperformance in business operations including safety, production, and financial performance, aimed at maximising shareholder value. The ESSIP

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scorecard is designed around our strategic Mission Pillars of Metals, Growth and Energy, and Decarbonisation, our Enablers, being Safety and People, and KPIs specific to individual Key Management Personnel (KMP) roles and responsibilities.

Overall, the FY26 ESSIP outcomes for the CEOs and other KMP were 87.3 per cent of target, reflecting strong performance across safety, production, cost and decarbonisation. Section 4 of the Report provides further detail regarding the targets and their achievement.

FY24 Long-Term Incentive Plan (LTIP) outcomes

Vesting of the FY24 LTIP is assessed over a three-year performance period from 1 July 2023 to 30 June 2026. The scorecard consisted of Return on Equity (ROE), relative Total Shareholder Return (rTSR), and Strategic Measures aligned with the Company's long-term objectives. Consistent with the design of the plan, the rTSR and ROE performance measures did not vest. The Strategic Measures component partially vested, reflecting delivery against a number of long-term objectives established at the commencement of the performance period that the Board considers fundamental to Fortescue's future growth and long-term shareholder value. The overall vesting outcome was 20.5 per cent.

FY27 REMUNERATION CHANGES

During FY26, the Board reviewed Fortescue's executive remuneration framework and approved a number of changes to apply from FY27 onwards. These changes are designed to strengthen the link between pay and performance, increase alignment with long-term shareholder outcomes, improve governance, and ensure the framework continues to support delivery of Fortescue's strategy. I appreciated the opportunity to discuss these changes with, and hear feedback from, a number of shareholders and proxy advisors during FY26.

The key changes are summarised below.

Strengthening pay-for-performance in the ESSIP by:

- removing individual KPIs from the ESSIP scorecard, previously weighted at 15 per cent
- introducing an individual performance modifier with an outcome range of 0 to 150 per cent of target, while maintaining cost neutrality relative to the current plan design when applied across the broader executive and senior leadership population through a guided performance distribution
- reducing the CEO ESSIP target opportunity from 112.5 per cent to 100 per cent of total fixed remuneration, with the maximum outcome after application of the individual modifier capped at 150 per cent
- delivering any uplift to the ESSIP resulting from an individual performance modifier above 100 per cent in equity and subject to a mandatory 12-month deferral, further aligning executive reward outcomes with the shareholder experience.

Increasing alignment with long-term shareholder outcomes by:

- extending the LTIP performance period from three years to four years
- increasing the LTIP opportunity from 150 per cent to 200 per cent of total fixed remuneration for the CEOs and from 100 per cent to 130 per cent for the CFO
- managing the change in plan length through two reduced grants with separate three-year and four-year performance periods to preserve vesting continuity as the framework moves to a four-year cycle, with good-leaver eligibility subject to participants having served at least two-thirds and three-quarters of the respective performance periods before any pro-rata entitlement may be retained
- introducing dividend-equivalent payments on LTIP rights that vest
- recalibrating the rTSR vesting schedule so that threshold vesting commences at median performance, with full vesting continuing to require significant outperformance at the 90th percentile.

Enhancing governance, transparency and ownership by:

- moving the timing of ESSIP share rights grants from the start of the performance period to the end of the performance period, so shareholders are asked to approve grants after performance has been assessed
- increasing minimum shareholding requirements from 200 per cent to 300 per cent of total fixed remuneration for the CEOs and from 100 per cent to 150 per cent for other KMP
- removing the Non-Executive Director Travel Allowance with effect from 1 July 2026.

As part of the review, the Board also considered fixed remuneration outcomes for the executive KMP. No increase to fixed remuneration is planned for Dino Otranto or Gus Pichot in FY27. Apple Paget's remuneration will increase following a market review to ensure it remains competitive with market peers.

Further information about these changes and how they support delivery of Fortescue's strategy is set out in section 6.

On behalf of the Directors, I would like to thank our people for their hard work and commitment throughout FY26. Their contribution continues to position Fortescue strongly for the future.

I invite you to read the Report and trust you will find that it outlines the links between our strategy, culture, performance and remuneration outcomes.

We value your continued support of Fortescue and look forward to welcoming you to our 2026 AGM and hearing your feedback.

Yours sincerely,



Penny Bingham-Hall

People, Remuneration and Nomination Committee Chair

1. INTRODUCTION AND FY26 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.

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 FY26 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
Yasmin Broughton	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	Full year
Noel Quinn	Non-Executive Director	Full year
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 and Operations	Full year
Gus Pichot	Chief Executive Officer Growth and Energy	Full year
Apple Paget	Group Chief Financial Officer	Full year

Elizabeth Gaines resigned from her position of Executive Director with effect from 30 June 2026.
In May 2026, it was announced that Sigrid Kaag will be appointed as Non-Executive Director effective on completion of regulatory procedures.
There have been no other changes to KMP after the reporting date.

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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



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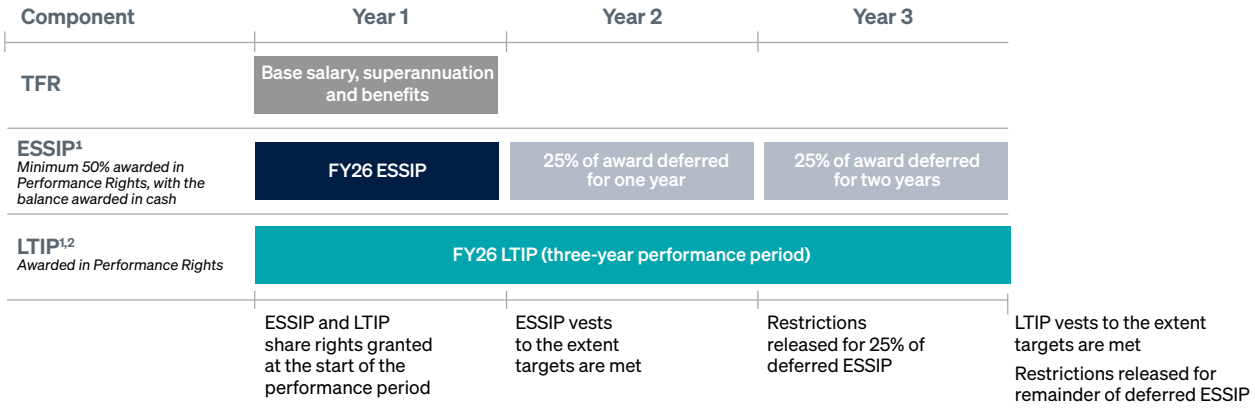
FY26 REMUNERATION FRAMEWORK

Our remuneration framework is designed to support our 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. Executives are able to elect up to 100% of the award in share rights. 50% of the award is subject to a two-year deferral, with restrictions released for 25% on the first anniversary of the vesting date and restrictions on 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 the share price over the three-year period, supporting alignment with shareholder returns. A Maximum Value Limit caps the value of the vested LTIP award at 150 per cent of its value at grant.
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.	**Performance measure breakdown** **Mission pillars (70%)** – Metals and Operations, Growth and Energy, and Decarbonisation **Enablers (15%)** – Safety, engagement and diversity **Individual KPIs (15%)**	**Performance measure breakdown** **Relative Total Shareholder Return (70%)** **Key strategic measures (30%)**
MINIMUM SHAREHOLDING REQUIREMENT: **CEO: 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.



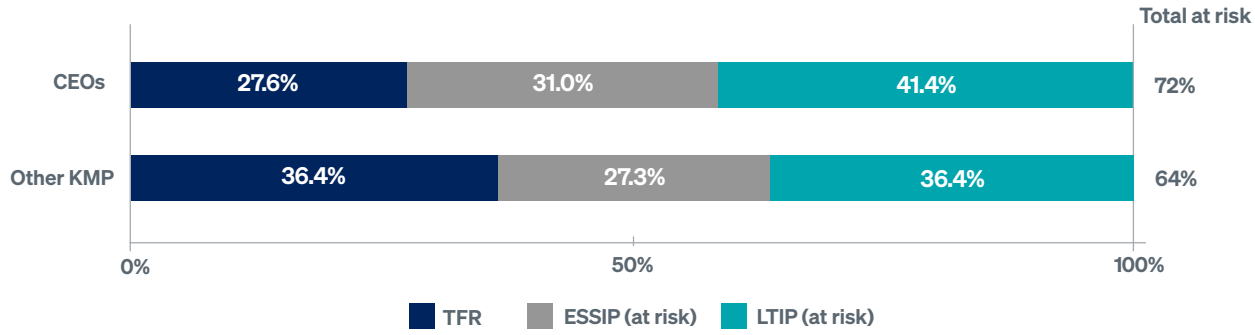
[1] All awards under the ESSIP and LTIP, both vested and unvested, are subject to malus/clawback (as relevant), Board discretion, and the Director and Executive Shareholding Policy, which includes the Minimum Shareholding Requirement.

[2] All awards under the LTIP are subject to the Maximum Value Limit.

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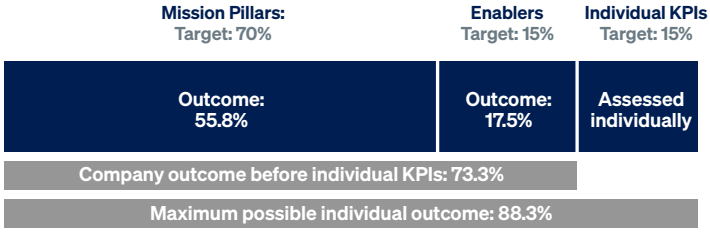
Remuneration mix

The chart below shows the remuneration mix for the CEOs and CFO (other KMP) where maximum incentive outcomes are achieved.



FY26 Remuneration Outcomes

FY26 ESSIP vesting outcomes



Awards reflect achievement of:

- Strong production results and financial discipline
- Consistent, market-leading safety performance
- Strong progress against decarbonisation objectives
- Partial achievement of Growth and Energy KPIs
- Diversity and engagement objectives achieved

FY24 LTIP vesting outcomes

Measure	Weighting %	Result	Outcome %
rTSR	33	33rd percentile	0.0
ROE	33	21.2%	0.0
Strategic measures	34	7.4 out of 10	20.5
Total			**20.5**

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 FY24 LTIP as the value at vesting does not exceed 150 per cent of the value at grant.

3. BUSINESS PERFORMANCE

Guided by our Values and a continued focus on operational excellence, productivity and disciplined growth, we delivered another year of outstanding performance in FY26.

Safety underpins everything we do. We recorded a Total Recordable Injury Frequency Rate (TRIFR) of 1.3, a Leading Safety Index (LSI) of 172 and a Critical Incident Frequency Rate (CIFR) of 0.04. While these results reflect another year of excellent safety performance, we know safety is about more than preventing physical harm. Every person who comes to work at Fortescue deserves to feel safe, respected and valued. That expectation is non-negotiable. Upholding the culture and Values that define Fortescue remains a priority for the Board.

Our iron ore business again delivered exceptional results. We achieved record shipments of 201.3Mt, despite ongoing market volatility, while maintaining our industry-leading cost position with a Hematite C1 cost of US$18.74/wmt. Iron Bridge delivered 9.0Mt of magnetite shipments for the year, achieving its revised FY26 guidance as the operation continued its planned ramp-up. During the year, we also celebrated shipping our 2.5 billionth tonne of iron ore since our first shipment in 2008 – an extraordinary milestone that reflects the determination and hard work of the thousands of people who have helped build Fortescue over the past two decades.

This operational performance translated into another year of solid financial results. We generated healthy cash flows, maintained a robust balance sheet and ended the year with cash on hand of US$5.1 billion. Consistent with our dividend policy, the Board declared total dividends of A$1.08 per share, while continuing to invest in the projects and technologies that will underpin Fortescue's long-term success.

We updated our Life of Mine plan, incorporating the Blacksmith project, which extends our long-term production profile, supports our industry-leading cost position and provides greater flexibility over future capital investment. The acquisition of Alta Copper brought the Cañariaco project in Peru into the Fortescue portfolio, expanding our exposure to copper - a commodity expected to play an increasingly important role in the global energy transition. Exploration and project development continued at Belinga in Gabon, one of the world's largest undeveloped high-grade hematite deposits.

FY26 also marked important progress towards our Real Zero Target. We continued building the world's largest independent Green Grid, with our 100MW North Star Junction solar farm and 370MWh of battery energy storage now operating across the Pilbara. By the end of the calendar year, our 190MW Cloudbreak solar farm will be commissioned, while a further 1.1GW of solar generation, 650MWh of battery storage and 133MW of wind generation are under construction.

At the same time, many of the technologies we have been developing over the past few years moved from concept into our operations. Two battery-electric locomotives entered service on our rail network, 11 battery-electric excavators were commissioned in FY26 with 18 now operational across our Pilbara sites, and our first operational battery-electric Liebherr T 264 haul truck was preparing to enter service. We also completed testing in China of a suite of XCMG battery-electric mining equipment prototypes, including an electric wheel loader, wheel dozer and water cart, ahead of their deployment to the Pilbara for site-based testing.

Beyond our operations, we continued deploying new technologies to accelerate the build-out of our green grid. This includes Nabrawind's self-erecting wind turbine technology, which enables taller turbines to be installed more quickly than conventional methods, and robotic solar installation technology designed to significantly increase the speed of solar farm construction.

Technology is changing the way we operate. Artificial intelligence is now helping our teams make faster and better decisions. From forecasting renewable energy generation to optimising battery storage, fleet movements and charging strategies, AI is improving productivity and helping us get more from every part of our business. During the year, we expanded our battery intelligence capability through the acquisition of Zitara, complementing our Elysia platform as we continue to electrify our operations.

Overall employee engagement improved across the business, with the overall engagement index increasing by five percentage points compared with 2025. Improvements were seen across all four action plan focus areas. Sustaining this progress remains a key priority for Fortescue.

Together, these achievements reflect the commitment of our people, the strength of our business and our focus on creating value for shareholders. They also provide the foundation for the remuneration outcomes outlined in this Report.

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SAFETY

1.3

TOTAL RECORDABLE INJURY FREQUENCY RATE

SHIPMENTS

201.3Mt

METALS TOTAL INCLUDING MAGNETITE

C1 COST

US$18.74/wmt

HEMATITE

CASH ON HAND

US$5.1bn

REVENUE

US$17.0bn

ENGAGEMENT

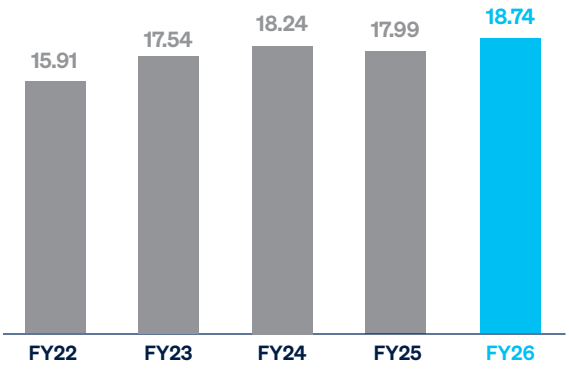
+5.0

IMPROVEMENT ON FY25

The following graphs show our Group performance against key financial measures in FY26:

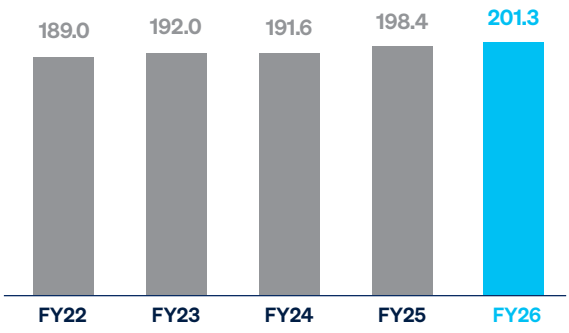
C1 Cost

US$/wmt



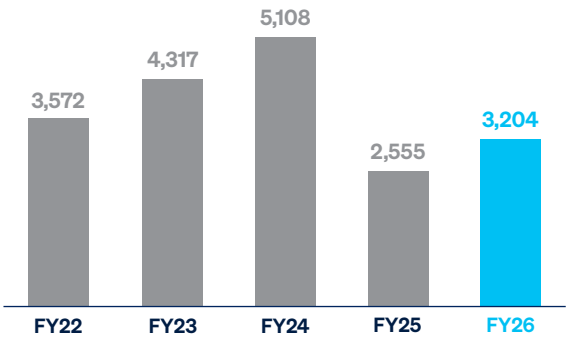
Shipments

Mt



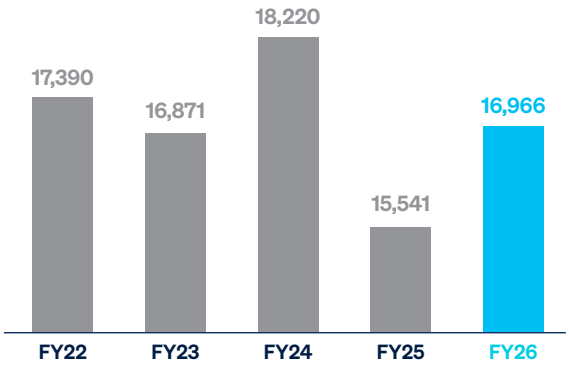
Free cash flow

US$m



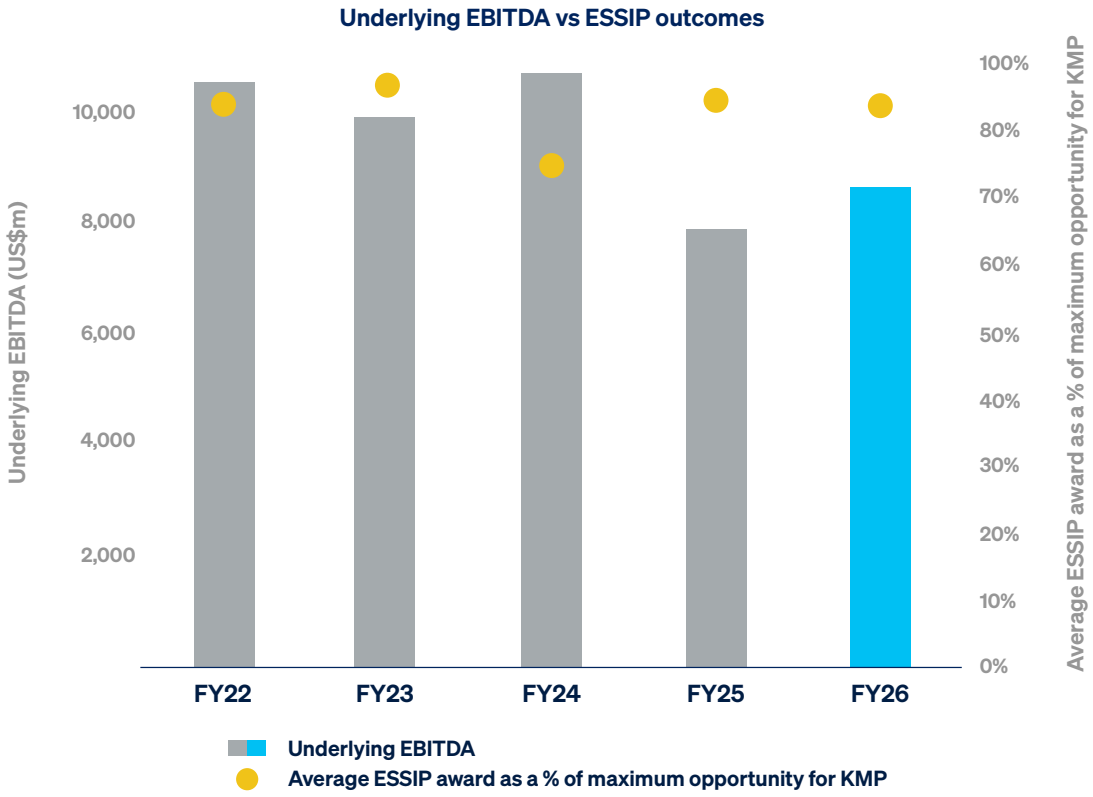
Revenue

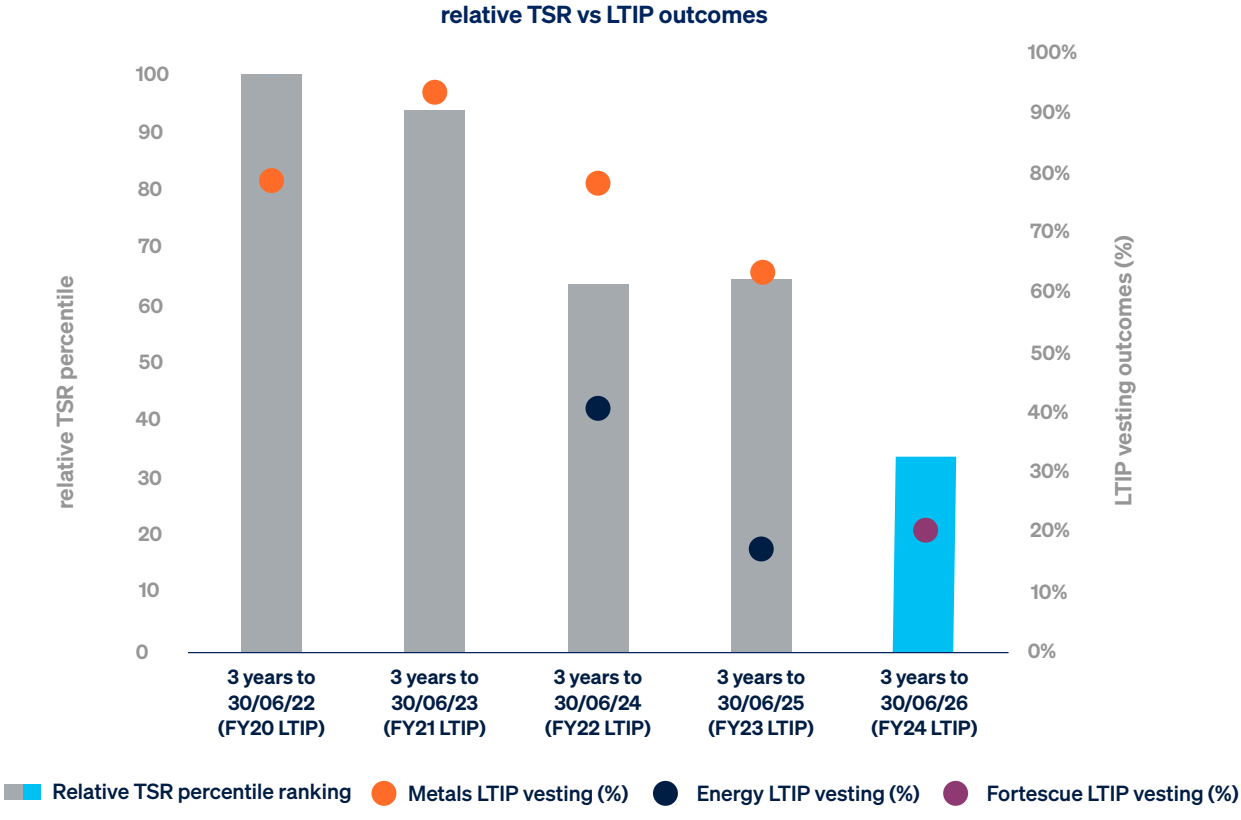
US$m



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The graphs below show Fortescue's EBITDA vs ESSIP outcomes and relative TSR vs LTIP outcomes over the last five years.





