

# CORPORATE GOVERNANCE STATEMENT

# WHAT WE DO

WE ARE THE TECHNOLOGY,  
ENERGY AND METALS GROUP  
ACCELERATING THE COMMERCIAL  
**DECARBONISATION** OF INDUSTRY,  
RAPIDLY, PROFITABLY AND **GLOBALLY**.

## OUR VALUES

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**Family**

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**Enthusiasm**

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**Empowerment**

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**Safety**

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**Frugality**

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**Courage and  
Determination**

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**Stretch Targets**

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**Generating  
Ideas**

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**Integrity**

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**Humility**

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## **Acknowledgement of Country**

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

# 1. OVERVIEW OF GOVERNANCE

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

Good governance is the collective responsibility of the Board of Directors (the Board) and across all levels of management. Fortescue Ltd (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 on our website [fortescue.com](https://www.fortescue.com)).

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

The cornerstones of our corporate governance are:

## 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.

## INTEGRITY

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

## EMPOWERMENT

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