The values for 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 FY20 and FY21 LTIP was 100%.

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FIVE-YEAR GROUP PERFORMANCE

Our performance across key financial measures for FY26 and the preceding four years is set out below.

UNDERLYING EBITDA
US$8.6bn

UNDERLYING NET PROFIT AFTER TAX[1]
US$3.5bn

UNDERLYING RETURN ON EQUITY[2]
17%

FY26 DIVIDENDS
A$1.08 PER SHARE

	2026	2025	2024	2023	2022
Total tonnes shipped (wmt)	201.3	198.4	191.6	192.0	189.0
Revenue (US$m)	16,966	15,541	18,220	16,871	17,390
Underlying EBITDA (US$m)	8,635	7,941	10,708	9,963	10,561
Net profit after tax (US$m)	2,860	3,366	5,664	4,796	6,197
Underlying net profit after tax (US$m)[1]	3,458	3,366	5,664	5,522	6,197
Underlying return on equity (%)[2]	17	17	30	31	35
Gearing % (book value of debt/debt + equity)	23	21	22	23	26
Dividends declared (A$ per share)	1.08	1.10	1.97	1.75	2.07
Share price at 30 June (A$)	19.15	15.28	21.41	22.18	17.53
Change in share price (A$) (year-on-year)	3.87	(6.13)	(0.77)	4.65	(5.81)
Change in share price (%) (year-on-year)	25.3	(28.6)	(3.5)	26.5	(24.9)

[1] Underlying net profit after tax refers to results adjusted for the removal of certain significant and non-routine items. Details of these adjustments are outlined in the Operating and financial review.
[2] Underlying return on equity is calculated on underlying earnings.

4. REMUNERATION OUTCOMES

As reported in Section 3, Fortescue has again delivered strong, consistent results against the majority of our key targets for FY26, underpinned by our Values-based culture and the commitment of the entire Fortescue team.

FY26 FIXED REMUNERATION CHANGES

A market review of fixed remuneration was undertaken for KMP roles. Following that review, the Board approved an adjustment to the Group Chief Financial Officer's fixed remuneration to reflect performance and maintain competitiveness against peers. Remuneration at 30 June 2026 for all KMP, including any changes during the year, is summarised below.

Executive	% increase	TFR (A$)
Dino Otranto	-	2,080,000
Gus Pichot	-	2,080,000
Apple Paget	11	1,054,708
Elizabeth Gaines	-	500,000

FY26 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.

ESSIP outcomes are assessed using 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. While each individual KPI has the opportunity to achieve stretch levels of performance, the overall outcome is capped at 100 per cent.

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.		

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FY26 SCORECARD

The ESSIP performance objectives and outcomes in FY26 are shown in the tables below.

Company-wide measures

The table below summarises the measures that applied to the KMP and other executives in FY26. The outcome was 73.3 per cent out of a maximum of 85 per cent with a maximum of 15 per cent allocated to individual KPIs.

Measure	Detail	Stretch target	Weight %	Commentary	Weighted outcome %
Mission Pillars - 70%					
Metals and Operations	Total hematite iron ore shipped	189.0Mt	15	Hematite shipments of 192.3Mt exceeded target	15.7 Exceeded
	Total magnetite iron ore shipped	11.0Mt	5	Magnetite shipments of 9.0Mt were below target	0 Not achieved
	Hematite C1 cost	A$28.11/wmt	10	Hematite C1 cost was A$27.94/wmt, exceeding the target	10.1 Exceeded
	Iron Bridge operating cost	A$1,697m	2.5	While Iron Bridge operating cost of A$1,694m was in line with the target, the Board exercised discretion and made a downward adjustment to 0 for this KPI based on the impairment that was recognised this financial year	0 Not achieved
	Iron Bridge Q4 C1 cost run rate	A$115.27/ wmt	2.5	Iron Bridge Q4 C1 cost run rate was A$155.12/wmt, below the target set	0 Not achieved
	Sustaining CAPEX	A$3,000m	5	A$2,995m sustaining capital expenditure for the full year was lower than the stretch target	5 Achieved
					30.8 out of 40 (Partially achieved)
Growth and Energy	Material advancement in metals diversification, technology, Fortescue Zero, and Fortescue Capital	Board assessment	15	Some advancement in metals diversification through copper acquisitions, strategic partnership agreement with XCMG delivered. However limited development of new revenue streams and challenges encountered with Green Iron and R&D initiatives.	7.5 Partially achieved
					7.5 out of 15 (Partially achieved)
Decarbonisation	Integrated decarbonisation schedule	Delivery of schedule and budget	10	A number of key decarbonisation milestones were achieved in FY26, including operationalisation of 11 excavators and 10 diggers, two battery-electric storage systems delivered and two battery-electric locomotives entered service	10 Achieved
	Advance pathways to profitably decarbonise remaining hard to abate emissions	1% of remaining 15%	2.5	Technology and partnership pathways progressed to profitably decarbonise 1.9% of remaining hard to abate emissions	3.75 Exceeded
	Renewable power and mobile equipment capital reduction	US$350m	2.5	US$491m in capital reduction achieved, exceeding the target set	3.75 Exceeded
					17.5 out of 15 (Exceeded)
Mission Pillars Total					**55.8 out of 70**
Enablers - 15%					
Safety[1]	Critical Incident Frequency Rate (CIFR)	≤0.08	3.75	CIFR of 0.04 achieved	3.75 Achieved
	Leading Safety Indicator (LSI)	≥127	3.75	LSI of 172 achieved	3.75 Achieved
					7.5 out of 7.5 (Achieved)
People	Survey participation rate	≥90%	1.88	93% of participants responded to the survey	2.2 Exceeded
	Employee engagement index improvement	>2 percentage points	1.88	Employee engagement index improved by 5 percentage points	2.8 Exceeded
	General Manager and above female employment rate	≥40%	1.25	General Manager and above female employment rate of 40% achieved	1.25 Achieved
	Reduce female and Aboriginal and Torres Strait Islander voluntary turnover	≥1%	2.5	Aboriginal and Torres Strait Islander voluntary turnover rate reduced by 1.8% and female voluntary turnover reduced by 1.2%	3.75 Exceeded
					10 out of 7.5 (Exceeded)
Enablers Total					**17.5 out of 15**
Total Company scorecard outcome					**73.3 out of 85**

Actual outcomes are calculated using unrounded values, values shown above have been rounded to one decimal place for presentation.
[1] In the event of a fatality, no award is made for the safety KPI.
The non-IFRS financial information included in the table above has not been subject to audit.

Individual KPIs

The tables below illustrate the individual KPIs for KMP. Outcomes are scored out of a maximum of 15 per cent.

SHARED KPIs:

The following KPIs are common across all KMP.

Stretch target	Commentary
Cost: Deliver US$80m in corporate and functional cost savings through business improvement, operating efficiencies, and eliminating waste, in addition to the savings identified for the Fortescue Zero Strategic Transformation.	Exceeded the US$80m target through disciplined cost management, improved corporate and functional efficiency, and targeted business improvement initiatives across the Group. Savings were delivered through a combination of operating efficiencies, reduced discretionary spend, process improvements and elimination of waste, and were incremental to the Fortescue Zero Strategic Transformation.
Leadership: Year-on-year improvement in employee engagement across the four One Fortescue Action Plan focus areas: Leading Change, Leading Strategy, Inclusion and Survey Follow-up.	Statistically significant improvement in employee engagement across Fortescue. Year-on-year improvements were achieved across all four One Fortescue Action Plan focus areas: Leading Change (+7), Leading Strategy (+8), Inclusion (+3), and Survey Follow-up (+7).

CHIEF EXECUTIVE OFFICER METALS AND OPERATIONS:

Stretch target	Commentary
Green Iron: Christmas Creek Green Iron Plant commissioned with first Green Metal produced for customers, and a commercial pathway for Green Iron identified.	Christmas Creek Green Iron Plant fully constructed with commissioning in final stages. Significant technical challenges overcome against an accelerated timeline; delivered with a TRIFR of zero. Two potential commercial pathways identified subject to ongoing government-level engagement.
Strategic Partnerships: Secure strategic partnership agreements with technology providers to secure supply of capital equipment for decarbonisation and energy projects at market-leading pricing.	Strategic partnership agreements with technology providers and equipment suppliers were secured, improving access to lower-cost capital equipment while delivering measurable cost savings, strengthening supply certainty and supporting Fortescue's decarbonisation, energy growth and future opportunities in renewable energy and low-emissions technologies.
Individual KPI outcome (out of 15%):	**14.0%**
Total ESSIP outcome:	**87.3%**

CHIEF EXECUTIVE OFFICER GROWTH AND ENERGY:

Stretch target	Commentary
Fortescue Zero: Develop and deliver a clear growth strategy for Fortescue Zero, endorsed by the Board, with identified pathways for revenue generation and scale.	Fortescue Zero reset its portfolio and growth strategy, aligning growth assumptions with core business capability and improving EBITDA and capital expenditure outcomes. Revenue growth pathways were identified across Motorsport, Advanced Engineering and Elysia, with Gen 1 and Gen X progressing against revised delivery schedules.
Strategic Partnerships: Secure strategic partnership agreements with technology providers to secure supply of capital equipment for decarbonisation and energy projects at market-leading pricing.	Strategic partnership framework agreements were established with leading technology providers, including BYD and Longi, securing innovative commercial arrangements to support large-scale integrated power system projects at competitive pricing. Gen X remained on track, supported by key enabling contracts and aftermarket service arrangements.
Individual KPI outcome (out of 15%):	**14.0%**
Total ESSIP outcome:	**87.3%**

GROUP CHIEF FINANCIAL OFFICER:

Stretch target	Commentary
Funding: Execute a strategic partnership with at least one large financial institution which includes the intention for financing of Fortescue transactions and projects on best rates and preferential terms.	Executed Fortescue's first Strategic Cooperation Agreement with a Chinese policy bank, establishing a framework to support access to competitive financing for future transactions and projects.
Climate: Drive enterprise readiness for the introduction of the Australian Accounting Standards Board (AASB) S2 climate-related financial disclosures, establishing a robust and assurance-ready framework with clear governance and accountability across the organisation.	Led and oversaw Fortescue's preparedness for the introduction of AASB S2, including integration of climate-related risks and opportunities into the Group's financial reporting, governance and assurance processes. Supported delivery of Fortescue's first AASB S2 climate-related financial disclosures in the FY26 Annual Report, including the establishment of appropriate controls, verification and external assurance processes.
Individual KPI outcome (out of 15%):	**14.0%**
Total ESSIP outcome:	**87.3%**

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FY26 ESSIP cash and shares outcomes

The table below details the maximum ESSIP cash and share awards against the actual outcomes for FY26.

US$	TFR	Maximum ESSIP opportunity (% TFR)	Weighting in shares (%)[1]	Maximum ESSIP cash opportunity	Maximum ESSIP shares opportunity	ESSIP outcome %	Total ESSIP cash awarded	Nominal value of ESSIP vested rights[2]		Nominal total ESSIP value[2]	
								Share price at grant A$15.953	Share price at vesting A$18.7382	Share price at grant A$15.953	Share price at vesting A$18.7382
D Otranto	1,411,259	112.5	100	-	146,680	87.3	-	1,386,018	1,627,999	1,386,018	1,627,999
G Pichot	1,411,259	112.5	100	-	146,680	87.3	-	1,386,018	1,627,999	1,386,018	1,627,999
A Paget	715,609	75.0	50	268,354	24,792	87.3	234,272	234,263	275,162	468,535	509,434

Remuneration values have been translated from Australian dollars to US dollars using an average exchange rate of 0.67849.

A$	TFR	Maximum ESSIP opportunity (% TFR)	Weighting in shares (%)[1]	Maximum ESSIP cash opportunity	Maximum ESSIP shares opportunity	ESSIP outcome %	Total ESSIP cash awarded	Nominal value of ESSIP vested rights[2]		Nominal total ESSIP value[2]	
								Share price at grant A$15.953	Share price at vesting A$18.7382	Share price at grant A$15.953	Share price at vesting A$18.7382
D Otranto	2,080,000	112.5	100	-	146,680	87.3	-	2,042,798	2,399,445	2,042,798	2,399,445
G Pichot	2,080,000	112.5	100	-	146,680	87.3	-	2,042,798	2,399,445	2,042,798	2,399,445
A Paget	1,054,708	75.0	50	395,516	24,792	87.3	345,285	345,271	405,551	690,556	750,836

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] Each participant's elected weighting in shares (minimum 50 per cent of the total award) divided by the VWAP of Fortescue shares traded over the first five days of the plan year (A$15.953) used to determine the number of share rights granted.

[2] Nominal value of ESSIP vested rights is non-IFRS financial information and has not been subject to audit.

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FY24 LTIP PERFORMANCE OUTCOMES

The FY24 LTIP was tested over the period from 1 July 2023 to 30 June 2026. LTIP outcomes are assessed using a sliding scale for each performance measure with vesting available for threshold, target and stretch levels of performance. 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.

Performance against the measures outlined below, resulted in 20.5 per cent of share rights vesting.

Measure	Weighting	Threshold (25% vesting)	Target (100% vesting)	Stretch (150% vesting)	Vesting outcome %	Weighted outcome %
rTSR	33%	P33	P60	P80 / P100	0.0	0.0
ROE	33%	21.2%	25%	30% / 35%	0.0	0.0
Strategic Measures	34%	Below threshold (0% vesting)	5	10 / 15 (7.4)	60.4	20.5
Total Outcome						**20.5**

● Result

The terms of the FY24 LTIP include a Maximum Value Limit (which caps the value of the vested LTIP award at 150 per cent of its value at grant) 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.

FY24 SCORECARD

Performance measure and objective	Result	Vesting outcome %	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.	33rd percentile	0.0	Fortescue achieved an rTSR of 15.6% and ranked at the 33rd percentile which was below threshold.
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%.	21.2%	0.0	Fortescue's ROE averaged 21.2% over the three-year period, achieving a result below threshold.
Strategic measures (34%)			
Strategic measures	7.4 out of 10	60.4	Achieved a score of 7.4, between the threshold of 5 (25%) and target of 10 (100%) which equalled 60.4% vesting for this measure.

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.	Exceeded	314Mt of heritage-constrained inventory was progressed through improved understanding of heritage constraints, improved data maturity, expanded survey coverage, and refined approvals assumptions.
Metals Growth - Belinga Iron Ore Project, Gabon Complete scoping study and progress pre-feasibility in line with Board-approved parameters.	Partially achieved	Initial shipment of 11,000t made in December 2023. Studies continue to advance and plans are progressing for an integrated mine, rail and port development.
Metals Growth - Critical Minerals Critical minerals activities progressed with a pipeline of exploration and advanced development projects in Copper, Lithium and/or Rare Earth Elements (REEs).	Partially achieved	Significant copper portfolio progress through the acquisition of Alta Copper. No acquisitions were pursued in lithium or rare earth elements following a deliberate strategic decision to shift away from these commodities. Exploration activities continued to advance across the portfolio.
Energy Achieved three value-accretive green energy projects with construction complete and commissioning commenced in line with Board-approved scope, budget and timeframe.	Not achieved	Projects were not progressed as they did not achieve the required return thresholds. Given the evolving market conditions, the decision not to proceed prioritised shareholder value where the economics no longer supported investment.
Technology Fortescue WAE (now Fortescue Zero) and 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.	Partially achieved	Financial performance for Fortescue Zero remained below target. Fortescue Hydrogen Systems was discontinued following a strategic review. Investment has been redirected to hydrogen technologies more closely aligned with Fortescue's strategic priorities and long-term value creation. More than 32 AI solutions, with 15 projects formally evaluated as generating a combined portfolio ROI of 15x and a further 17 still being assessed were delivered. AI capability development also significantly exceeded target, with more than 3,000 employees trained in AI-related programs.
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.	Partially achieved	Progress was made in establishing Fortescue Capital, including strategic investor engagement, development of the governance and operating framework required to manage third-party capital, and Board approval to establish a US$150m renewable infrastructure fund with Catalyst Investment Management.

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ACTUAL REMUNERATION PAID (NON-IFRS)

The following tables show the nominal remuneration value realised by each individual, including 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]	FY26 ESSIP cash paid	Nominal value of FY26 ESSIP vested rights[2,3]	Nominal value of FY24 LTIP vested rights[4,5]	Nominal total remuneration earned in FY26
D Otranto	1,411,259	-	1,627,999	293,048	3,332,306
G Pichot[6,7]	1,467,308	-	1,627,999	52,001	3,147,308
A Paget	715,609	234,272	275,162	74,732	1,299,775
E Gaines[8]	339,245	-	-	-	339,245

Remuneration values have been translated from Australian dollars to US dollars using an average exchange rate of 0.67849, except for the FY24 LTIP which has been translated at 0.66074, which is the three-year average exchange rate to reflect the LTIP performance period.

A$	Fixed Remuneration[1]	FY26 ESSIP cash paid	Nominal value of FY26 ESSIP vested rights[2,3]	Nominal value of FY24 LTIP vested rights[4,5]	Nominal total remuneration earned in FY26
D Otranto	2,080,000	-	2,399,445	443,514	4,922,959
G Pichot[6,7]	2,162,609	-	2,399,445	78,700	4,640,754
A Paget	1,054,708	345,285	405,551	113,104	1,918,648
E Gaines[8]	500,000	-	-	-	500,000

[1] Fixed remuneration includes cash salary, paid leave and superannuation.
[2] FY26 ESSIP share rights granted at the beginning of the performance period at a VWAP of A$15.953.
[3] FY26 ESSIP vested rights awarded have a nominal value based on A$18.738 being the five-day VWAP at the beginning of FY27. The increase in share price over the respective performance period has resulted in an unrealised increase in equity value to KMP in respect to this plan.
[4] FY24 LTIP share rights granted at the beginning of the performance period at a VWAP of A$21.9714.
[5] FY24 LTIP vested rights awarded have a nominal value based on A$18.738 being the five-day VWAP at the beginning of FY27. 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.
[6] Gus Pichot's fixed remuneration also reflects superannuation payments of A$30,000 in Australia and payments made pursuant to his tax equalisation agreement of A$46,658.
[7] Gus Pichot's LTIP value has been pro-rated to reflect the period served as KMP from 1 July 2025.
[8] Elizabeth Gaines is not eligible to participate in the ESSIP or LTIP in her role as Executive Director and Global Ambassador.

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CLIMATE-RELATED DISCLOSURES

The following information is provided in accordance with requirements under Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures and the climate statement requirements of the Corporations Act 2001. Measures linked to emissions reduction and Fortescue's broader energy transition strategy have been included in Fortescue's long-term incentive plans since FY21 and in its short-term incentive plans since FY24. These measures support the link between variable remuneration and Fortescue's climate-related actions across the business.

The People, Remuneration and Nomination Committee reviews the use, weighting and design of measures and targets within both short-term and long-term incentives annually, taking into account business goals, shareholder feedback and current market practice.

Executive KMP and other senior leaders

As outlined above, eligible executive KMP and other senior leaders participate in the ESSIP and LTIP. For FY26, the following climate-related measures were in place to support the delivery of Fortescue's energy strategy and emissions reduction programs:

- Climate-related measures accounted for 32.5 per cent of the total ESSIP scorecard for our CEOs and 28.8 per cent for other KMP, through objectives linked to key decarbonisation milestones, research and development initiatives supporting Green Iron and energy projects, and Fortescue Capital.
- Climate-related measures accounted for 20.8 per cent of the total FY24 LTIP scorecard for our CEOs and other KMP, through objectives relating to energy projects, technology development and Fortescue Capital.

The outcomes against these measures are set out in the FY26 ESSIP performance outcomes and FY24 LTIP performance outcomes sections above.

Other employees

All other eligible employees participate in the short-term Staff Incentive Plan (SIP). For FY26, the following climate-related measures were in place to support the delivery of Fortescue's energy strategy and emissions reduction programs:

- Climate-related measures accounted for 33.3 per cent of the total SIP scorecard, through decarbonisation milestones, advanced technology and metals diversification.

5. INCENTIVE PLAN OPERATION

The purpose of the ESSIP and LTIP is to incentivise and reward key Fortescue Executives (including KMP) for achieving stretch Company and individual performance objectives that drive shareholder value over the performance period.

ESSIP

Below we have set out the key terms of the ESSIP for FY26.

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 is 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, Executives will receive a lower value per share right. 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. Enablers including safety, engagement and diversity are also key drivers of success. In FY26, 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 FY26 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 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. While each individual KPI has the opportunity to achieve stretch levels of performance, the overall outcome is capped at 100 per cent.

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.		

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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 underperformance, overperformance or 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.

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 FY26 LTIP are set out in the table below.

The strategic measures and outcomes for the FY24 grant are outlined in section 4, and the strategic measures for the FY25 and FY26 grants are provided immediately below the FY26 LTIP key terms table.

Key Terms of the FY26 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%) 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.

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<table>
<tr><th>Element</th><th>Description</th></tr>
<tr><td>Performance and vesting conditions</td><td>
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 vesting depends on performance relative to the comparator group. The Company needs to outperform the comparator group to receive any reward and therefore aligns executive reward with relative market performance.
The comparator group for the FY26 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 TSR 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 TSR vesting schedule is as follows:
LTIP TSR target and vesting schedule
<table>
<tr><th>Performance</th><th>Average 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 acknowledges that a relative TSR hurdle 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 relative TSR hurdle is achieved, the outcome for the TSR performance measure will be capped at a maximum of 50 per cent.
Strategic Measures
Strategic measures are designed to focus performance on the Company's long-term strategic objectives rather than 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.
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, helping prevent 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>

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FY25 LTIP Strategic Measures

The table below summarises Strategic Measures for the FY25 LTIP.

Strategic Measures
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 demonstrable 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/Technology/Zero • Three value-accretive Energy projects on track to deliver an IRR that exceeds the cost of capital • 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

FY26 LTIP Strategic Measures

The table below summarises Strategic Measures for the FY26 LTIP.

Strategic Measures
Green Metal • Demonstrably and materially advance the development of a competitive, commercial-scale Green Metal project for Final Investment Decision
Iron Bridge • Ramp-up to nameplate capacity within Board-approved capex and opex parameters
Metals Growth • Demonstrably and materially advance the Belinga Iron Ore project and non-iron ore projects to achieve economic and competitive metals portfolio diversification
Energy/Technology • Achieve a sustainable business model that delivers value-accretive products and returns

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 each year, after the 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 if, in the Board's opinion: • 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 Board will determine whether, and to what extent, awards will vest having regard to the proportion of the performance period that has elapsed, performance to date and any other factors deemed to be appropriate.	



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6. FY27 REMUNERATION FRAMEWORK

Following a comprehensive review and engagement with shareholders and proxy advisors throughout FY26, the Board has approved a number of changes to the executive remuneration framework effective from FY27.

These changes are designed to strengthen the link between performance and reward, reinforce executive ownership and shareholder alignment, and ensure the framework remains competitive and continues to support delivery of Fortescue's strategy, including its Real Zero Target. The changes also respond to evolving governance expectations and direct feedback received from shareholders and proxy advisors.

These changes represent a further evolution of Fortescue's remuneration framework. In recent years, this has included moving to a single Company scorecard, introducing a mandatory two-year ESSIP deferral for KMP, and increasing the weighting of the relative Total Shareholder Return (rTSR) measure under the LTIP to 70 per cent. As a result, the framework has progressively increased the proportion of remuneration that is performance-based, delivered in equity and deferred over longer periods. The FY27 changes outlined in this section continue this trajectory.

While benchmarking confirmed that many key aspects of Fortescue's remuneration framework remain appropriately positioned, the Board determined that targeted refinements would enhance the emphasis on at-risk remuneration, equity ownership and shareholder outcomes. CEO fixed remuneration has remained unchanged since 2021, and no increase to CEO fixed remuneration is proposed as part of these changes. The increase in total opportunity and any subsequent outcomes will be performance-based and predominantly delivered in equity, further aligning executive outcomes with long-term value creation.

Full details of these changes are outlined below. In summary, the key changes are designed to:

- Strengthen the link between individual performance and reward through the introduction of an individual modifier for the ESSIP.
- Increase the proportion of remuneration that is performance-based and delivered in equity.
- Increase the market competitiveness of performance-based incentives.
- Strengthen alignment between executives and shareholders through increased shareholding requirements, longer-term incentive structures, and additional equity deferral.
- Enhance governance and transparency by aligning remuneration practices more closely with Australian shareholder and proxy advisor expectations.



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ESSIP CHANGES

A key driver of the review was strengthening the link between performance and reward. Company performance will remain the foundation of incentive outcomes, while providing greater scope to differentiate remuneration outcomes based on individual contribution, leadership, and delivery beyond plan or standard operational expectations. The changes outlined in the following table build on previous changes to the ESSIP, which introduced mandatory deferral in support of increasing executive exposure to longer-term shareholder outcomes.

To achieve this objective, the following changes to the ESSIP will be made:

Change	How the change supports delivery of Fortescue's strategy
• Removing the Individual KPIs from the ESSIP scorecard and replacing with an individual modifier.	• The current structure results in limited individual impact on overall outcomes (currently only 15% of the ESSIP scorecard). • Provides the opportunity to increase the weighting of financial measures in the scorecard.
• Introducing an individual performance modifier that will be applied to the scorecard outcome (the Company scorecard outcome is capped at 100% of target). • The modifier will range from 0% to 150% and will be based on a holistic assessment of performance, including: – demonstrable value creation beyond plan – outperformance in the core business – delivery of strategic or transformational initiatives – leadership behaviours • The Board will assess KMP individual performance holistically, having regard to Company performance, business unit performance and individual KPIs. The Board retains overarching discretion to ensure remuneration outcomes appropriately reflect overall performance and shareholder outcomes.	• Company performance will remain the core driver but will be complemented by meaningful individual performance impact. • The result will be stronger alignment between pay outcomes and company and individual performance in support of Fortescue's ambitious targets. • This provides a transparent framework for disclosure of the Board's rationale for performance and remuneration outcomes. • The Company scorecard is capped at 100 per cent of target before the individual modifier is applied, so the modifier cannot amplify an above-target Company scorecard result.
• Reducing the CEO ESSIP target from 112.5% to 100% of TFR. • Maximum ESSIP outcome will be 150% of target for all executives.	• This change increases the proportion of remuneration that is at-risk, introduces greater differentiation between target and exceptional performance outcomes, and provides stronger alignment with market practice. • Overall cost neutrality compared to the current design across the broader executive and senior leader population through a guided performance distribution.
• Any incremental value delivered through the individual modifier above the Company scorecard outcome will be delivered in equity, subject to a mandatory 12-month deferral (see example below).	• Increases the proportion of remuneration that is linked to longer-term outcomes, reinforcing the link between executive and shareholder interests.

ESSIP modifier example

The table below illustrates how the ESSIP modifier works in practice, using a $500,000 target opportunity, a Company scorecard outcome of 80 per cent of target and an individual performance modifier of 110 per cent as an example. The Company scorecard outcome is capped at 100 per cent. In the event that the actual Company scorecard outcome is above 100 per cent, the outcome would be capped at 100 per cent prior to the application of the individual modifier.

Element	Value
Target opportunity	$500,000
Maximum opportunity (target opportunity x 150%)	$750,000
Company scorecard result	80%
Outcome after application of Company scorecard ($500,000 × 80%)	$400,000
Individual modifier result	110%
Outcome	
Scorecard outcome	$400,000
Individual modifier outcome (delivered in deferred equity)	$40,000
Total outcome [1]	**$440,000**

[1] Represents 59% of maximum. Any amount over $400,000 will be delivered as deferred equity.

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LTIP CHANGES

A number of changes to Fortescue's LTIP will also be made with effect from FY27 to increase alignment between executive reward and long-term shareholder outcomes.

Change	How the change supports delivery of Fortescue's strategy
• Extending the LTIP performance period from three years to four years.	• This change continues the evolution towards a longer-term remuneration framework by measuring performance under the LTIP over a longer time horizon. A four-year performance period also aligns more closely with the practice amongst our peers.
• Introducing a Dividend Equivalent Payment, a cash payment to be made at the time of vesting, equivalent to the dividends that would have been paid during the performance period at face value. • The payment is calculated based on LTIP rights that vest. No payment is made in respect of LTIP rights that lapse.	• The dividend equivalent payment further assists in aligning the executive and shareholder experience. • This approach is also more closely aligned with Fortescue's Australian peers and enhances the market competitiveness of the LTIP.
• Increasing the LTIP opportunity for the CEOs, from 150 per cent of TFR to 200 per cent, and from 100 per cent to 130 per cent for the CFO.	• The increased LTIP opportunity should be viewed in the context of CEO TFR remaining unchanged since 2021 and aligns KMP incentive opportunity more closely with prevailing market practice (across Fortescue's peers, LTIP opportunity for CEOs ranges from 150% to 500% of TFR, with an average of 243%). • The change continues the evolution towards a longer-term remuneration framework, with a greater proportion of remuneration at risk, delivered in equity and dependent on long-term shareholder outcomes. • The increased opportunity also supports the higher minimum shareholding requirements for KMP (refer to the Governance Enhancements section below). • Fortescue's performance requirements remain more demanding than many market peers.
• In FY25, Fortescue adopted a rTSR vesting schedule that was more demanding than market practice, with threshold vesting commencing at the 60th percentile and full vesting requiring performance at the 90th percentile. • The rTSR vesting schedule will be updated (see below).	• The revised threshold better aligns the point at which vesting commences with prevailing Australian market practice. Importantly, the performance required for full vesting is unchanged at the 90th percentile, which remains significantly more demanding than market practice. • The LTIP Maximum Value Limit will continue to apply to prevent windfall gains to participants.

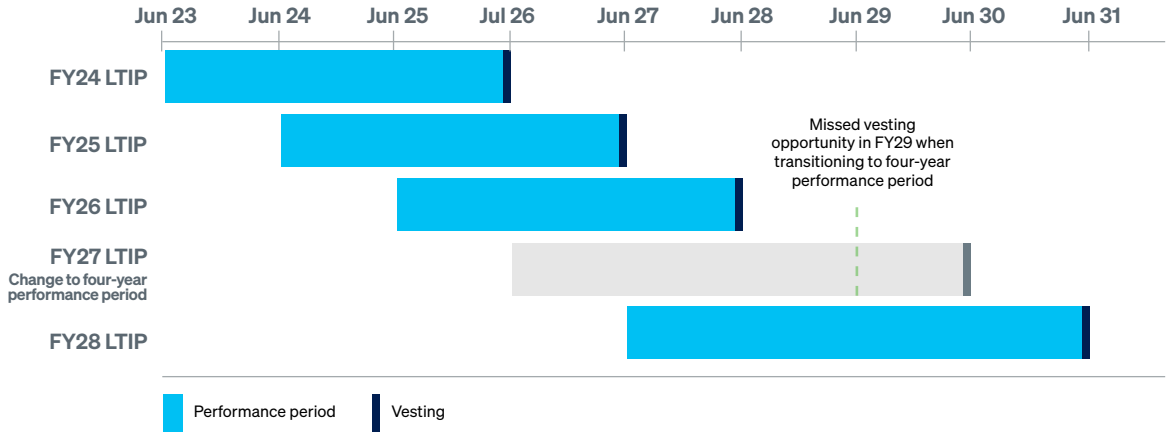
LTIP vesting schedule

As outlined above, the rTSR vesting schedule will be updated from FY27. The revised vesting schedule is as follows:

Performance	Current		FY27 onwards	
	rTSR	Vesting	rTSR	Vesting
Threshold	60th percentile	50%	50th percentile	40%
Target	90th percentile	100%	90th percentile	100%

LTIP transition arrangements

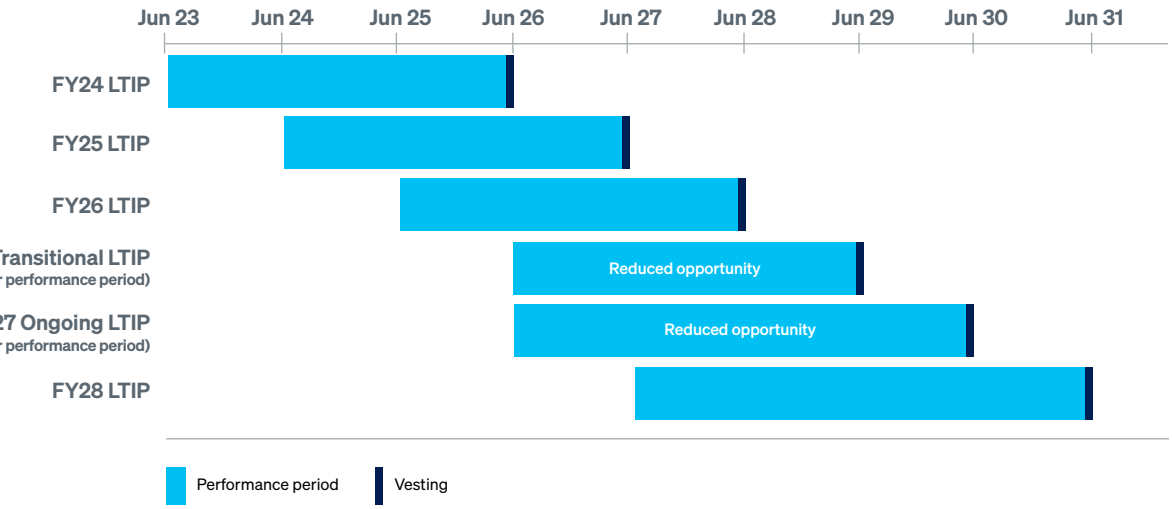
Extending the LTIP performance period from three years to four years would create a transition year in FY29 in which participants would otherwise have no LTIP award eligible to vest, as shown in the diagram below.



Performance periods run from July to June; June is used in the diagram above for both grant and vesting for illustrative purposes.

To avoid this vesting gap, maintain continuity of incentive opportunity and support executive retention through the implementation of a four-year framework, transition arrangements will apply to KMP in FY27. Two reduced LTIP grants will be made in FY27:

- One grant with a three-year performance period, vesting in FY29
- One grant with a four-year performance period, vesting in FY30, as summarised below.



The two grants are a transition mechanism and do not provide participants with a double vesting opportunity in the same year. Although both grants will be made in FY27, they relate to different performance periods and become eligible to vest in subsequent years. This arrangement preserves the continuity of the LTIP vesting cycle while the plan transitions to a four-year performance period, rather than creating an additional opportunity.

Good-leaver provisions will apply separately to each transitional grant. To retain pro-rata eligibility, a participant must have served at least two-thirds of the three-year performance period for the grant that vests at the end of FY29 and at least three-quarters of the four-year performance period for the grant that vests at the end of FY30. This ensures that the transitional arrangements do not provide an accelerated or duplicated entitlement on cessation of employment.

In addition to providing continuity during the transition, this approach also recognises that this period will be crucial for Fortescue as it approaches its 2030 Real Zero Target and maintains an overall vesting opportunity across FY29 and FY30 consistent with the previous LTIP framework. The Board considers this approach appropriately balances shareholder interests and the impact of the transition to a longer-term incentive framework.

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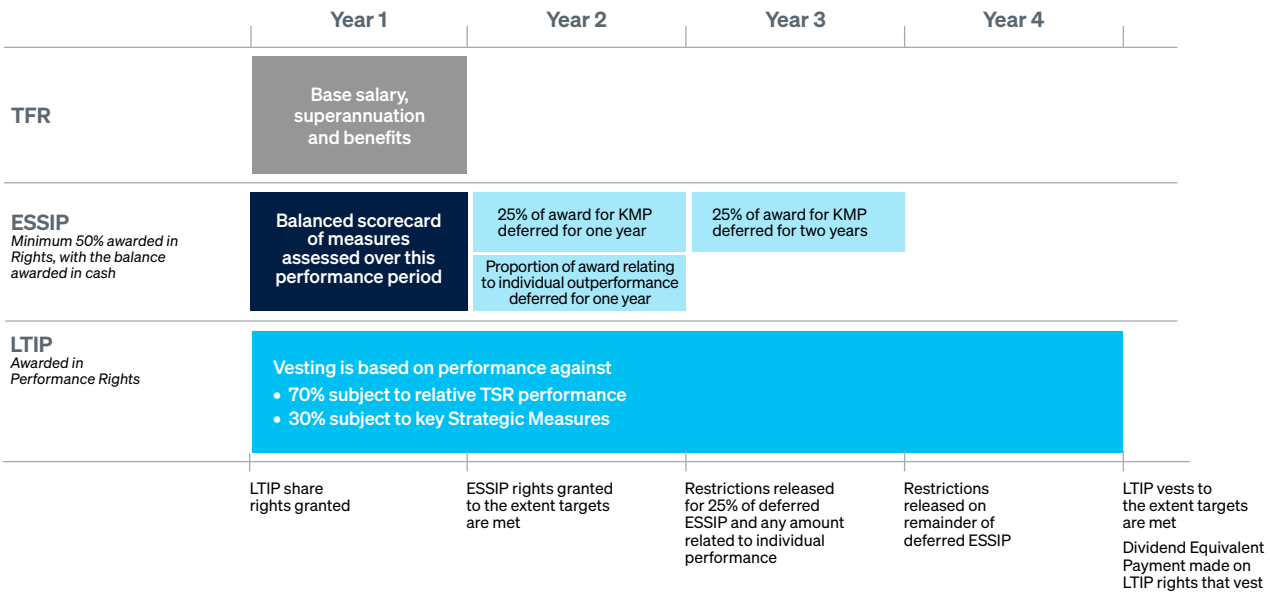
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Each of the two LTIP grants made in FY27 will have a reduced opportunity of approximately 75 per cent, as summarised below.

Participant	Grant (Performance Period)	Vesting	Opportunity (% TFR)	Reduced opportunity for FY27 (% TFR)
CEOs	FY27 Transitional LTIP (3 years)	End of FY29	200%	150%
	FY27 Ongoing LTIP (4 years)	End of FY30	200%	150%
CFO	FY27 Transitional LTIP (3 years)	End of FY29	130%	100%
	FY27 Ongoing LTIP (4 years)	End of FY30	130%	100%

THE FRAMEWORK VISUALISED

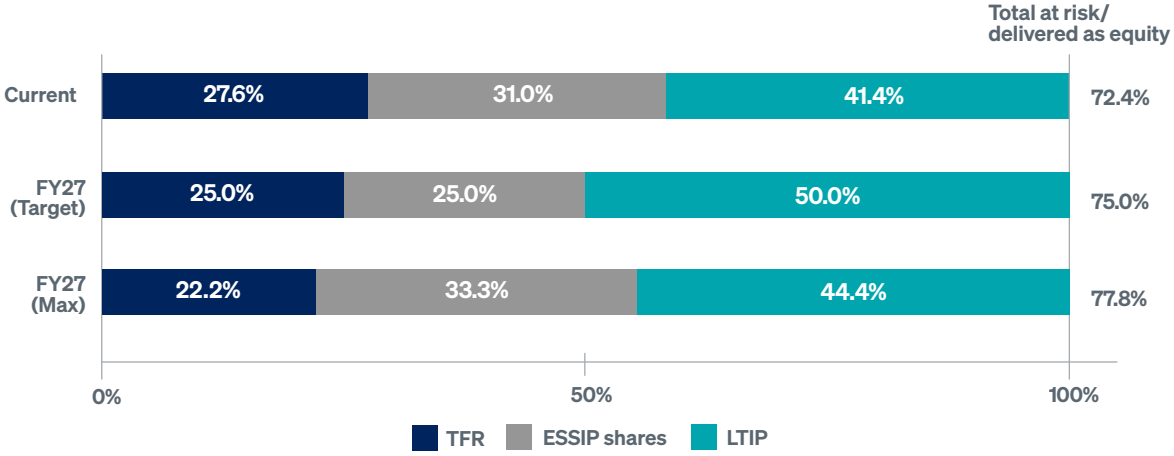
The diagram below shows how and when remuneration will be delivered from FY27 onwards.



The framework visualisation excludes the FY27 Transitional LTIP arrangements described above.

CEO REMUNERATION MIX

The diagram below illustrates the remuneration mix for CEOs, comparing the current mix and the mix at target and maximum outcomes from FY27 onwards, assuming participants elect to take 100 per cent of the ESSIP as shares. The new framework increases the proportion of CEO remuneration that is at risk and delivered in equity, while fixed remuneration remains unchanged. As a result, a greater proportion of remuneration is contingent upon achieving robust performance hurdles that may not vest if targets are not met, and is exposed to Company performance and longer-term shareholder outcomes.



The remuneration mix excludes the one-off FY27 transition arrangements described above.

GOVERNANCE ENHANCEMENTS

As part of the review, the Board also considered feedback received from shareholders and proxy advisors regarding remuneration governance and disclosure practices. Several changes have been introduced from FY27 to further strengthen transparency as well as shareholder and market alignment.

Change	Rationale
• Increasing CEO minimum shareholding requirements from 200% to 300% of TFR • Increasing CFO minimum shareholding requirements from 100% to 150% of TFR	• Strengthens executive ownership and further aligns with shareholder interests.
• Changing the timing of ESSIP grants from the commencement of the performance period to the end of the performance period	• Enhances transparency by allowing shareholders to assess performance outcomes before approving equity grants and aligns more closely with market practice.
• Removal of the Non-Executive Director Travel Allowance	• Aligns Board remuneration arrangements with governance expectations and shareholder feedback.

NEXT STEPS

Fortescue is confident that these changes will position the Company well through the next phase of its journey. Further details regarding the FY27 LTIP, including the number of rights to be granted to the CEOs, performance measures and other grant terms, will be outlined in the 2026 Notice of Meeting.

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7. 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 12 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.

The table below details the remuneration details for KMP at 30 June 2026.

			Maximum ESSIP opportunity		Maximum LTIP opportunity		Nominal value of total remuneration package at maximum opportunity A$
Position	Executive	TFR (A$)[1]	% of TFR	A$	% of TFR	A$	
Chief Executive Officer Metals and Operations	D Otranto	2,080,000	112.5	2,340,000	150	3,120,000	7,540,000
Chief Executive Officer Growth and Energy	G Pichot	2,080,000	112.5	2,340,000	150	3,120,000	7,540,000
Group Chief Financial Officer	A Paget	1,054,708	75	791,031	100	1,054,708	2,900,447
Executive Director and Fortescue Global Ambassador	E Gaines	500,000	-	-	-	-	500,000

[1] For Australian-based executives, includes superannuation and allowances. TFR is reviewed annually by the People, Remuneration and Nomination Committee.

8. NON-EXECUTIVE DIRECTOR REMUNERATION

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.
- 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 FY26 and there will be no change in FY27.

Most NEDs 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 NEDs 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, Risk Management and Sustainability Committee (ARMSC) Chair	65,000
ARMSC 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	70,000

[1] Inclusive of Committee membership fees.

Non-Executive Directors do not receive retirement benefits, nor do they participate in any incentive programs of the Company.

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-year and full-year results in February and August.

The VWAP at which the shares are 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 the 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.

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.

As outlined in section 6, the NED Travel Allowance will no longer apply from FY27 onwards.

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9. REMUNERATION GOVERNANCE

Fortescue believes that robust governance is critical to underpinning the effectiveness of the remuneration strategy.

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 FY26 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**

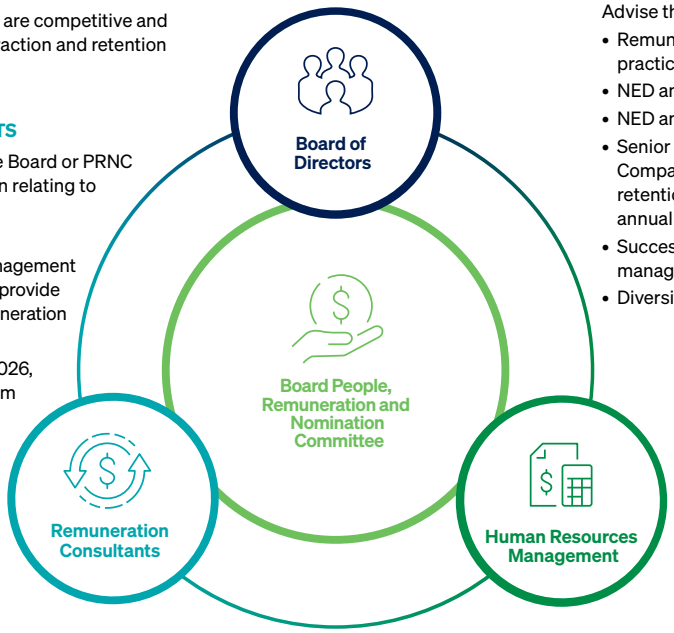
BOARD OF DIRECTORS

- Approve the remuneration of NEDs and CEOs
- Ensure remuneration practices are competitive and strategic and align with the attraction and retention policies of the Company.

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 2026, 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 PEOPLE, REMUNERATION AND NOMINATION COMMITTEE

Advise the Board on:

- Remuneration strategy, policies and practices
- NED and senior executive remuneration
- NED and 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

- Implementation of remuneration policies and practices
- Advise the PRNC of changing statutory and market conditions
- Provide relevant information to the PRNC to assist with decisions.

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. For FY26, the minimum shareholding required was as follows, noting that changes to the minimum shareholding requirement will take effect from 1 July 2026 as outlined in section 6:

Non-Executive Directors:	100% of annual base fee
CEO[1]:	200% of total fixed remuneration
Other Executive KMP:	100% of total fixed remuneration

[1] Applies to both 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**

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 and the Group and meet the expectations of shareholders.

SECURITIES TRADING POLICY

Fortescue's Securities Trading Policy sets out how Company securities may be dealt with, including acceptable transactions in dealing in the Company's various securities, details acceptable and unacceptable periods for trading in Company securities and the potential civil and criminal penalties for misuse of confidential information.

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**



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10. 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.

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 Officers and Executives in FY26, refer to Section 4. The tables below include statutory remuneration disclosures for FY26 and FY25. Disclosures are provided in USD and AUD.

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 leave and long service leave	ESSIP share value	LTIP share value	Total
Executive Directors											
A Forrest	FY26	-	-	-	-	-	-	-	-	-	-
	FY25	-	-	-	-	-	-	-	-	-	-
E Gaines	FY26	318,890	-	-	-	20,355	-	-	-	-	339,245
	FY25	304,545	-	-	-	19,439	-	-	-	-	323,984
Other KMP											
D Otranto	FY26	1,390,904	-	-	2,803	20,355	-	64,966	1,668,121	107,806	3,254,955
	FY25	1,221,423	-	-	2,025	19,439	-	143,878	1,069,258	649,985	3,106,008
G Pichot[1]	FY26	1,446,954	-	-	-	20,355	-	24,921	1,668,121	565,068	3,725,419
	FY25	-	-	-	-	-	-	-	-	-	-
A Paget	FY26	695,254	234,272	-	1,570	20,355	-	100,209	281,944	73,114	1,406,718
	FY25	593,172	216,296	-	2,230	19,439	-	61,081	176,928	186,383	1,255,529
M Hutchinson[2]	FY26	-	-	-	-	-	-	-	-	-	-
	FY25	1,328,339	-	-	744	38,878	1,328,339	95,586	914,130	851,990	4,558,006
S Robertson[3]	FY26	-	-	-	-	-	-	-	-	-	-
	FY25	592,649	-	-	353	38,878	699,787	39,405	334,986	163,658	1,869,716

Remuneration values have been translated from Australian dollars to US dollars using an average exchange rate of 0.64797 for FY25 and 0.67849 for FY26.

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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 leave and long service leave	ESSIP share value	LTIP share value	Total
Executive Directors											
A Forrest	FY26	-	-	-	-	-	-	-	-	-	-
	FY25	-	-	-	-	-	-	-	-	-	-
E Gaines	FY26	470,000	-	-	-	30,000	-	-	-	-	500,000
	FY25	470,000	-	-	-	30,000	-	-	-	-	500,000
Other KMP											
D Otranto	FY26	2,050,000	-	-	4,132	30,000	-	95,751	2,458,579	158,891	4,797,353
	FY25	1,885,000	-	-	3,126	30,000	-	222,044	1,650,166	1,003,109	4,793,445
G Pichot[1]	FY26	2,132,609	-	-	-	30,000	-	36,730	2,458,579	832,832	5,490,750
	FY25	-	-	-	-	-	-	-	-	-	-
A Paget	FY26	1,024,708	345,285	-	2,314	30,000	-	147,694	415,546	107,760	2,073,307
	FY25	915,432	333,806	-	3,441	30,000	-	94,265	273,050	287,641	1,937,635
M Hutchinson[2]	FY26	-	-	-	-	-	-	-	-	-	-
	FY25	2,050,000	-	-	1,148	60,000	2,050,000	147,516	1,410,759	1,314,860	7,034,283
S Robertson[3]	FY26	-	-	-	-	-	-	-	-	-	-
	FY25	914,624	-	-	545	60,000	1,079,968	60,814	516,977	252,571	2,885,499

[1] Gus Pichot's cash salary and fees reflects payments of A$46,658 made pursuant to his tax equalisation agreement. Superannuation is paid on Australian work days in accordance with Australian legislative requirements.

[2] Mark Hutchinson ceased to be a KMP with effect from 30 June 2025. The superannuation value and termination benefits for Mark Hutchinson in FY25 included superannuation and cash salary paid for the 12 months following his retirement from executive office. Inclusion of these values is required by AASB 119. The FY25 LTIP share value included accelerated expense relating to ongoing eligibility to participate in FY24 and FY25 LTIP plans. Values were 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 per cent was used. Inclusion of these values is required by AASB 2. In FY26, A$1,780,300 of Share-based payment expense was reversed to reflect actual FY24 LTIP outcomes. The actual amount for the FY25 LTIP will be determined at the end of the relevant performance period, 30 June 2027.

[3] Shelley Robertson ceased to be a KMP with effect from 30 June 2025. The superannuation value and termination benefits for Shelley Robertson in FY25 included superannuation and cash salary paid during her 12-month notice period, and a severance payment of A$159,968 which was paid at the conclusion of her 12-month notice period. Inclusion of these values is required by AASB 119. The FY25 LTIP share value included accelerated expense relating to ongoing eligibility to participate in the FY25 LTIP plan. Values were calculated based on a two-thirds pro-rata performance period. An assumed performance outcome of 100 per cent was 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.

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NED REMUNERATION

The remuneration of NEDs for the year ended 30 June 2025 and 30 June 2026 is detailed below.

US$		Base fees	Committee fees	Other benefits[1]	Superannuation	Total
M Barnaba AM	FY26	790,441	-	1,573	20,355	**812,369**
	FY25	770,634	-	1,667	19,439	**791,740**
Dr L Marshall[2]	FY26	145,725	112,101	20,355	20,355	**298,536**
	FY25	137,959	103,969	9,720	19,419	**271,067**
Dr J Baderschneider[3]	FY26	156,053	192,691	36,695	-	**385,439**
	FY25	149,033	200,223	34,018	-	**383,274**
P Bingham-Hall	FY26	140,703	45,882	20,355	20,355	**227,295**
	FY25	136,439	74,152	9,720	19,439	**239,750**
Y Broughton	FY26	139,543	21,235	20,355	21,283	**202,416**
	FY25	-	-	-	-	**-**
Lord S Coe CH, KBE	FY26	156,053	20,355	10,177	-	**186,585**
	FY25	149,033	19,439	29,159	-	**197,631**
Y Li	FY26	156,053	20,355	35,621	-	**212,029**
	FY25	149,033	19,439	38,878	-	**207,350**
N Pearson	FY26	139,333	12,116	20,355	20,617	**192,421**
	FY25	122,523	11,623	9,720	16,545	**160,411**
N Quinn	FY26	156,053	20,355	20,355	-	**196,763**
	FY25	56,619	-	9,720	-	**66,339**
U Rao-Monari	FY26	156,053	23,747	20,355	-	**200,155**
	FY25	149,033	38,878	29,159	-	**217,070**

Remuneration values have been translated from Australian dollars to US dollars using an average exchange rate of 0.64797 for FY25 and 0.67849 for FY26.

A$		Base fees	Committee fees	Other benefits[1]	Superannuation	Total
M Barnaba AM	FY26	1,165,000	-	2,319	30,000	**1,197,319**
	FY25	1,189,306	-	2,573	30,000	**1,221,879**
Dr L Marshall[2]	FY26	214,779	165,221	30,000	30,000	**440,000**
	FY25	212,910	160,454	15,000	29,969	**418,333**
Dr J Baderschneider[3]	FY26	230,000	284,000	54,083	-	**568,083**
	FY25	230,000	309,000	52,500	-	**591,500**
P Bingham-Hall	FY26	207,377	67,623	30,000	30,000	**335,000**
	FY25	210,563	114,437	15,000	30,000	**370,000**
Y Broughton	FY26	205,667	31,298	30,000	31,368	**298,333**
	FY25	-	-	-	-	**-**
Lord S Coe CH, KBE	FY26	230,000	30,000	15,000	-	**275,000**
	FY25	230,000	30,000	45,000	-	**305,000**
Y Li	FY26	230,000	30,000	52,500	-	**312,500**
	FY25	230,000	30,000	60,000	-	**320,000**
N Pearson	FY26	205,357	17,857	30,000	30,386	**283,600**
	FY25	189,088	17,937	15,000	25,533	**247,558**
N Quinn	FY26	230,000	30,000	30,000	-	**290,000**
	FY25	87,379	-	15,000	-	**102,379**
U Rao-Monari	FY26	230,000	35,000	30,000	-	**295,000**
	FY25	230,000	60,000	45,000	-	**335,000**

[1] Other benefits include the Non-Executive Director travel allowance and reportable fringe benefits.
[2] Dr Larry Marshall's FY25 and FY26 committee fees include the Lead Independent Director Fee and the Innovation Council Fee.
[3] Dr Jean Baderschneider's committee fees include the Fortescue Capital Advisory Board Fee for both FY25 and FY26.

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DETAILS OF PERFORMANCE GRANTS TO EXECUTIVE DIRECTORS

There were no performance rights granted to Executive Directors in FY26.

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 2026. The value of the rights has been determined using the grant date fair value.

LTIP	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$				
D Otranto											
FY24	4/12/23	1/7/23 to 30/6/2026	95,578	10.41	15.77	994,967	1,507,265	20.5	20.5	19,593	75,985
FY24[1]	29/04/24	1/7/23 to 30/6/2026	19,884	11.07	16.91	220,116	336,238	20.5	20.5	4,076	15,808
FY25	29/11/24	1/7/24 to 30/6/2027	137,937	5.69	8.78	785,087	1,211,087		Determined in 2027		
FY26	14/11/25	1/7/25 to 30/6/2028	195,574	6.07	9.30	1,187,883	1,818,838		Determined in 2028		
G Pichot											
FY24[2]	8/4/24	1/7/23 to 30/6/2026	20,489	10.87	16.53	222,657	338,668	20.5	20.5	4,200	16,289
FY25[2]	11/06/25	1/7/24 to 30/6/2027	45,412	4.50	6.92	204,310	314,251		Determined in 2027		
FY26	14/11/25	1/7/25 to 30/6/2028	195,574	6.07	9.30	1,187,883	1,818,838		Determined in 2028		
A Paget											
FY24	4/12/23	1/7/23 to 30/6/2026	12,194	10.41	15.77	126,940	192,299	20.5	20.5	2,499	9,695
FY24[3]	29/04/24	1/7/23 to 30/6/2026	17,254	11.07	16.91	191,002	291,765	20.5	20.5	3,537	13,717
FY25	29/11/24	1/7/24 to 30/6/2027	43,150	5.69	8.78	245,594	378,857		Determined in 2027		
FY26	14/11/25	1/7/25 to 30/6/2028	66,113	6.07	9.30	401,559	614,851		Determined in 2028		
M Hutchinson											
FY24	4/12/23	1/7/23 to 30/6/2026	142,002	10.41	15.77	1,478,241	2,239,372	20.5	20.5	29,110	112,892
FY25	29/11/24	1/7/24 to 30/6/2027	141,715	5.69	8.78	806,590	1,244,258		Determined in 2027		47,238
FY26	-	-	-	-	-	-	-		-		
S Robertson											
FY24	-	-	-	-	-	-	-		-		
FY25	29/11/24	1/7/24 to 30/6/2027	43,150	5.69	8.78	245,594	378,857		Determined in 2027		14,383
FY26	-	-	-	-	-	-	-		-		

[1] D Otranto received an additional LTIP grant in FY24 to recognise an increase in participating TFR in the performance period.
[2] G Pichot's FY24 and FY25 LTIP rights shown above have been pro-rated to reflect time served as KMP.
[3] A Paget received an additional LTIP grant in FY24 to recognise an increase in participating percentage and TFR in the performance period.

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KMP SHARE RIGHTS

Share rights granted under the ESSIP at the beginning of FY26 (based on the VWAP of Fortescue shares traded over the first five trading days of the performance year) were based on each participant's election to receive between 50 per cent and 100 per cent of their award in performance rights. FY24 LTIP share rights that vested in FY26 are also shown below. The value ultimately realised by Executives reflects movements in the Company's share price over the performance period, aligning executive outcomes with shareholder experience.

FY24 LTIP and FY26 ESSIP share rights movement

Executive	Share rights granted	Share rights lapsed	Share rights forfeited	Share rights vested
D Otranto				
FY26 ESSIP	146,680	18,629	-	128,051
FY24 LTIP	115,462	91,793	-	23,669
G Pichot				
FY26 ESSIP	146,680	18,629	-	128,051
FY24 LTIP[1]	20,489	16,289	-	4,200
A Paget				
FY26 ESSIP	24,792	3,149	-	21,643
FY24 LTIP	29,448	23,412	-	6,036

[1] G Pichot's FY24 LTIP rights shown above have been pro-rated to reflect time served as KMP.

Share rights movement in FY26

FY26	Balance at the start of the year	Granted	Exercised / converted	Forfeited / lapsed	Other[1]	Balance at the end of the year	Vested	Unvested
Other Key Management Personnel of Fortescue								
D Otranto	427,068	342,254	(140,948)	(32,721)	-	595,653	-	595,653
G Pichot	65,901	342,254	-	-	63,685	471,840	-	471,840
A Paget	89,510	90,905	(15,161)	(1,020)	-	164,234	-	164,234

[1] Changes reported under the other column for Gus Pichot reflect changes in share rights granted prior to being appointed as KMP.

KMP SHAREHOLDINGS

The table below shows the number of Fortescue shares held during the financial year by each Director and KMP, including related parties.

FY26	Held at 1 July 2025	Received on conversion of rights	Issued	Purchases	Sales	Transfers	Other[1,2]	Held at 30 June 2026
Non-Executive Directors of Fortescue								
M Barnaba AM	44,377	-	-	3,484	-	-	-	47,861
Dr L Marshall	17,023	-	-	11,950	-	-	65	29,038
Dr J Baderschneider	138,000	-	-	-	-	-	-	138,000
P Bingham-Hall	65,721	-	-	-	-	-	-	65,721
Y Broughton	-	-	-	-	-	-	-	-
Lord S Coe CH, KBE	12,000	-	-	-	-	-	-	12,000
Y Li	-	-	-	-	-	-	-	-
N Pearson	-	-	-	-	-	-	-	-
N Quinn	-	-	-	-	-	-	-	-
U Rao-Monari	269	-	-	603	-	-	-	872
Executive Directors of Fortescue								
Dr A Forrest AO	1,131,365,000	-	-	-	-	-	-	1,131,365,000
E Gaines	341,294	-	-	-	(275,000)	-	(66,294)	-
Other Key Management Personnel of Fortescue								
D Otranto	104,287	140,948	-	6,274	(11,500)	-	-	240,009
G Pichot	596,445	98,307	-	-	-	-	-	694,752
A Paget	12,847	15,161	-	246	-	-	-	28,254

[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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FINANCIAL REPORT



FINANCIAL REPORT

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CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2026

	Note	2026 US$m	2025 US$m
Operating sales revenue	3	16,966	15,541
Cost of sales	5	(10,155)	(9,102)
Gross profit		**6,811**	6,439
Other income	4	85	82
Other expenses	6	(2,384)	(1,313)
Operating profit		**4,512**	5,208
Finance income	7	180	174
Finance expenses	7	(346)	(371)
Share of loss from equity accounted investments	22(c)	(9)	(21)
Profit before tax		**4,337**	4,990
Income tax expense	14	(1,477)	(1,624)
Net profit after tax		**2,860**	3,366
Net profit is attributable to:			
Equity holders of the Company		2,870	3,373
Non-controlling interest		(10)	(7)
Net profit after tax		**2,860**	3,366

	Note	US$ cents	US$ cents
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic earnings per share	8	93.3	109.7
Diluted earnings per share	8	93.1	109.5

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2026

	2026 US$m	2025 US$m
Net profit after tax	2,860	3,366
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)
Items that will not be reclassified to profit or loss in subsequent periods, net of tax:		
Loss on investments taken to equity	(61)	(96)
Other comprehensive loss, net of tax	**(61)**	(125)
Total comprehensive income for the period, net of tax	**2,799**	3,241
Total comprehensive income for the period attributable to:		
Equity holders of the Company	2,809	3,248
Non-controlling interest	(10)	(7)
Total comprehensive income for the period, net of tax	**2,799**	3,241

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 2026

	Note	2026 US$m	2025 US$m
ASSETS			
Current assets			
Cash and cash equivalents	9(b)	5,074	4,328
Trade and other receivables	10(a)	592	536
Inventories	10(c)	1,852	1,609
Other current assets	10(e)	207	146
Total current assets		**7,725**	6,619
Non-current assets			
Trade and other receivables		24	8
Inventories	10(c)	348	307
Property, plant and equipment	12(a)	22,102	22,337
Intangible assets	12(b)	693	518
Investments accounted for using the equity method	22(c)	82	71
Financial assets measured at fair value	22(d)	114	214
Other non-current assets	12(c)	491	441
Total non-current assets		**23,854**	23,896
Total assets		**31,579**	30,515
LIABILITIES			
Current liabilities			
Trade and other payables	10(b)	1,840	1,595
Borrowings and lease liabilities	9(a)	418	220
Provisions	13	811	615
Deferred income	10(d)	118	75
Current tax payable	14(c)	146	223
Total current liabilities		**3,333**	2,728
Non-current liabilities			
Borrowings and lease liabilities	9(a)	5,513	5,219
Provisions	13	1,201	987
Deferred income	10(d)	18	82
Deferred tax liabilities	14(d)	1,269	1,543
Total non-current liabilities		**8,001**	7,831
Total liabilities		**11,334**	10,559
Net assets		**20,245**	19,956
EQUITY			
Contributed equity	9(d)	1,109	1,087
Reserves	9(e)	16	62
Retained earnings		19,158	18,835
Equity attributable to equity holders of the Company		**20,283**	19,984
Non-controlling interest		(38)	(28)
Total equity		**20,245**	19,956

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Note	2026 US$m	2025 US$m
Cash flows from operating activities			
Cash receipts from customers		17,025	15,642
Payments to suppliers and employees		(8,252)	(7,375)
Cash generated from operations		8,773	8,267
Interest received		172	174
Interest paid		(288)	(326)
Income tax paid		(1,821)	(1,641)
Net cash inflow from operating activities	**9(c)**	6,836	6,474
Cash flows from investing activities			
Payments for property, plant and equipment - Fortescue		(3,033)	(3,028)
Payments for property, plant and equipment - joint operations		(148)	(235)
Payments of deposits		(358)	(457)
Payments for asset acquisition		(74)	(170)
Receipt of government grants		–	3
Payments for acquisition of equity accounted investments		(2)	(19)
Purchase of financial assets		(25)	(21)
Other investing activities		8	8
Net cash outflow from investing activities		**(3,632)**	(3,919)
Cash flows from financing activities			
Proceeds from borrowings		2,096	275
Repayment of borrowings		(1,737)	(23)
Repayment of leases		(150)	(406)
Finance costs paid		(43)	(35)
Dividends paid		(2,529)	(2,851)
Purchase of shares by employee share trust		(157)	(163)
Other financing activities		–	17
Net cash outflow from financing activities		**(2,520)**	(3,186)
Net increase / (decrease) in cash and cash equivalents		684	(631)
Cash and cash equivalents at the beginning of the period		4,328	4,903
Effects of exchange rate changes on cash and cash equivalents		62	56
Cash and cash equivalents at the end of the period	**9(b)**	**5,074**	4,328

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 2026

	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 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
Balance at 1 July 2025	**1,087**	**62**	**18,835**	**19,984**	**(28)**	**19,956**
Net profit after tax	–	–	2,870	2,870	(10)	2,860
Other comprehensive income	–	(61)	–	(61)	–	(61)
Total comprehensive income for the period, net of tax	**–**	**(61)**	**2,870**	**2,809**	**(10)**	**2,799**
Transactions with owners:						
Purchase of shares under employee share plans	(157)	–	–	(157)	–	(157)
Employee share awards vested	179	(179)	–	–	–	–
Equity settled share-based payment transactions	–	195	–	195	–	195
Dividends declared	–	–	(2,549)	(2,549)	–	(2,549)
Other	–	(1)	2	1	–	1
Balance at 30 June 2026	**1,109**	**16**	**19,158**	**20,283**	**(38)**	**20,245**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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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 2026 were authorised for issue in accordance with a Directors' resolution on 20 August 2026.

(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 2026/183.

Notes to the consolidated financial statements

For the year ended 30 June 2026

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FINANCIAL PERFORMANCE

02 SEGMENT INFORMATION

Fortescue's chief operating decision makers are the Chief Executive Officer Metals and Operations and the Chief Executive Officer Growth and Energy. Each of these roles oversees functional areas that may relate to the Metals business, the Energy business or both. Notwithstanding this, the Chief Executive Officers assess performance and make decisions about the allocation of resources for the benefit of the Group's two operating segments identified:

- **Metals**: Exploration, development, production, processing, sale and transportation of iron ore, the exploration for other minerals and decarbonisation of metals operations.
- **Energy**: Undertaking activities in the research and development of technology for industrial decarbonisation.

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	
		2026	2025	2026	2025	2026	2025	2026	2025
	Note	US$m	US$m	US$m	US$m	US$m	US$m	US$m	US$m
Revenue from external customers	3	16,830	15,460	136	81	–	–	16,966	15,541
Cost of sales	5	(7,205)	(6,528)	(138)	(143)	–	–	(7,343)	(6,671)
Administration expenses	6	(372)	(240)	(207)	(193)	–	–	(579)	(433)
Research expenditure	6	(159)	(68)	(232)	(483)	–	–	(391)	(551)
Other income/(expense)	4,6,22(c)	(12)	15	19	(3)	(25)	43	(18)	55
Underlying EBITDA		**9,082**	**8,639**	**(422)**	**(741)**	**(25)**	**43**	**8,635**	**7,941**
Depreciation and amortisation	5,6							(2,872)	(2,506)
Finance income	7							180	174
Finance expense	7							(346)	(371)
Impairment expense	6							(750)	–
Exploration, development and other	6							(406)	(248)
Legal compensation expense	6							(104)	–
Income tax expense	14							(1,477)	(1,624)
Net profit after tax								**2,860**	**3,366**

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FINANCIAL PERFORMANCE

02 SEGMENT INFORMATION (CONTINUED)

(b) Segment assets and liabilities

	Metals		Energy		Corporate		Consolidated	
	2026	2025	2026	2025	2026	2025	2026	2025
	US$m	US$m	US$m	US$m	US$m	US$m	US$m	US$m
Assets under development	2,677	2,146	7	49	19	–	2,703	2,195
Exploration and evaluation	1,507	1,289	–	–	–	–	1,507	1,289
Property, plant and equipment	17,517	18,241	235	450	140	162	17,892	18,853
Intangible assets	367	175	291	272	35	71	693	518
Investments accounted for using the equity method	–	21	82	50	–	–	82	71
Financial assets at fair value	5	5	109	209	–	–	114	214
Other non-current assets	840	751	23	4	–	1	863	756
Total current assets	2,470	2,109	103	126	5,152	4,384	7,725	6,619
Total assets	25,383	24,737	850	1,160	5,346	4,618	31,579	30,515
Total liabilities	4,466	3,781	209	376	6,659	6,402	11,334	10,559

(c) Other segmental reporting

	Metals		Energy		Corporate		Consolidated	
	2026	2025	2026	2025	2026	2025	2026	2025
	US$m	US$m	US$m	US$m	US$m	US$m	US$m	US$m
Capital expenditure and investments (cash basis)	3,552	3,618	88	312	–	–	3,640	3,930

(d) Geographical information

Fortescue operates predominantly in Australia, where the vast majority of the Group's assets are located. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

	2026	2025
	US$m	US$m
Revenue from external customers		
China	15,112	13,592
Other	1,854	1,949
	16,966	**15,541**

(e) Major customer information

Revenue from the two largest customers amounted to US$1,238 million and US$1,147 million respectively (2025: US$1,394 million and US$1,006 million), arising from the sale of iron ore and the related shipment of product.

Notes to the consolidated financial statements

For the year ended 30 June 2026

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FINANCIAL PERFORMANCE

03 OPERATING SALES REVENUE

	2026	2025
	US$m	US$m
Iron ore revenue[1]	14,966	13,935
Shipping revenue[1]	1,733	1,415
Energy product and services revenue[2]	136	81
Other revenue[3]	131	110
Operating sales revenue	**16,966**	15,541

[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] Energy product and 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

	2026	2025
	US$m	US$m
Fair value change in financial instruments	44	–
Research and development expenditure credit	10	14
Net foreign exchange gain	–	44
Other	31	24
	85	82

FINANCIAL PERFORMANCE

05 COST OF SALES

	2026	2025
	US$m	US$m
Mining and processing costs	3,610	3,421
Rail costs	331	290
Port costs	318	280
Shipping costs	1,772	1,469
Government royalty	1,083	1,002
Depreciation and amortisation	2,812	2,431
Energy products and service costs	138	143
Other operating expenses	91	66
	10,155	9,102

06 OTHER EXPENSES

	2026	2025
	US$m	US$m
Administration expenses	579	433
Research expenditure	391	551
Impairment expense[1]	750	–
Exploration, development and other	406	248
Legal compensation expense	104	–
Depreciation and amortisation	60	75
Fair value change in financial instruments	–	5
Net foreign exchange loss	88	–
Other	6	1
	2,384	1,313

[1] Impairment expense relates to the impairment of the Iron Bridge CGU, refer to note 12.

Total employee benefits expense included in cost of sales, administration expenses and research expenditure is US$2,253 million (2025: US$2,098 million).

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Notes to the consolidated financial statements

For the year ended 30 June 2026

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FINANCIAL PERFORMANCE

07 FINANCE INCOME AND FINANCE EXPENSES

	2026	2025
	US$m	US$m
Finance income		
Interest income	180	174
	180	174
Finance expenses		
Interest expense on borrowings and lease liabilities	276	308
Discounting on provisions	28	22
Other	42	41
	346	371

08 EARNINGS PER SHARE

	2026	2025
(a) Earnings per share	**US$ cents**	**US$ cents**
Basic	93.3	109.7
Diluted	93.1	109.5
(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	2,870	3,373
(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	3,076,300,671	3,074,807,097
Adjustments for calculation of diluted earnings per share:		
Potential ordinary shares	5,820,524	5,493,734
Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted earnings per share	3,082,121,195	3,080,300,831

(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.

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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.

		2026	2025
	Note	US$m	US$m
Borrowings	9(a)	5,302	4,835
Lease liabilities	9(a)	629	604
Cash and cash equivalents	9(b)	(5,074)	(4,328)
Net debt		**857**	1,111
Equity attributable to equity holders of the Company		20,283	19,984
Non-controlling interest		(38)	(28)
Total equity		**20,245**	19,956

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 disclosed previously, 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).

Notes to the consolidated financial statements

For the year ended 30 June 2026

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CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT (CONTINUED)

(a) Borrowings and lease liabilities

	2026	2025
	US$m	US$m
Senior unsecured notes	33	33
Green senior unsecured notes	10	10
Syndicated term loan	–	10
Secured VLOC term loan	27	28
RMB syndicated term loan	84	–
Working capital facility	103	–
Lease liabilities	161	139
Total current borrowings and lease liabilities	**418**	220
Senior unsecured notes	2,033	2,784
Green senior unsecured notes	794	793
Syndicated term loan	–	947
Secured VLOC term loan	204	230
RMB syndicated term loan	2,014	–
Lease liabilities	468	465
Total non-current borrowings and lease liabilities	**5,513**	5,219
Total borrowings and lease liabilities	**5,931**	5,439

(i) Senior unsecured and green senior unsecured notes

As at 30 June 2026, the Company had the following senior unsecured notes on issue:

			Face value	Carrying value		
Date of issue	Date of maturity	Non-call period	US$m	US$m	Coupon rate	Currency
September 2019	September 2027	8 years	600	608	4.500%	USD
March 2021	April 2031	10 years	1,000	1,005	4.375%	USD
April 2022	April 2030	8 years	450	453	5.875%	USD
April 2022	April 2032	10 years[1]	800	804	6.125%	USD
			2,850	**2,870**		

[1] The April 2032 US$800 million senior unsecured note is a Green use of proceeds bond. The net proceeds are to be applied to Eligible Green Projects pursuant to Fortescue's Sustainability Financing Framework.

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).

On 21 October 2025, Fortescue completed a US$750 million tender offer of senior unsecured notes, resulting in partial extinguishment of aggregate principal totalling US$500 million of the 2031 Notes and US$250 million of the 2030 Notes. The carrying value of the extinguished portion amounted to US$747 million which was settled on 22 October 2025 for total consideration of US$752 million resulting in a net loss on early extinguishment of US$5 million and was included in finance expenses in the consolidated income statement.

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CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT (CONTINUED)

(a) Borrowings and lease liabilities (continued)

(ii) Syndicated term loan

On 16 September 2025, the principal outstanding on the syndicated term loan facility amounting to US$959 million was fully repaid ahead of maturity date of June 2028, resulting in a nil carrying value at 30 June 2026 (30 June 2025: US$957 million). The loss on extinguishment of US$2 million was included in finance expenses in the consolidated income statement.

(iii) Secured VLOC term loan

In December 2024, the Group obtained the secured loan to finance the purchase price of Fortescue's eight Very Large Ore Carriers (VLOC) which were previously under a leasing arrangement. The secured loan matures in December 2034, and as at 30 June 2026 had a carrying value of US$231 million (30 June 2025: US$258 million) with a coupon rate linked to the Secured Overnight Financing Rate (SOFR) plus a fixed margin. The principal is repayable in 40 equal consecutive quarterly instalments, six of which had been paid as at 30 June 2026. The loan is secured by the vessels together with their accompanying commercial arrangements.

(iv) Revolving credit facility

The US$1,025 million revolving credit facility with a maturity date on 28 July 2027 remained undrawn at 30 June 2026 and 30 June 2025. 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) RMB syndicated term loan

On 7 August 2025, Fortescue successfully completed the syndication of a RMB syndicated term loan facility totalling RMB14.2 billion at an interest rate of 3.8 per cent and maturing on 7 August 2030. The facility was fully drawn on 11 September 2025 with principal repayment of 0.5 per cent every six months, in arrears, commencing 7 February 2027, and as at 30 June 2026 had a carrying value of US$2,098 million (30 June 2025: nil).

(vi) Working capital facility

On 31 March 2026, the Group entered into an uncommitted working capital facility with a total limit of RMB 900 million. Individual drawings under the facility are repayable within three months of the drawdown date and bear interest at a variable rate agreed at the time of each drawing by reference to the applicable one-year Loan Prime Rate (LPR). As at 30 June 2026, US$103 million had been drawn under the facility, at an interest rate of approximately 2 per cent per annum.

(vii) Debt covenants

Thresholds relating to the Group's financial position apply to a minimum value clause under the secured VLOC term loan. These thresholds 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 thresholds to be remote.

Notes to the consolidated financial statements

For the year ended 30 June 2026

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CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT (CONTINUED)

(a) Borrowings and lease liabilities (continued)

(viii) 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.

	2026	2025
	US$m	US$m
Expense relating to short-term leases	137	113
Expense relating to leases of low-value assets that are not shown above as short-term leases	3	4
Expense relating to variable lease payments not included in the measurement of lease liabilities	121	106
Future cash flows from leases not yet commenced	21	34

(ix) Summary of movements in borrowings and lease liabilities

	Senior unsecured notes	Green senior unsecured notes	Syndicated term loan	Secured VLOC term loan	RMB syndicated term loan	Working capital facility	Lease liability	Total
	US$m	US$m	US$m	US$m	US$m	US$m	US$m	US$m
Balance at 1 July 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
Additions	–	–	–	–	1,995	102	168	2,265
Interest expense	113	50	15	15	65	1	45	304
Payments	(869)	(49)	(974)	(42)	(40)	–	(206)	(2,180)
Transaction costs	–	–	–	–	(18)	–	–	(18)
Loss on extinguishment	5	–	2	–	–	–	–	7
Disposals	–	–	–	–	–	–	(6)	(6)
Foreign exchange loss	–	–	–	–	96	–	24	120
Balance at 30 June 2026	**2,066**	**804**	**–**	**231**	**2,098**	**103**	**629**	**5,931**

Information about Fortescue's exposure to interest rate risk and foreign exchange rate risk is disclosed in note 11.

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CAPITAL MANAGEMENT

09 CAPITAL MANAGEMENT (CONTINUED)

(b) Cash and cash equivalents

	2026	2025
	US$m	US$m
Cash at bank	2,302	2,313
Short-term deposits and investments[1]	2,772	2,015
	5,074	4,328

[1] Inclusive of US$239 million (30 June 2025: US$2 million) of money market funds that is actively used as part of the cash management of the Group and have been recognised as cash equivalents.

The cash and cash equivalents disclosed above and in the consolidated statement of cash flows include US$194 million (2025: US$157 million) which are held by the Iron Bridge Joint Venture and reflect 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

	2026	2025
	US$m	US$m
Net profit after tax	2,860	3,366
Depreciation and amortisation	2,872	2,506
Impairment expense	750	–
Exploration, development and other	372	248
Share-based payment expense	195	184
Net unrealised foreign exchange loss/(gain)	46	(112)
Depreciation in inventory	38	51
Equity accounted investments, share of loss	9	21
Other non-cash items	93	113
Change in operating assets and liabilities:		
Increase/(decrease) in payables	245	(67)
(Increase)/decrease in receivables	(72)	128
Increase in inventories	(284)	(47)
Increase in other assets	(111)	(15)
(Decrease)/increase in deferred income	(21)	8
Increase in provisions	195	113
Decrease in provision for income taxes payable	(77)	(41)
(Decrease)/increase in deferred tax liabilities	(274)	18
Net cash inflow from operating activities	**6,836**	6,474

Notes to the consolidated financial statements

For the year ended 30 June 2026

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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 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
Purchase of shares under employee share plans	–	(11,927,057)	(11,927,057)	–	(157)	(157)
Employee share awards vested	–	12,739,353	12,739,353	–	179	179
At 30 June 2026	**3,078,964,918**	**(3,581,754)**	**3,075,383,164**	**1,195**	**(86)**	**1,109**

(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

	2026	2025
	US$m	US$m
Share-based payments reserve	129	113
Foreign currency translation reserve	39	39
Financial assets reserve	(136)	(75)
Other reserves	(16)	(15)
	16	62

(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.

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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 consist of capital reserve and general reserve.

(f) Dividends

(i) Dividends paid during the year

	2026	2025
	US$m	US$m
Final fully franked dividend for the year ended 30 June 2025: A$0.60 per share (30 June 2024: A$0.89 per share)	1,218	1,878
Interim fully franked dividend for the half-year ended 31 December 2025: A$0.62 per share (31 December 2024: A$0.50 per share)	1,311	973
	2,529	2,851

(ii) Dividends declared and not recognised as a liability

	2026	2025
	US$m	US$m
Final fully franked dividend: A$0.46 per share (2025: A$0.60 per share)	1,003	1,201

(iii) Franking credits

	2026	2025
	A$m	A$m
Franking credit account balance at the end of the financial year at 30% (2025: 30%)	9,143	8,103
Franking credits that will arise from the payment of current tax payable as at the end of the year	184	308
Franking debits that will arise from the payment of the final dividend for the year	(607)	(792)
	8,720	7,619

Notes to the consolidated financial statements

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CAPITAL MANAGEMENT

10 WORKING CAPITAL

(a) Trade and other receivables

	2026	2025
	US$m	US$m
Trade debtors	286	377
GST and VAT receivables	173	102
Other receivables	133	57
Total current receivables	**592**	536

Iron ore trade receivables with embedded derivatives for provisional pricing amounting to US$255 million as at 30 June 2026 (2025: US$318 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 2026 (30 June 2025: nil).

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

	2026	2025
	US$m	US$m
Trade payables	1,170	1,058
Royalty accrual	314	308
Other payables	356	229
Total current payables	**1,840**	1,595

CAPITAL MANAGEMENT

10 WORKING CAPITAL (CONTINUED)

(c) Inventories

	2026	2025
	US$m	US$m
Iron ore stockpiles	1,144	979
Warehouse stores and materials	708	630
Total current inventories	**1,852**	1,609
Iron ore stockpiles	348	307
Total non-current inventories	**348**	307

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 2026 amounted to US$7,209 million (2025: US$6,559 million).

(d) Deferred income

	2026	2025
	US$m	US$m
Deferred revenue - Iron ore sales	98	48
Deferred revenue - Manufacturing and engineering services	17	24
Deferred income - Government grants	3	2
Deferred income - Others	–	1
Total current deferred income	**118**	75
Deferred revenue - Infrastructure	18	19
Deferred income - Government grants	–	63
Total non-current deferred income	**18**	82

(e) Other current assets

	2026	2025
	US$m	US$m
Prepayments	127	107
Financial assets at fair value	63	17
Other assets	17	22
Total other current assets	**207**	146

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CAPITAL MANAGEMENT

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 2026, the day-to-day management responsibility for execution of the risk management framework was delegated to the CEO Metals and Operations, CEO Growth and Energy 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 2026, Fortescue had 3.4 million tonnes of iron ore sales (2025: 2.7 million tonnes) that remained subject to provisional pricing, with the final price to be determined in the following financial year.

A two 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$5 million (2025: one per cent movement would have an impact on the Group's profit of US$2 million), before the impact of taxation. This analysis assumes all other factors, including the foreign currency exchange rates, are held constant.

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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 working capital facility and the revolving credit facility to the extent it is drawn. 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:

		2026	2025
	Note	US$m	US$m
Cash and cash equivalents	9(b)	2,302	2,313
Syndicated term loan	9(a)	–	(957)
Secured VLOC term loan	9(a)	(231)	(258)
Working capital facility	9(a)	(103)	–
		1,968	1,098

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$10 million (2025: a change of 50 basis points would impact profit by US$5 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 predominantly 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.

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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	
	2026	2025	2026	2025
	US$m	US$m	US$m	US$m
Financial assets				
Cash and cash equivalents	939	1,103	370	160
Trade and other receivables	107	87	21	14
Other financial assets	5	3	–	–
Total financial assets	**1,051**	1,193	**391**	174
Financial liabilities				
Borrowings and lease liabilities	517	477	2,202	2
Trade and other payables	983	885	27	20
Current tax payable	126	160	–	–
Total financial liabilities	**1,626**	1,522	**2,229**	22

A change of two per cent in the Australian dollar exchange rate would have a net impact on the Group's profit of US$12 million (2025: a change of two per cent would have an impact of US$7 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$37 million (2025: a change of two per cent would have an impact of US$3 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 2026, the Group had US$7 million (2025: US$7 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.

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CAPITAL MANAGEMENT

11 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Fortescue has recognised bad debt expense from trading counterparties of US$17 million for the year ended 30 June 2026 (2025: US$7 million).

The exposure to the credit risk from cash and short-term deposits held in banks is managed by the Group's Treasury departmer and monitored by the Group CFO. Fortescue minimises the credit risks by holding funds with a range of financial institutions wit 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 2025							
Trade and other payables and current tax payable	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
30 June 2026							
Trade and other payables and current tax payable	1,986	–	–	–	–	1,986	1,986
Borrowings	238	137	874	4,141	955	6,345	5,302
Lease liabilities	106	95	143	238	270	852	629
	2,330	**232**	**1,017**	**4,379**	**1,225**	**9,183**	**7,917**

Management monitors rolling forecasts of the Group's cash and overall liquidity position on the basis of expected cash flows.

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For the year ended 30 June 2026

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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.

	2026		2025	
	Carrying value	Fair value	Carrying value	Fair value
	US$m	US$m	US$m	US$m
Senior unsecured notes	2,066	2,006	2,817	2,689
Green senior unsecured notes	804	824	803	808

The Group enters into derivative financial instruments (foreign currency options) 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 2026.

The Group holds investments in equity instruments that do not meet the requirements of either consolidation or equity accounting and are therefore held at fair value. Refer to Note 22(d) for the fair value of these investments. The valuation techniques and key assumptions used in measuring the fair value of financial assets are as follows:

- Listed equity securities: quoted market prices in active markets
- Non-listed equity securities: fair value is primarily estimated using a market approach considering valuations from the most recent capital raise and, when available, current or recent quoted prices for identical securities in markets that are not active.

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.

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.

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KEY BALANCE SHEET ITEMS

12 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(a) Property, plant and equipment

						Right-of-use assets		
	Plant and equipment	Land and buildings	Exploration and evaluation	Assets under development	Development	Plant and equipment	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 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	–	–	172	–	–	–	–	172
Disposals and write-offs	(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)
Net carrying value								
At 1 July 2025	13,759	748	1,289	2,195	3,710	405	231	22,337
Transfers of assets[1]	1,958	141	(55)	(2,524)	398	–	–	(82)
Additions	9	–	242	3,100	–	147	19	3,517
Acquired as part of asset acquisition[3]	3	–	90	1	–	–	–	94
Disposals and write-offs[4]	(237)	(52)	(59)	(14)	–	(14)	(5)	(381)
Depreciation	(2,147)	(68)	–	–	(424)	(133)	(28)	(2,800)
Impairment	(533)	(17)	–	(37)	(163)	–	–	(750)
Changes in restoration and rehabilitation estimate[2]	–	–	–	–	187	–	–	187
Other	(2)	(1)	–	(18)	–	1	–	(20)
At 30 June 2026	**12,810**	**751**	**1,507**	**2,703**	**3,708**	**406**	**217**	**22,102**
Cost	29,625	1,640	1,507	2,740	7,293	1,407	341	44,553
Accumulated depreciation and impairment	(16,815)	(889)	–	(37)	(3,585)	(1,001)	(124)	(22,451)

[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 year, the Group completed the following acquisitions:

- The remaining 55.64% interest in Nabrawind Technologies, S.L. for US$11.6 million, resulting in a total investment of US$22.7 million, including carrying value of the Group's previously held interest.
- The remaining 64.3% interest in Alta Copper Corp. for a total cash consideration of US$63.2 million inclusive of transaction costs. The aggregated consideration transferred to date, including the previously held interest was US$90.1 million.

The Group determined that both transactions did not constitute business combinations 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 year, the Group made one-off adjustments to the carrying values of Energy assets including Gladstone Electrolyser Manufacturing Centre, Arizona Hydrogen Project, Fortescue Zero manufacturing and Metals sustaining capital.

Notes to the consolidated financial statements

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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.

In April 2026, the Group announced a portfolio optimisation program for its Pilbara Operations, including Iron Bridge and Hematite, followed by an extended Iron Bridge ramp-up with FY27 Iron Bridge Concentrate shipment guidance of 11–14 Mt (100 per cent basis).

These updates represent a material deviation from the prior production ramp up profile and have 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 cash flows 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 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 lower volumes compared with the fines and lump product market and has limited published analyst forward prices as a 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.
Operating cost	Operating cost for the ramp-up period and long-term are based on internal budgets and forecasts based on the 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. In light of historical production performance and revisions to production guidance, the impairment assessment considered a range of probability-weighted production scenarios in accordance with AASB 136 Impairment of Assets and AASB 13 Fair Value Measurement. The production scenarios reflect generally available market assumptions that a market participant would consider when determining the fair value of the Iron Bridge CGU, with outcomes ranging to the nameplate production capacity of 22Mt.
Exchange rates AUD/USD	Long-term exchange rates of 0.73 are derived with reference to analyst consensus which involved market analysis including equity analyst estimates and internal management estimates.
Discount rates	In calculating FVLCD, a post-tax nominal discount rate of 9.5% 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 its 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.

Summary of impairment:

The carrying amount of the Iron Bridge CGU prior to impairment was US$2,126 million. Based on the probability-weighted recoverable amount, the Group recognised an impairment expense of US$750 million at 30 June 2026. The impairment resulted in a post-tax impact of US$525 million.

Sensitivity:

The Iron Bridge CGU is highly sensitive to Iron Bridge product prices, changes in discount rate and foreign exchange rate and changes in operating costs. Changes in these assumptions may materially impact the recoverable amount of the CGU. The sensitivities below are calculated independently, with all other assumptions held constant.

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KEY BALANCE SHEET ITEMS

12 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (CONTINUED)

Sensitivity scenario	Impact (US$m)
US$5/dmt movement in Iron Bridge product price	477
0.5% change in discount rate	105
AUD 1 cent movement in the AUD to USD exchange rate	53
1% movement on operating costs	51

A sustained change in long-term production levels would require corresponding changes in the life of mine plan and operating cost assumptions. Holding all other assumptions constant, a 1 Mt (wet) per annum reduction in production would reduce the valuation by approximately US$250 million to US$350 million over the range of production assumptions considered.

(b) Intangible assets

	Goodwill	Other intangible assets	Total
	US$m	US$m	US$m
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)
Net carrying value			
At 1 July 2025	195	323	518
Transfers	–	78	78
Additions	–	190	190
Acquired as part of asset acquisition	–	38	38
Disposals	–	(21)	(21)
Amortisation	–	(110)	(110)
At 30 June 2026	**195**	**498**	**693**
Cost	195	970	1,165
Accumulated amortisation	–	(472)	(472)

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 of current and forecasted financial performance of the Pilbara Operations CGU and an impairment charge was not required (2025: nil).

(c) Other non-current assets

	2026	2025
	US$m	US$m
Deposits for property, plant and equipment	484	429
Others	7	12
Total other non-current assets	**491**	441

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KEY BALANCE SHEET ITEMS

13 PROVISIONS

	2026	2025
	US$m	US$m
Employee benefits	655	589
Restoration and rehabilitation	3	2
Legal compensation	104	–
Others	49	24
Total current provisions	**811**	615
Employee benefits	6	6
Restoration and rehabilitation	1,195	981
Total non-current provisions	**1,201**	987

(a) Provision for restoration and rehabilitation

Movements in the provision for restoration and rehabilitation during the financial year are set out below:

	2026	2025
	US$m	US$m
At 1 July	983	1,028
Changes in restoration and rehabilitation estimate	187	(67)
Unwinding of discount	28	22
At 30 June	**1,198**	983

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 weighted average bond yield as at 30 June 2026 is 2.95 per cent.

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.

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. The timing of these outflows is inherently uncertain and is primarily dependent on the timing of mine closure, which is influenced by when operations cease to be economically viable. These uncertainties may result in future actual expenditure differing from the amounts currently provided and are continually reassessed.

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. Cash outflows are expected to occur over an extended period with effectively all undiscounted cash flows expected to be incurred beyond 10 years and continuing into post-mine closure activities.

Payments for restoration and rehabilitation activities exclude ongoing rehabilitation performed as part of normal operations.

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KEY BALANCE SHEET ITEMS

13 PROVISIONS (CONTINUED)

(a) Provision for restoration and rehabilitation (continued)

Sensitivity

A 0.5 percentage point increase or decrease in discount rates at 30 June 2026 would decrease the rehabilitation provision by approximately US$157 million or increase it by approximately US$182 million, respectively. A five-year acceleration of forecast closure cash flows would increase the provision by approximately US$189 million.

(b) Provision for legal compensation

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 legal proceedings involved several hearings between August 2023 and February 2025. On 12 May 2026, the Federal Court delivered judgment and determined that Fortescue is liable to pay compensation to the Yindjibarndi People comprising:

- An amount in the vicinity of A$100,000 for economic loss (the exact amount was said to be determined after further calculations and conferral between the parties);
- A$150 million for cultural loss; and
- Compound interest on the amount of economic loss.

As at 30 June 2026, Fortescue had fully provided A$150,353,909 as legal compensation to be paid to the Yindjibarndi People given the certainty around the existence of a present obligation and a reliable estimate (2025: nil).

On 1 July 2026, the Federal Court made final orders in the legal proceedings which required Fortescue to pay A$150,353,909 in compensation to YNAC by 14 July 2026, comprising:

- Economic loss in the total sum of A$136,757;
- Cultural loss in the total sum of A$150 million; and
- Compound interest on the economic loss in the total sum of A$217,152.

Fortescue made payment of the total amount on 1 July 2026. On 30 July 2026, YNAC announced its intention to appeal the Federal Court's decision, with lodgement to be made before the appeal deadline of 26 August 2026.

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TAXATION

14 TAXATION

For the year ended 30 June 2026, 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	
	2026	2025
	US$m	US$m
Current tax	1,751	1,603
Deferred tax	(274)	21
Income tax expense in the consolidated income statement	**1,477**	1,624

(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 2026, the Group's global effective tax rate was 34.1 per cent. This primarily reflects Australia as the Group's principal tax jurisdiction, where the statutory corporate income tax rate is 30 per cent, together with the impact of foreign operations and other non-temporary differences.

	Consolidated group 2026	Australian group 2026	Consolidated group 2025	Australian group 2025
	US$m	US$m	US$m	US$m
Profit before income tax expense	4,337	4,759	4,990	5,367
Tax at the Australian tax rate of 30 per cent (2025: 30 per cent)	1,301	1,428	1,497	1,610
Research and development tax incentive	(8)	(8)	(8)	(8)
Adjustments in respect of income tax expense of prior periods	2	3	(8)	(7)
Foreign exchange variations and other translation adjustments	–	–	1	1
Tax impact of overseas jurisdictions	178	17	148	11
Non-deductible expenditure	37	37	22	22
Share-based payments	(24)	(24)	(26)	(26)
Effect of tax losses	(9)	(9)	(7)	(7)
Other	–	(3)	5	2
Income tax expense	**1,477**	**1,441**	1,624	1,598
Effective tax rate	34.1%	30.3%	32.5%	29.8%

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TAXATION

14 TAXATION (CONTINUED)

(c) Reconciliation of income tax expense to current tax payable

	Consolidated group	
	2026	2025
	US$m	US$m
Income tax expense in the consolidated income statement	1,477	1,624
Deferred tax benefit/(expense)	274	(21)
	1,751	1,603
Current tax payable at 1 July	223	259
Tax payments made to tax authorities[1]	(1,821)	(1,643)
Impact of foreign exchange on income tax payable and other adjustments[2]	(7)	4
Current tax payable at 30 June	**146**	223

[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	
	2026	2025
	US$m	US$m
Deferred tax assets	977	840
Deferred tax liabilities	(2,246)	(2,383)
Net deferred tax liabilities	**(1,269)**	(1,543)

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For the year ended 30 June 2026

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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	
	2026	2025	2026	2025	2026	2025
	US$m	US$m	US$m	US$m	US$m	US$m
Temporary differences arising from						
Exploration expenditure	–	–	(235)	(226)	9	(5)
Development	–	–	(509)	(424)	85	(112)
Property, plant and equipment	–	–	(1,167)	(1,438)	(271)	94
Inventories	–	–	(335)	(295)	40	49
Foreign exchange losses / (gains)	26	20	–	–	(6)	10
Provisions and accruals	598	462	–	–	(136)	(14)
Share-based payments	39	34	–	–	(5)	(3)
Other financial liabilities	249	249	–	–	–	6
Other items[1]	65	75	–	–	10	(4)
	977	840	**(2,246)**	(2,383)	**(274)**	21

[1] Deferred tax of US$0.5 million was recognised directly in equity for the year ended 30 June 2026 (2025: US$3 million) .

(e) Unrecognised tax losses, tax credits and net deductible temporary differences

At 30 June 2026, the Group had income tax losses, tax credits and other net deductible temporary differences, in respect of which no deferred tax asset has been recognised. The Group recognises a deferred tax asset in respect of tax losses, tax credits and other net deductible temporary differences only to the extent of probable future taxable income or gains arising in the relevant jurisdiction. The amount of these tax attributes for which net deferred tax assets have not been recognised is as follows:

	Consolidated group	
	2026	2025
	US$m	US$m
Tax losses	1,215	778
Tax credits	4	4
Other deductible temporary differences	298	220

The amounts of tax losses and other deductible temporary differences presented above are net of any taxable temporary differences. Of the US$1,215 million of tax losses, US$129 million expires not later than 10 years and US$4 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 2026 in Australia and other relevant jurisdictions, the Group has become subject to the Base Erosion and Profit Shifting (BEPS) Pillar Two rules, which first applied to the Group for the financial year commencing from 1 July 2024. These rules seek to ensure a minimum 15 per cent effective tax rate is paid by large multinational groups in each global jurisdiction in which they operate.

An immaterial amount of current income tax expense has been recognised by the Group for the year ended 30 June 2026 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.

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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

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

	2026	2025
	US$m	US$m
Within one year	916	1,502
Between one and five years	648	2,422
Later than five years	–	7
Total commitments	**1,564**	3,931

16 EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) Class action proceedings

On 6 July 2026, Fortescue was served with a representative proceeding (class action) filed in the Federal Court of Australia containing allegations relating to workplace matters including sexual harassment and sex discrimination. The proceedings are at an early stage and the amount of damages sought is unspecified.

(b) Yindjibarndi native title claim proceedings

On 1 July 2026, the Federal Court made final orders in the legal proceedings which required Fortescue to pay A$150,353,909 in compensation to Yindjibarndi Ngurra Aboriginal Corporation (YNAC) by 14 July 2026, comprising:

- Economic loss in the total sum of A$136,757;
- Cultural loss in the total sum of A$150 million; and
- Compound interest on the economic loss in the total sum of A$217,152.

Fortescue made payment of the total amount on 1 July 2026. On 30 July 2026, YNAC announced its intention to appeal the Federal Court's decision with lodgement to be made before the appeal deadline of 26 August 2026.

(c) Dividend

On 20 August 2026, the Directors declared a final dividend of 46 Australian cents per ordinary share payable in September 2026.

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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

	2026	2025
	US$'000	US$'000
Short-term employee benefits	6,902	6,722
Share-based payments	4,364	4,347
Long-term employee benefits	190	340
Post-employment benefits	184	211
Termination benefits	–	2,028
	11,640	13,648

Detailed information about the remuneration received by each key management person is provided in the remuneration report on pages 145 to 184.

(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.

	2026	2025
	US$'000	US$'000
Recoveries from personally related entities		
Costs recovered from personally related entities	621	565
	621	565
Expenses incurred in relation to personally related entities		
Purchase of goods and services	1,096	2,522
Purchase of properties	3,293	–
Lease of commercial space	2,096	2,113
Payments under a joint development agreement	1,662	6,283
	8,147	10,918
Balances at 30 June		
Receivable by the Group from personally related entities	478	378
Payable by the Group to personally related entities	364	4,923

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18 SHARE-BASED PAYMENTS

(a) Employee share rights plans

During the year ended 30 June 2026, Fortescue issued 1,477,592 (2025: 1,017,633) short-term share rights and 2,600,042 (2025: 2,015,928) 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.

	2026	2025
	Number	Number
Outstanding at 1 July	7,041,647	6,506,423
Share rights granted	4,077,634	3,033,561
Share rights forfeited or lapsed	(823,323)	(589,395)
Share rights converted or exercised	(1,369,127)	(1,908,942)
Outstanding at 30 June	**8,926,831**	7,041,647

The weighted average fair values of share rights granted during the year ended 30 June 2026 and 2025 are presented below:

	2026	2025
	A$/right	A$/right
Short-term share rights	19.20	18.01
Long-term share rights	9.30	8.78

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 2026 and 2025 were:

	2026	2025
Share price, A$	20.23	18.99
Exercise price, A$	–	–
Volatility, %	32	37
Effective life, years	2.08	2.13
Dividend yield, %	6.6	7.0
Risk-free interest rate, %	3.7	4.0

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18 SHARE-BASED PAYMENTS (CONTINUED)

(a) Employee share rights plans (continued)

Details of share rights outstanding at 30 June 2026 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	7.5	–	Yes
Short-term share rights 2020	–	50,788	50,788	8.5	–	Yes
Short-term share rights 2021	–	49,259	49,259	9.5	–	Yes
Short-term share rights 2022	–	33,311	33,311	10.5	–	Yes
Short-term share rights 2023	–	181,262	181,262	11.5	–	Yes
Short-term share rights 2024	–	121,627	121,627	12.5	–	Yes
Short-term share rights 2025	–	187,627	187,627	13.5	–	Yes
Short-term share rights 2026	–	1,477,592	–	14.5	–	Yes
Long-term share rights 2020	–	290,427	290,427	8.5	Yes	Yes
Long-term share rights 2021	–	56,135	56,135	9.5	Yes	Yes
Long-term share rights 2022	–	91,176	91,176	10.5	Yes	Yes
Long-term share rights 2023	–	153,018	153,018	11.5	Yes	Yes
Long-term share rights 2024	–	1,514,275	–	12.5	Yes	Yes
Long-term share rights 2025	–	1,989,887	–	13.5	Yes	Yes
Long-term share rights 2026	–	2,600,042	–	14.5	Yes	Yes
		8,926,831	**1,345,035**			

(b) Employee expenses

Total expenses arising from share-based payments transactions recognised during the period as part of employee benefit expense were as follows:

	2026	2025
	US$m	US$m
Share-based payment expense	195	184

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19 REMUNERATION OF AUDITORS

	2026	2025
	US$'000	US$'000
PricewaterhouseCoopers Australia		
Audit and other assurance services		
Audit and review of financial statements	2,132	2,152
Other assurance services	281	182
Total audit and assurance services	**2,413**	2,334
Other services		
Consulting services	340	268
Total remuneration of PricewaterhouseCoopers Australia	**2,753**	2,602
Network firms of PricewaterhouseCoopers Australia		
Audit and other assurance services		
Audit and review of financial statements	1,485	1,424
Total audit and assurance services	**1,485**	1,424
Other services		
Consulting services	657	312
Total remuneration of network firms of PricewaterhouseCoopers Australia	**2,142**	1,736
Total auditors' remuneration	**4,895**	4,338

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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
- 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[1]
- FMG Iron Bridge (Aust) Pty Ltd
- FMG Magnetite Pty Ltd
- Pilbara Energy (Generation) Pty Ltd
- Pilbara Energy Company Pty Ltd
- FMG Clean Energy Pty Ltd
- WAE Technologies Australia Pty Ltd

[1]This subsidiary is incorporated and domiciled in Hong Kong.

(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 2026 for the closed group represented by the above companies.

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20 DEED OF CROSS GUARANTEE (CONTINUED)

Consolidated income statement (closed group)	2026 US$m	2025 Restated[1] US$m
Operating sales revenue	16,812	15,409
Cost of sales	(10,092)	(9,091)
Gross profit	**6,720**	6,318
Other income	156	305
Other expenses	(1,994)	(2,449)
Operating profit	**4,882**	4,174
Finance income	174	181
Finance expenses	(355)	(340)
Profit before tax	**4,701**	4,015
Income tax expense	(1,492)	(1,720)
Net profit after tax	**3,209**	2,295

Consolidated statement of other comprehensive income (closed group)	2026 US$m	2025 Restated[1] US$m
Net profit after tax	3,209	2,295
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	–	–
Other comprehensive income, net of tax	–	–
Total comprehensive income for the period, net of tax	**3,209**	**2,295**

Summary of movements in consolidated retained earnings (closed group)	2026 US$m	2025 Restated[1] US$m
Balance at 1 July	19,588	20,089
Net profit after tax	3,209	2,295
Dividends declared	(2,549)	(2,838)
Adjustments for companies transferred into the closed group	–	42
Balance at 30 June	**20,248**	19,588

[1]During the year, the 2025 comparative information was restated to recognise a write-down of $2,037 million on the cost of an investment in subsidiary that is outside the closed group to align with the subsidiary's consolidated net assets. This restatement increased the closed group's "Other expenses" in the "Consolidated income statement" and decreased "Other non-current assets" in the "Consolidated statement of financial position". This write-down was already reflected in Note 21 Parent Entity Financial Information in prior year 2025 financial report.

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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 2026 for the closed group represented by the above companies.

	2026	2025 Restated[1]
	US$m	US$m
Cash and cash equivalents	4,404	3,820
Trade and other receivables	1,671	1,379
Inventories	1,821	1,559
Other current assets	180	105
Total current assets	**8,076**	6,863
Trade and other receivables	23	30
Inventories	348	307
Property, plant and equipment	20,706	20,881
Intangible assets	318	218
Financial assets measured at fair value	2	3
Other non-current assets	2,459	2,561
Total non-current assets	**23,856**	24,000
Total assets	**31,932**	30,863
Trade and other payables	1,283	1,369
Borrowings and lease liabilities	269	174
Provisions	751	543
Deferred income	33	18
Current tax payable	125	198
Total current liabilities	**2,461**	2,302
Borrowings and lease liabilities	5,543	5,240
Provisions	1,189	975
Deferred income	18	19
Deferred tax liabilities	1,252	1,555
Total non-current liabilities	**8,002**	7,789
Total liabilities	**10,463**	10,091
Net assets	**21,469**	20,772
Contributed equity	1,109	1,087
Reserves	112	97
Retained earnings	20,248	19,588
Total equity	**21,469**	20,772

[1]During the year, the 2025 comparative information was restated to recognise a write-down of $2,037 million on the cost of an investment in subsidiary that is outside the closed group to align with the subsidiary's consolidated net assets. This restatement increased the closed group's "Other expenses" in the "Consolidated income statement" and decreased "Other non-current assets" in the "Consolidated statement of financial position". This write-down was already reflected in Note 21 Parent Entity Financial Information in prior year 2025 results.

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21 PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

	2026	2025
	US$m	US$m
Current assets	160	230
Non-current assets	10,795	12,689
Total assets	**10,955**	12,919
Current liabilities	160	230
Non-current liabilities	183	729
Total liabilities	**343**	959
Net assets	**10,612**	11,960
Contributed equity	1,109	1,087
Reserves	129	114
Retained earnings	9,374	10,759
Total equity	**10,612**	11,960
Profit for the year	1,164	3,858
Total comprehensive income for the year	**1,164**	3,858

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$3,882 million (2025: US$5,626 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$2,850 million issued by Fortescue Treasury Pty Ltd, a wholly owned subsidiary.

Fortescue Ltd has provided a guarantee in respect of the working capital facility entered into by Fortescue Trading (Shanghai) Co., Ltd, as disclosed in note 9(a)(vi), covering outstanding principal and accrued interest with a carrying amount of US$103 million as at 30 June 2026 (30 June 2025: nil).

Fortescue Ltd and its wholly owned subsidiaries FMG Pilbara Pty Ltd, Chichester Metals Pty Ltd, FMG Solomon Pty Ltd, International Bulk Ports Pty Ltd, The Pilbara Infrastructure Pty Ltd, FMG Procurement Services Pty Ltd, FMG Iron Bridge (Aust) Pty Ltd, FMG Magnetite Pty Ltd, Pilbara Energy Company Pty Ltd and Pilbara Energy (Generation) 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 RMB syndicated term loan as described in note 9(a)(v) held by a wholly owned subsidiary, Fortescue Treasury Pty Ltd. The guaranteed RMB syndicated term loan had a carrying amount of US$2,098 million as at 30 June 2026 (30 June 2025: nil).

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 guaranteed the revolving credit facility as described in note 9(a)(iv) of US$1,025 million (2025: US$1,025 million), which remained undrawn as at 30 June 2026.

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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$231 million at 30 June 2026 (30 June 2025: US$258 million).

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 2026 or 30 June 2025.

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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):

			Equity holding	
	Country of incorporation	Class of shares	2026 %	2025 %
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	Australia	Ordinary	100	100
Red Hawk Mining Pty Ltd	Australia	Ordinary	100	100
PIOP Mine Co Pty Ltd	Australia	Ordinary	100	100
Fortescue Trading (Shanghai) Co., Ltd	China	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
Nascent Exploration Pty	Australia	Ordinary	100	100
Alta Copper Corp.	Canada	Ordinary	100	36
Cañariaco Copper Peru S.A.C	Peru	Ordinary	100	36
Cañariaco Copper (BVI) Corp.	British Virgin Islands	Ordinary	100	36

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22 INTERESTS IN OTHER ENTITIES (CONTINUED)

(a) Subsidiaries (continued)

	Country of incorporation	Class of shares	Equity holding 2026 %	Equity holding 2025 %
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
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
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
Fortescue Future Industries United Kingdom Holdings Limited	United Kingdom	Ordinary	100	100
Fortescue Capital Pty Ltd	Australia	Ordinary	100	100
Nabrawind Technologies, S.L.	Spain	Ordinary	100	44

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 2026	Participating interest 2025
Iron Bridge Joint Venture	Australia	FMG Magnetite Pty Ltd	Development of magnetite assets and production of magnetite concentrate	69%	69%

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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, the Group reclassified a US$62 million investment measured at fair value through OCI to investment in a joint venture after obtaining joint control through an increase in shareholding and a restructuring of the investee's governance structure. In the prior 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	
	2026	2025	2026	2025	2026	2025
	US$m	US$m	US$m	US$m	US$m	US$m
Aggregate carrying amount as at 30 June	11	59	71	12	82	71
Aggregate amounts of the Group's share of:						
Loss from operations	(6)	(19)	(3)	(2)	(9)	(21)

(d) Financial assets measured at fair value

The Group also holds interests in a number of equity investments over which it does not have control, joint control, or significant influence. These investments are measured at fair value.

No dividend income was recognised from these investments during the year (2025: nil).

		2026	2025
	Hierarchy level	US$m	US$m
Financial assets measured at fair value through profit or loss	Level 3	19	5
Listed equity investments designated at fair value through OCI	Level 1	3	3
Non-listed equity investments designated at fair value through OCI	Level 3	92	206
Total financial assets at fair value		**114**	214

Notes to the consolidated financial statements

For the year ended 30 June 2026

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23 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material 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.

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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).

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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 or loss.

(ii) Interest income

Interest income is accrued using the effective interest rate method.

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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 2026 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.

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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 stand-alone 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 or 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 or milestone basis, as established in the contract.

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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.

(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.

Notes to the consolidated financial statements

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23 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Financial assets (continued)

(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).

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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.

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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 in which 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.

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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 are allocated to inventory, 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 the 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 and development of identifiable intangible assets, such as software, licenses, trademarks and patents, pilot plants and prototypes, 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 is 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 are 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 up to 3 years
- Patents and licenses up to 20 years
- Pilot plants and prototypes up to 2 years

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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 lessee 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 the 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.

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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 that 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 twice a year, 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.

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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 assessed individually. However, where an asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, it is assessed as part of a collective group, referred to as a CGU. 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 to determine 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 financial 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 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.

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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

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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 2025 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 2023-5 Amendments to Australian Accounting Standards* – Lack of Exchangeability
- *AASB 2024-4 Amendments to Australian Accounting Standards* – Effective Date of Amendments to AASB 10 and AASB 128 Deferral of equity accounting-related amendments
- *AASB 2026-1 Amendments to Australian Accounting Standards* – Disclosures about Uncertainties in the Financial Statements

(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 2026 reporting period. These standards and interpretations have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below:

- *AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments* (effective for annual periods beginning on or after 1 January 2026). On 29 July 2024, the AASB issued targeted amendments to AASB 9 and AASB 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. The Group does not expect these amendments to have a material impact on its operations or financial statements.
- *AASB 18 Presentation and disclosure in Financial Statements* (effective for annual periods beginning on or after 1 January 2027). AASB 18 will replace AASB 101 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though AASB 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

  Management is currently assessing the detailed implications of applying AASB 18 on the Group's consolidated financial statements. Although the adoption of AASB 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the early initial impact assessment that the Group has performed, the following item might potentially impact operating profit:

  - Foreign exchange differences currently aggregated in the line items "Other Income" and "Other expenses" in operating profit may need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

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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 2026

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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 cash flows 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.

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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 about joint control or 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 2026

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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	Alta Copper Corp.	Body corporate	No	Canada	100%	No	Canada
2	Argentina Fortescue Future Industries S.A.	Body corporate	No	Argentina	100%	No	Argentina
3	Argentina Fortescue S.A.U.	Body corporate	No	Argentina	100%	No	Argentina
4	Argentina Minera S.A.	Body corporate	No	Argentina	100%	No	Argentina
5	Australian Fortescue Future Industries Holdings Pty Ltd	Body corporate	No	Australia	100%	Yes	
6	Australian Fortescue Future Industries Pty Ltd	Body corporate	No	Australia	100%	Yes	
7	Beijing Nabrawind Energy Technology Co., Ltd.	Body corporate	No	China	100%	No	China
8	Belinga Joint Venture Company Limited	Body corporate	No	United Kingdom	80%	No	United Kingdom
9	Bougainville Fortescue Limited	Body corporate	No	Papua New Guinea	100%	Yes	Papua New Guinea
10	Brasil Fortescue Mineração Limitada	Body corporate	No	Brazil	100%	No	Brazil
11	Brasil Fortescue Sustainable Industries Limitada	Body corporate	No	Brazil	100%	No	Brazil
12	Cameroon Fortescue Future Industries SAS	Body corporate	No	Cameroon	100%	No	Cameroon
13	Canada Fortescue Future Industries Ltd	Body corporate	No	Canada	100%	No	Canada
14	Cañariaco Copper (BVI) Corp.	Body corporate	No	British Virgin Islands	100%	No	British Virgin Islands
15	Cañariaco Copper Peru SAC	Body corporate	No	Peru	100%	No	Peru
16	CD Hub Pty Ltd	Body corporate	No	Australia	100%	Yes	
17	Chichester Metals Pty Ltd	Body corporate	No	Australia	100%	Yes	
18	Chile Fortescue Future Industries SpA	Body corporate	No	Chile	100%	No	Chile
19	Chile Fortescue SpA	Body corporate	No	Chile	100%	No	Chile
20	Cobriza Metals (BVI) Corp.	Body corporate	No	British Virgin Islands	100%	No	British Virgin Islands
21	Cobriza Metals Corp.	Body corporate	No	Canada	100%	No	Canada
22	Cobriza Metals Peru S.A.C	Body corporate	No	Peru	100%	No	Peru
23	Colombia Fortescue SAS	Body corporate	No	Colombia	100%	No	Colombia
24	CSRP Pty Ltd	Body corporate	No	Australia	100%	Yes	
25	Democratic Republic of Congo Fortescue Future Industries Ltd SASU	Body corporate	No	Democratic Republic of Congo	100%	No	Democratic Republic of Congo
26	Ecuador Fortescue S.A.	Body corporate	No	Ecuador	100%	No	Ecuador
27	Energía Comahue S.A.	Body corporate	No	Argentina	100%	No	Argentina
28	Energy Resources Fortescue Future Industries Pty Ltd	Body corporate	No	Australia	100%	Yes	
29	FFI Ionix, Inc.	Body corporate	No	United States	100%	No	United States
30	FFI Phoenix Hub Holdings LLC	Body corporate	No	United States	100%	No	United States
31	FFI USA Investments Inc.	Body corporate	No	United States	100%	No	United States
32	FGAM Holdings Inc.	Body corporate	No	United States	100%	No	United States
33	FMG Air Pty Ltd	Body corporate	No	Australia	100%	Yes	

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

At 30 June 2026

	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]
34	FMG America Finance Inc.	Body corporate	No	United States	100%	Yes	United States
35	FMG Ashburton Pty Ltd	Body corporate	No	Australia	100%	Yes	
36	FMG Autonomy Pty Ltd	Body corporate	No	Australia	100%	Yes	
37	FMG Chichester Personnel Pty Ltd	Body corporate	No	Australia	100%	Yes	
38	FMG Clean Energy Pty Ltd	Body corporate	No	Australia	100%	Yes	
39	FMG Colombia Operations PTE LTD	Body corporate	No	Singapore	100%	No	Singapore
40	FMG Ecuador Operations PTE LTD	Body corporate	No	Singapore	100%	No	Singapore
41	FMG Ecuador Tenements PTE LTD	Body corporate	No	Singapore	100%	No	Singapore
42	FMG Exploration Pty Ltd	Body corporate	No	Australia	100%	Yes	
43	FMG Hong Kong Shipping Ltd	Body corporate	No	Hong Kong	100%	No	Hong Kong
44	FMG Insurance Singapore Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
45	FMG International Exploration PTE LTD	Body corporate	No	Singapore	100%	No	Singapore
46	FMG International Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
47	FMG International Shipping Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
48	FMG IOC Pty Ltd	Body corporate	No	Australia	100%	Yes	
49	FMG Iron Bridge (Aust) Pty Ltd	Body corporate	No	Australia	100%	Yes	
50	FMG Iron Bridge Limited	Body corporate	No	Hong Kong	100%	Yes	Hong Kong
51	FMG JV Company Pty Ltd	Body corporate	No	Australia	100%	Yes	
52	FMG Magnetite Pty Ltd	Body corporate	Yes	Australia	100%	Yes	
53	FMG North Pilbara Pty Ltd	Body corporate	No	Australia	100%	Yes	
54	FMG Nullagine Pty Ltd	Body corporate	No	Australia	100%	Yes	
55	FMG Nyidinghu Pty Ltd	Body corporate	No	Australia	100%	Yes	
56	FMG Personnel Pty Ltd	Body corporate	No	Australia	100%	Yes	
57	FMG Personnel Services Pty Ltd	Body corporate	No	Australia	100%	Yes	
58	FMG Pilbara Pty Ltd	Body corporate	No	Australia	100%	Yes	
59	FMG Procurement Services Pty Ltd	Body corporate	No	Australia	100%	Yes	
60	FMG Resources Pty Ltd	Body corporate	No	Australia	100%	Yes	
61	FMG Solomon Pty Ltd	Body corporate	No	Australia	100%	Yes	
62	FMG South America Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
63	FMG Training Pty Ltd	Body corporate	No	Australia	100%	Yes	
64	Fortescue Canada Limited	Body corporate	No	Canada	100%	Yes	Canada
65	Fortescue Capital Management LLC	Body corporate	No	United States	100%	No	United States
66	Fortescue Capital Pty Ltd	Body corporate	No	Australia	100%	Yes	
67	Fortescue Energy Hong Kong Investments Limited	Body corporate	No	Hong Kong	100%	No	Hong Kong
68	Fortescue Energy Pty Ltd	Body corporate	No	Australia	100%	Yes	
69	Fortescue Energy Ventures Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
70	Fortescue Future Chemicals Manufacturing Ethiopia PLC	Body corporate	No	Ethiopia	100%	No	Ethiopia

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

At 30 June 2026

	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 International Pty Ltd	Body corporate	No	Australia	100%	Yes	
72	Fortescue Future Industries Kenya Ltd	Body corporate	No	Kenya	100%	No	Kenya
73	Fortescue Future Industries Middle East Management Limited	Body corporate	No	United Arab Emirates	100%	No	United Arab Emirates
74	Fortescue Future Industries Namibia (Proprietary) Limited	Body corporate	No	Namibia	100%	No	Namibia
75	Fortescue Future Industries Pty Ltd	Body corporate	No	Australia	100%	Yes	
76	Fortescue Future Industries Pty Ltd PSC (Jordan)	Body corporate	No	Jordan	100%	No	Jordan
77	Fortescue Future Industries Technologies Pty Ltd	Body corporate	No	Australia	100%	Yes	
78	Fortescue Future Industries United Kingdom Holdings Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
79	Fortescue Global Asset Management LLC	Body corporate	No	United States	100%	No	United States
80	Fortescue Green Technologies Pty Ltd	Body corporate	No	Australia	100%	Yes	
81	Fortescue Hydrogen Systems Australia Pty Ltd	Body corporate	No	Australia	100%	Yes	
82	Fortescue Hydrogen Technology (Hefei) Limited	Body corporate	No	China	100%	No	China
83	Fortescue International Marketing Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
84	Fortescue Ltd	Body corporate	No	Australia	100%	Yes	
85	Fortescue Ltd Employee Share Trust	Trust	No	N/A	N/A	Yes	
86	Fortescue Metals Pty Ltd	Body corporate	No	Australia	100%	Yes	
87	Fortescue Morocco SARLAU	Body corporate	No	Morocco	100%	No	Morocco
88	Fortescue One Pty Ltd	Body corporate	No	Australia	100%	Yes	
89	Fortescue Services Pty Ltd	Body corporate	No	Australia	100%	Yes	
90	Fortescue Shipping Amanda Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
91	Fortescue Shipping David Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
92	Fortescue Shipping Grace Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
93	Fortescue Shipping Matilda Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
94	Fortescue Shipping Nicola Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
95	Fortescue Shipping Northern Spirit Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
96	Fortescue Shipping Singapore Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
97	Fortescue Shipping Sophia Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
98	Fortescue Shipping Sydney Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
99	Fortescue Trading (Shanghai) Co., Ltd	Body corporate	No	China	100%	No	China
100	Fortescue Treasury Pty Ltd	Body corporate	No	Australia	100%	Yes	
101	Fortescue Treasury (China) Pty Ltd	Body corporate	No	Australia	100%	Yes	
102	Fortescue UK Investment Management Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
103	Fortescue UK IP Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
104	Fortescue UK Services Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
105	Fortescue WAE Pty Ltd	Body corporate	No	Australia	100%	Yes	

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

At 30 June 2026

	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	Fortescue Zambia Limited	Body corporate	No	Zambia	100%	No	Zambia
107	Fortescue Zero Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
108	Gibson Island FFI Holdings Pty Ltd	Body corporate	No	Australia	100%	Yes	
109	Gibson Island H2 Pty Ltd	Body corporate	No	Australia	100%	Yes	
110	Gibson Island NH3 Pty Ltd	Body corporate	No	Australia	100%	Yes	
111	Gladstone H2 Pty Ltd	Body corporate	No	Australia	100%	Yes	
112	Greenland Fortescue A/S	Body corporate	No	Greenland	100%	No	Greenland
113	Holmaneset H2 AS	Body corporate	No	Norway	100%	No	Norway
114	IB Operations Pty Ltd	Body corporate	No	Australia	69%	Yes	
115	International Bulk Ports Pty Ltd	Body corporate	No	Australia	100%	Yes	
116	Inversiones Mineras Las Palmas S.A.	Body corporate	No	Peru	100%	No	Peru
117	IRBR Pty Ltd	Body corporate	No	Australia	100%	Yes	
118	Ivindo Iron SA	Body corporate	No	Gabon	72%	No	Gabon
119	Karribi Developments Pty Ltd	Body corporate	No	Australia	100%	Yes	
120	Kazakhstan Fortescue LLP	Body corporate	Yes	Kazakhstan	100%	No	Kazakhstan
121	Kazakhstan Fortescue Future Industries Limited	Body corporate	No	Kazakhstan	100%	No	Kazakhstan
122	Kazakhstan Fortescue Operations LLP	Body corporate	Yes	Kazakhstan	100%	No	Kazakhstan
123	Masters Way Homes Pty Ltd	Body corporate	Yes	Australia	100%	Yes	
124	MIH2 Pty Ltd	Body corporate	No	Australia	100%	Yes	
125	MIH2 USA People, Inc.	Body corporate	No	United States	100%	No	United States
126	MIH2 USA LLC	Body corporate	No	United States	100%	No	United States
127	Nabrahub, S.L.	Body corporate	No	Spain	100%	No	Spain
128	Nabrawind Technologies, S.L.	Body corporate	No	Spain	100%	No	Spain
129	Nascent Exploration Pty Ltd	Body corporate	No	Australia	100%	Yes	
130	Net Zero Holdings Pty Ltd	Body corporate	No	Australia	100%	Yes	
131	Netherlands Fortescue Future Industries Holdings B.V.	Body corporate	No	Netherlands	100%	No	Netherlands
132	New Zealand Fortescue Future Industries Limited	Body corporate	No	New Zealand	100%	Yes	New Zealand
133	Norway Fortescue Future Industries Holdings AS	Body corporate	No	Norway	100%	No	Norway
134	Oxford Spires Management Co. Limited	Body corporate	No	United Kingdom	55%	No	United Kingdom
135	Papua New Guinea Fortescue Future Industries Ltd	Body corporate	No	Papua New Guinea	100%	No	Papua New Guinea
136	Peru Fortescue SAC	Body corporate	No	Peru	100%	No	Peru
137	Phoenix Hydrogen Hub LLC	Body corporate	No	United States	100%	No	United States
138	Pilbara Energy (Generation) Pty Ltd	Body corporate	No	Australia	100%	Yes	
139	Pilbara Energy Company Pty Ltd	Body corporate	No	Australia	100%	Yes	
140	Pilbara Gas Pipeline Pty Ltd	Body corporate	No	Australia	100%	Yes	

CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

At 30 June 2026

	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	Pilbara Green Energy Company Pty Ltd	Body corporate	No	Australia	100%	Yes	
142	Pilbara Housing Services Pty Ltd	Body corporate	Yes	Australia	100%	Yes	
143	Pilbara Iron Ore Pty Ltd	Body corporate	No	Australia	100%	Yes	
144	Pilbara Marine Pty Ltd	Body corporate	No	Australia	100%	Yes	
145	Pilbara Mining Alliance Pty Ltd	Body corporate	No	Australia	100%	Yes	
146	Pilbara Power Pty Ltd	Body corporate	No	Australia	100%	Yes	
147	Pilbara Water and Power Pty Ltd	Body corporate	No	Australia	69%	Yes	
148	PIOP Mine Co Pty Ltd	Body corporate	No	Australia	100%	Yes	
149	Portugal Fortescue Unipessoal LDA	Body corporate	No	Portugal	100%	No	Portugal
150	Prairie Renewable Energy Farm Pty Ltd	Body corporate	No	Australia	100%	Yes	
151	PSV Leveque Pte Ltd	Body corporate	No	Singapore	100%	No	Singapore
152	PT Indonesia Fortescue Infrastructure	Body corporate	No	Indonesia	100%	No	Indonesia
153	PT Indonesia Papua Fortescue Future Industries	Body corporate	No	Indonesia	100%	No	Indonesia
154	Red Hawk Mining Pty Ltd	Body corporate	No	Australia	100%	Yes	
155	RZ Net Pty Ltd	Body corporate	No	Australia	100%	Yes	
156	South Africa Fortescue Future Industries (Pty) Ltd	Body corporate	No	South Africa	100%	No	South Africa
157	Southern Cross Wind Pty Ltd	Body corporate	No	Australia	100%	Yes	
158	SS IB Pty Ltd	Body corporate	No	Australia	100%	Yes	
159	Tasmania H2 Pty Ltd	Body corporate	No	Australia	100%	Yes	
160	The Fortescue Employee Housing Plan Trust	Trust	No	N/A	N/A	Yes	
161	The Masters Way Homes Unit Trust	Trust	No	N/A	N/A	Yes	
162	The Pilbara Infrastructure Pty Ltd	Body corporate	No	Australia	100%	Yes	
163	Toowong Process Pty Ltd	Body corporate	No	Australia	100%	Yes	
164	USA Fortescue Battery Holdings LLC	Body corporate	No	United States	100%	No	United States
165	USA Fortescue Energy Development LLC	Body corporate	No	United States	100%	No	United States
166	USA Fortescue Energy Holdings LLC	Body corporate	No	United States	100%	No	United States
167	USA Fortescue Facilities LLC	Body corporate	No	United States	100%	No	United States
168	USA Fortescue Future Industries LLC	Body corporate	No	United States	100%	No	United States
169	USA Fortescue Holdings Inc.	Body corporate	No	United States	100%	No	United States
170	USA Fortescue Hydrogen Systems Holdings LLC	Body corporate	No	United States	100%	No	United States

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT (CONTINUED)

At 30 June 2026

	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]
171	USA Fortescue IP, Inc.	Body corporate	No	United States	100%	No	United States
172	USA Fortescue Manufacturing Holdings LLC	Body corporate	No	United States	100%	No	United States
173	USA Fortescue MIH2 Holdings LLC	Body corporate	No	United States	100%	No	United States
174	USA Fortescue Piquette LLC	Body corporate	No	United States	100%	No	United States
175	Viridi S.A.	Body corporate	No	Argentina	100%	No	Argentina
176	VTEC Services Pty Ltd	Body corporate	No	Australia	100%	Yes	
177	W Hub Pty Ltd	Body corporate	No	Australia	100%	Yes	
178	WAE Joint Ventures Limited	Body corporate	No	United Kingdom	100%	No	United Kingdom
179	WAE Technologies Australia Pty Ltd	Body corporate	No	Australia	100%	Yes	
180	WAE Technologies Deutschland GmbH	Body corporate	No	Germany	100%	No	Germany
181	WAE Technologies US LLC	Body corporate	No	United States	100%	No	United States
182	Wongalee Renewable Energy Farm Pty Ltd	Body corporate	No	Australia	100%	Yes	

[i]This item addresses whether, at 30 June 2026, 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 2026. 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 2026. Trusts are disclosed as Australian resident if they are a resident trust estate (within the meaning of the Division 6 of Part III of the Income Tax Assessment Act 1936) in relation to the 30 June 2026 year of income. Partnerships are disclosed as Australian resident if at least one member of the partnership was an Australian resident at 30 June 2026.

[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 2026.

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DIRECTORS' DECLARATION

In the Directors' opinion:

(a) the financial statements and notes set out on pages 185 to 249 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 2026 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 250 to 255, as 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 20th day of August 2026.

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Auditor's Independence Declaration

As lead auditor of Fortescue Ltd's financial report and lead auditor of the specified sustainability disclosures within the sustainability report for the year ended 30 June 2026, respectively, we each declare that, having regard to our responsibilities in relation to the respective audit of the financial report and audit and review, as applicable, of the specified sustainability disclosures within the sustainability report, to the best of our knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the respective audit of the financial report or the audit and review, as applicable, of the specified sustainability disclosures; and

b) no contraventions of any applicable code of professional conduct in relation to the respective audit of the financial report or the audit and review, as applicable, of the specified sustainability disclosures.

Chris Dodd
Lead auditor (financial report)
Partner
PricewaterhouseCoopers

Rachel Meadows
Lead auditor (sustainability report)
Partner
PricewaterhouseCoopers

Perth
20 August 2026

PricewaterhouseCoopers, ABN 52 780 433 757
Brookfield Place, Level 15, 125 St Georges Terrace, PERTH WA 6000,
GPO Box D198, PERTH WA 6840
T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

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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 2026 and of its financial performance for the year then ended; and

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 2026;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows 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 2026; and
- the directors' declaration.

PricewaterhouseCoopers, ABN 52 780 433 757
Brookfield Place, Level 15, 125 St Georges Terrace, PERTH WA 6000,
GPO Box D198, PERTH WA 6840
T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

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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 audits of the financial report of public interest entities 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.

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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, Finance and Risk Management Committee.

Key audit matter	*How our audit addressed the key audit matter*
Impairment assessment for the Iron Bridge Cash Generating unit (CGU) (Refer to note 12(a) 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 the Iron Bridge CGU. Accordingly, an impairment assessment was completed which resulted in an impairment expense of US$750 million being recognised in other expenses. The probability-weighted average recoverable amount of the CGU was determined using the fair value less cost of disposal methodology. The Group prepared a discounted cash flow model in determining the recoverable amount of the CGU which involved the estimation of several assumptions as described in note 24(d). 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 was required.	Assisted by PwC valuation experts in aspects of our work, our procedures included the following, amongst others: • developed an understanding of the key controls associated with the identification of impairment indicators and the preparation of the discounted cash flow models used to assess the recoverable amount of the CGU. • 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: - 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. - The operating cost forecasts are consistent with the most up-to-date budgets and life of mine. - The production ramp-up forecasts by comparing them to historic results and the most up-to-date life of mine; and

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Key audit matter	How our audit addressed the key audit matter
	- The discount rate used, by assessing the appropriateness of the relevant inputs to the calculation against industry and market factors. • evaluated the reasonableness of the disclosures made in note 12(a) and 24(d), including those regarding the key assumptions and sensitivities to changes in such assumptions, in light of the requirements of Australian Accounting Standards.
Restoration and rehabilitation obligations (Refer to note 13(a) and 24(e)) The mining, extraction and processing activities of the Group give rise to obligations for site rehabilitation. Rehabilitation obligations include decommissioning of facilities, removal or treatment of waste materials, land rehabilitation and site restoration. 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. The Group recognised provisions for restoration and rehabilitation obligations as at 30 June 2026. This was a key audit matter given the determination of these provisions required significant judgement by the Group in the assessment of the nature of the restoration activities required and the valuation at the present value of a future obligation that necessitates estimates of the cost of performing the work required, the timing of future cash flows and the appropriate risk free discount rate.	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. • 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. • evaluated the competency, capabilities,objectivity, and nature of the work of management's internal and external experts retained to assist with the preparation of the estimates. • assessed the reasonableness of the disclosures made in the financial report inlight of the requirements of Australian Accounting Standards.

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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 2026, 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 , separate limited assurance conclusion on the Scope 3 emissions, a separate limited assurance conclusion on the Eligible Project Cumulative Spend and a separate review conclusion and audit opinion on specified sustainability disclosures all included in the Annual Report.

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

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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 2026.

In our opinion, the remuneration report of Fortescue Ltd for the year ended 30 June 2026 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.

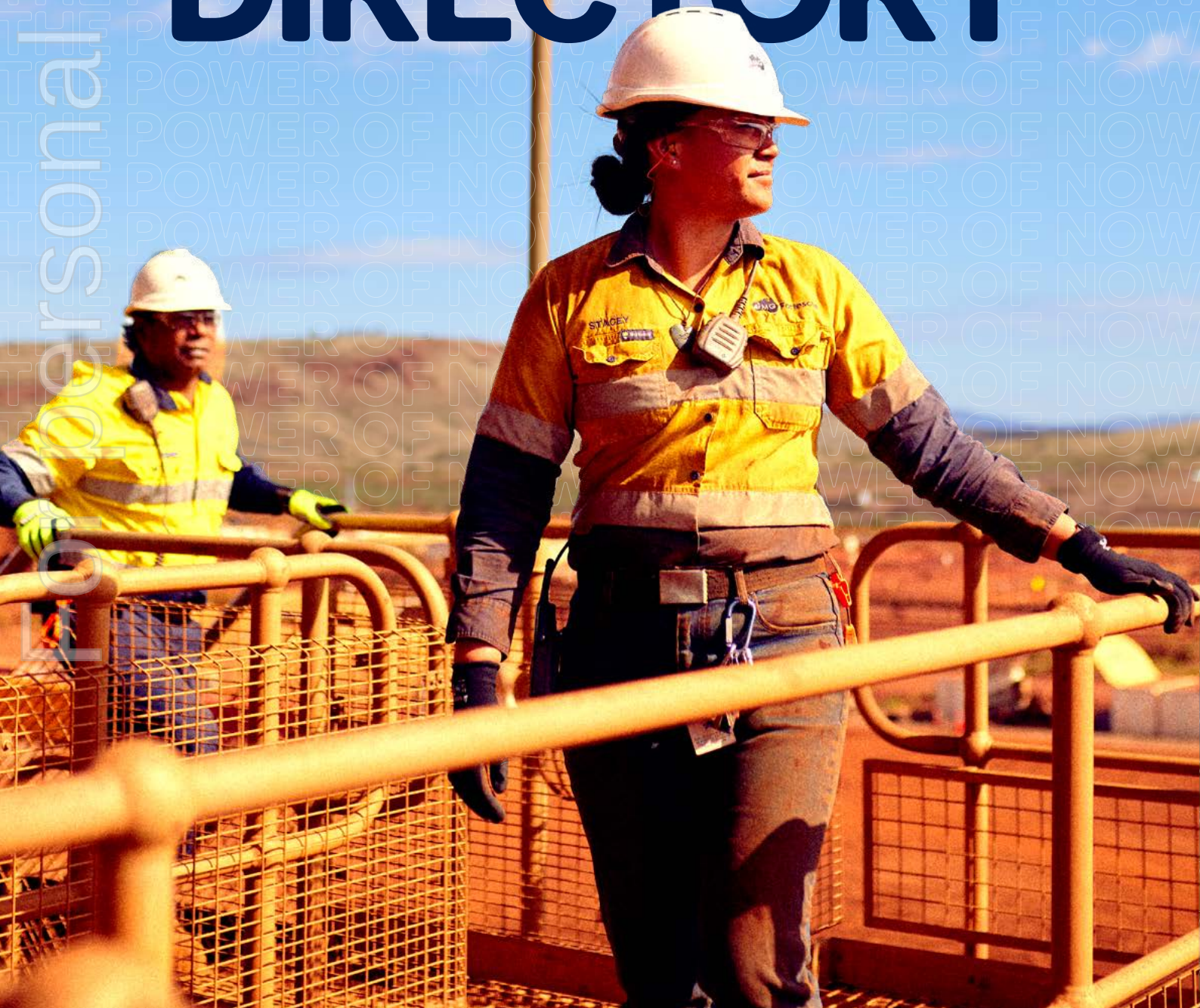
PricewaterhouseCoopers

Chris Dodd
Partner

Perth
20 August 2026

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CORPORATE DIRECTORY



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TOP 20 HOLDERS OF ORDINARY SHARES AT 17 AUGUST 2026

Name	Number of shares	% of issued capital
Citicorp Nominees Pty Limited	1,089,634,200	35.39
HSBC Custody Nominees (Australia) Limited	540,221,577	17.55
J P Morgan Nominees Australia Pty Limited	233,001,887	7.57
Valin Investments (Singapore) Pte Ltd	228,007,497	7.41
Tattarang Pty Ltd as Trustee for the Peepingee Trust	176,522,507	5.73
Emichrome Pty Ltd	93,045,000	3.02
Mutual Trust Pty Ltd	50,249,555	1.63
BNP Paribas Noms Pty Ltd	46,590,079	1.51
Valin Resources Investments (Singapore) Pte Ltd	37,876,216	1.23
Pacific Custodians Pty Limited (FMG Plans Ctrl)	24,917,711	0.81
Citicorp Nominees Pty Limited (Citibank NY ADR Dep A/C)	24,042,795	0.78
BNP Paribas Nominees Pty Ltd (Agency Lending A/C)	19,493,155	0.63
Pacific Custodians Pty Limited (Employee Share Tst)	16,596,648	0.54
HSBC Custody Nominees (Australia) Limited (NT-Comnwlth Super Corp A/C)	12,581,797	0.41
BNP Paribas Nominees Pty Ltd (Clearstream)	12,528,895	0.41
Invia Custodian Pty Limited (William Graeme Rowley A/C)	8,244,951	0.27
HSBC Custody Nominees (Australia) Limited (GSCO Customers A/C)	4,091,605	0.13
Pacific Custodians Pty Limited (Employee Share Tst)	4,061,176	0.13
Mr John William Cunningham	4,000,000	0.13
Netwealth Investments Limited (Wrap Services A/C)	3,374,164	0.11
	2,629,081,415	**85.39**

SUBSTANTIAL HOLDERS

Name	Number of shares	% of issued capital
Tattarang Pty Ltd, Minderoo Foundation Limited, Nicola Margaret Forrest and John Andrew Henry Forrest	1,131,365,000	36.74
Hunan Valin Iron and Steel Group Company	267,395,477	8.68
BlackRock Group (BlackRock Inc. and subsidiaries)	154,473,810	5.01

HOLDING DISTRIBUTION

Range	Number of holders
1 to 1,000	110,271
1,001 to 5,000	43,244
5,001 to 10,000	8,720
10,001 to 100,000	6,209
100,001 and Over	295
Total	**168,739**

There were 7,795 members holding less than marketable parcel of share in the Company.

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ELIGIBLE PROJECT ALLOCATION

Eligible Project Allocation

Fortescue is pleased to have fully allocated the net proceeds from the US$800 million Green Bond issued in 2022 to Eligible Green Projects in line with its Sustainability Financing Framework. These green projects contribute to Fortescue's Real Zero Target. The allocation across eligible project categories is included below.

Fortescue has fully allocated US$800 million (FY25: US$707 million) in net proceeds from the issuance of its Green Bond as at 30 June 2026 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 2026	30 June 2025
Eligible Project[1]	Eligible Category	Region	US$m	US$m
Fortescue Zero battery systems	Energy Storage	UK / Australia	205	205
Pilbara Generation Project	Renewable Energy	Australia	171	171
Pilbara Transmission Project	Renewable Energy	Australia	184	184
Green Fleet Energy Hub	Clean Transportation	Australia	65	65
Battery Electric Locomotives	Clean Transportation	Australia	27	17
Eliwana Renewable Infrastructure	Renewable Energy	Australia	123	46
6MW Fast Charger	Renewable Energy	Australia	22	19
Solomon Airport Solar Farm	Renewable Energy	Australia	3[2]	-
Total allocated			**800**	707
Total unallocated			-	93

[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.

[2] Represents the share of project expenditure to fully allocate the Green Bond proceeds.

Eligible Project Details:

Fortescue Zero battery systems: The acquisition of Fortescue WAE accelerates the decarbonization of Fortescue's mining fleet as well as establishes a new business growth opportunity.

Pilbara Generation Project: The solar energy generation from Fortescue's Pilbara Energy Connect project. This comprises the installation of a 150MW solar photovoltaic (PV) array.

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

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

Battery Electric Locomotives: Supporting the decarbonisation of Fortescue's rail operations with the purchase of two battery electric locomotives, and research and development of 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 will be compatible with a wide range of battery electric heavy mining equipment.

Solomon Airport Solar Farm: A 440MW Solar Farm at the Solomon mine site, integrated into Fortescue's Pilbara Energy Connect transmission infrastructure to supply renewable power across its Pilbara operations.

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To the Board of Directors Fortescue Ltd

Independent limited assurance report on identified Subject Matter Information in Fortescue Ltd's FY26 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 2026 (the Subject Matter Information) as listed in the Fortescue Ltd (the Company) and its controlled entities' (together the Group) FY26 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 2026 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	27
Eliwana Renewable Infrastructure	Renewable Energy	123
6MW Fast Charger	Renewable Energy	22
Solomon Airport Solar Farm	Renewable Energy	3
Total allocated		**800**

PricewaterhouseCoopers, ABN 52 780 433 757
Brookfield Place, Level 15, 125 St Georges Terrace, PERTH WA 6000,
GPO Box D198, PERTH WA 6840
T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

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The Criteria used by the Group to prepare the Subject Matter Information is the basis of preparation set out on page 266 of the Operating and financial review in the Fortescue FY26 Annual Report (the Criteria).

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 2026 and does not extend to any other information included in, or linked from, the Fortescue FY26 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.

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.

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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*. That standard requires 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 2026. Our scope did not extend to and we do not express a conclusion on the environmental benefits, impact or outcomes of the funded projects, or on the alignment of the Criteria with any external framework or taxonomy.

The procedures we performed were based on our professional judgement and included:

- made 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;
- performed 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
- considered the disclosure and presentation of the Subject Matter Information.

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.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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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 performed, as described under 'Our responsibilities' and 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 2026.

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Use and distribution of our report

We were engaged by the Board of Directors of the Company 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 the Group to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Subject Matter Information.

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
20 August 2026

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Independent practitioner's limited assurance report on Fortescue Ltd's Scope 3 emissions

To the Directors of Fortescue Ltd

Limited Assurance Conclusion

We have conducted a limited assurance engagement on the Selected Sustainability Information in the Sustainability Report: Climate Statements (the Sustainability Report) of Fortescue Ltd (the Company) and its controlled entities (together the Group) for the year ended 30 June 2026.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Selected Sustainability Information for the year ended 30 June 2026 is not prepared, in all material respects, in accordance with the Reporting Criteria set out in the Sustainability Report and referenced in the Selected Sustainability Information and Reporting Criteria' section below.

Selected Sustainability Information and Reporting Criteria

We assessed the Selected Sustainability Information against the Reporting Criteria. The Selected Sustainability Information, set out in Table 1 below, needs to be read and understood together with the Reporting Criteria as defined below.

Table 1 – Limited Assurance Selected Sustainability Information

Selected Sustainability Information	For the year ended 30 June 2026
Scope 3 emissions (MtCO2-e)	275.64

The Reporting Criteria used by the Group to prepare the Selected Sustainability Information is set out in the Notes to the Sustainability Report on pages 99 to 102 (the Reporting Criteria).

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

PricewaterhouseCoopers, ABN 52 780 433 757
Brookfield Place, Level 15, 125 St Georges Terrace, PERTH WA 6000,
GPO Box D198, PERTH WA 6840
T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

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responsibility for any changes that may have occurred to the reported Selected Sustainability Information or Reporting Criteria when presented on the Group's website.

Basis for Conclusion

We conducted our limited assurance engagement in accordance with Australian Standard on Sustainability Assurance 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the Australian Auditing and Assurance Standards Board.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. 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.

Our responsibilities under this standard are further described in the *Practitioner's Responsibilities* section of our report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code), that are relevant to our limited assurance of the Selected Sustainability Information and public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our firm applies Australian Standard on Quality Management 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 and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's Annual report for the year ended 30 June 2026, but does not include the Selected Sustainability Information and our assurance report thereon.

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Our conclusion on the Selected Sustainability Information does not cover the other information and we do not express any form of assurance conclusion thereon. We have issued a separate opinion on the Financial Report, including the Remuneration Report, a separate limited assurance conclusion on the Eligible Project Cumulative Spend and a separate review conclusion and audit opinion on specified Sustainability Disclosures, all included in the Annual Report.

In connection with our assurance engagement on the Selected Sustainability Information, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Selected Sustainability Information or our knowledge obtained in the assurance engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 for the Selected Sustainability Information

Management of the Company is responsible for:

- Determining the appropriateness of the Selected Sustainability Information and the suitability of the Reporting Criteria for the evaluation and measurement of that information, including the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances,
- Designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Selected Sustainability Information, in accordance with the Reporting Criteria, that is free from material misstatement, whether due to fraud or error, and
- The preparation of the Selected Sustainability Information in accordance with the Reporting Criteria.

Inherent Limitations in Preparing the Selected Sustainability Information

Sustainability information may be subject to more inherent limitations than financial information, given both its nature and the methods used for determining, calculating, and estimating such information. Different acceptable methods have varying precision and can affect the comparability of sustainability information across entities and over time.

In addition, greenhouse gas emissions quantification is subject to inherent uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

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Practitioner's Responsibilities

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Selected Sustainability Information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Selected Sustainability Information.

As part of a limited assurance engagement in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosures level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control, and
- Consider the suitability in the circumstances of the Group's use of the Reporting Criteria as the basis for the preparation of the Selected Sustainability Information.

Summary of the Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Selected Sustainability Information. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- considering the suitability of the Reporting Criteria as the basis for preparing the Selected Sustainability Information;
- making inquiries of the persons responsible for the Selected Sustainability Information;
- obtaining an understanding of the process for collecting and reporting the Selected Sustainability Information;

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- assessing the appropriateness of selected estimates, assumptions and methodologies applied by management in the preparation of the Selected Sustainability Information;
- performing analytical review procedures over the Selected Sustainability Information;
- performing limited substantive testing on a selective basis of the Selected Sustainability Information to assess that data had been appropriately measured, recorded, collated and reported; and
- considering the disclosure and presentation of the Selected Sustainability Information.

Use and distribution of our report

We were engaged by the Board of Directors of the Company to prepare this independent assurance report having regard to the Reporting Criteria specified by the directors and set out in this report. This report was prepared solely for the Group to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected Sustainability Information.

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

PricewaterhouseCoopers

Rachel Meadows

Rachel Meadows
Partner

Perth
20 August 2026

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GLOSSARY

AI
Artificial Intelligence.

ASX
Australian Securities Exchange.

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.

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).

BESS
Battery Energy Storage System.

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 CO2-e, this includes all greenhouse gas emissions, reported in the unit of million tonnes of carbon dioxide equivalent (MtCO2-e). This is defined as the amount of CO2 that would cause the same temperature rise, over a given time period, as an emitted amount of greenhouse gas or mixture of greenhouse gases. CO2-e is the universal unit of measurement to indicate the aggregate carbon dioxide equivalent emissions of carbon dioxide (CO2), 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 per cent Fe.

FY
Refers to a financial year, end 30 June.

Gearing
Debt / (debt + equity).

Green ammonia
An umbrella term for ammonia produced using pathways designed to achieve substantial reductions in greenhouse gas emissions arising from the production of that ammonia, relative to conventional production pathways.

Green Grid
Fortescue's owned and operated power system integrating solar and wind generation, battery energy storage, firming capability and high-voltage transmission infrastructure to provide reliable power to our Pilbara operations and electrified mobile fleet, with the potential to supply third parties.

Green hydrogen
An umbrella term for hydrogen produced using pathways designed to achieve substantial reductions in greenhouse gas emissions arising from the production of that hydrogen, relative to conventional production pathways.

Green Metal and Green Metals
An umbrella term for metals produced using pathways designed to achieve substantial reductions in greenhouse gas emissions arising from the production of those metals, relative to conventional production pathways.

Green steel
An umbrella term for steel produced using pathways designed to achieve substantial reductions in greenhouse gas emissions arising from the production of that steel, relative to conventional production pathways.

GJ
Gigajoules, or 1,000,000,000 joules.

GW
Gigawatt, or 1,000,000,000 watts.

GWh
Gigawatt 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.

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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.

Indigenous peoples
The term Indigenous peoples include Traditional Owners and Custodians and other communities with customary, cultural, spiritual or livelihood relationships to lands, waters, territories and resources, noting that locally appropriate terminology may vary by region and community.

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 per cent 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.

LSI
Fortescue's Leading Safety Index (LSI) is a patented, data-driven metric that combines leading and lagging indicators to measure the presence and effectiveness of safety across the organisation. The LSI supports improved safety performance, reduced injury rates and stronger sustainability outcomes.

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 Decarbonisation Program
The projects associated with meeting our Real Zero target.

Pilbara Energy Connect (PEC)
Fortescue's energy generation and transmission program of works.

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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.

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. This is distinct from Fortescue's specific emissions reduction target, referred to as the "Real Zero Target" and defined separately below.

Real Zero Target
We use this term (Real Zero Target) to refer to Fortescue's target to eliminate Scope 1 and 2 emissions from our Australian terrestrial iron ore operations in the Pilbara by the end of 2030. Our commitment is to eliminate emissions equivalent to Fortescue's 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. Further detail on our plan to meet this target, and the risks and dependencies associated with achieving it, can be found throughout this report. For the purpose of this target, "terrestrial" means that Scope 1 shipping emissions are excluded. These emissions are addressed through our Shipping Target.

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 greenhouse gas emissions from sources that are owned or controlled by the company.

Scope 2 emissions
Scope 2 emissions are indirect greenhouse gas emissions from purchased or acquired electricity, steam, heat and cooling consumed by the company.

Scope 3 emissions
Scope 3 emissions are all other indirect greenhouse gas emissions, not included in Scope 2, that occur in the company's value chain, 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 per cent 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 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
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 per cent battery powered then it does not emit any exhaust emissions.

DISCLAIMER

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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 judgements, 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. Accordingly, they are not guarantees of future performance, outcomes or results.

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 changing societal and investor expectations, including those regarding environmental, social and governance considerations.

Accordingly, forward-looking statements should be read in light of the above factors, and other risks, uncertainties and assumptions disclosed in this report. Recipients should conduct independent enquiries, investigations and consider whether they require advice regarding information contained in this report. Fortescue makes no representation, guarantee, warranty or assurance, express or implied, as to the 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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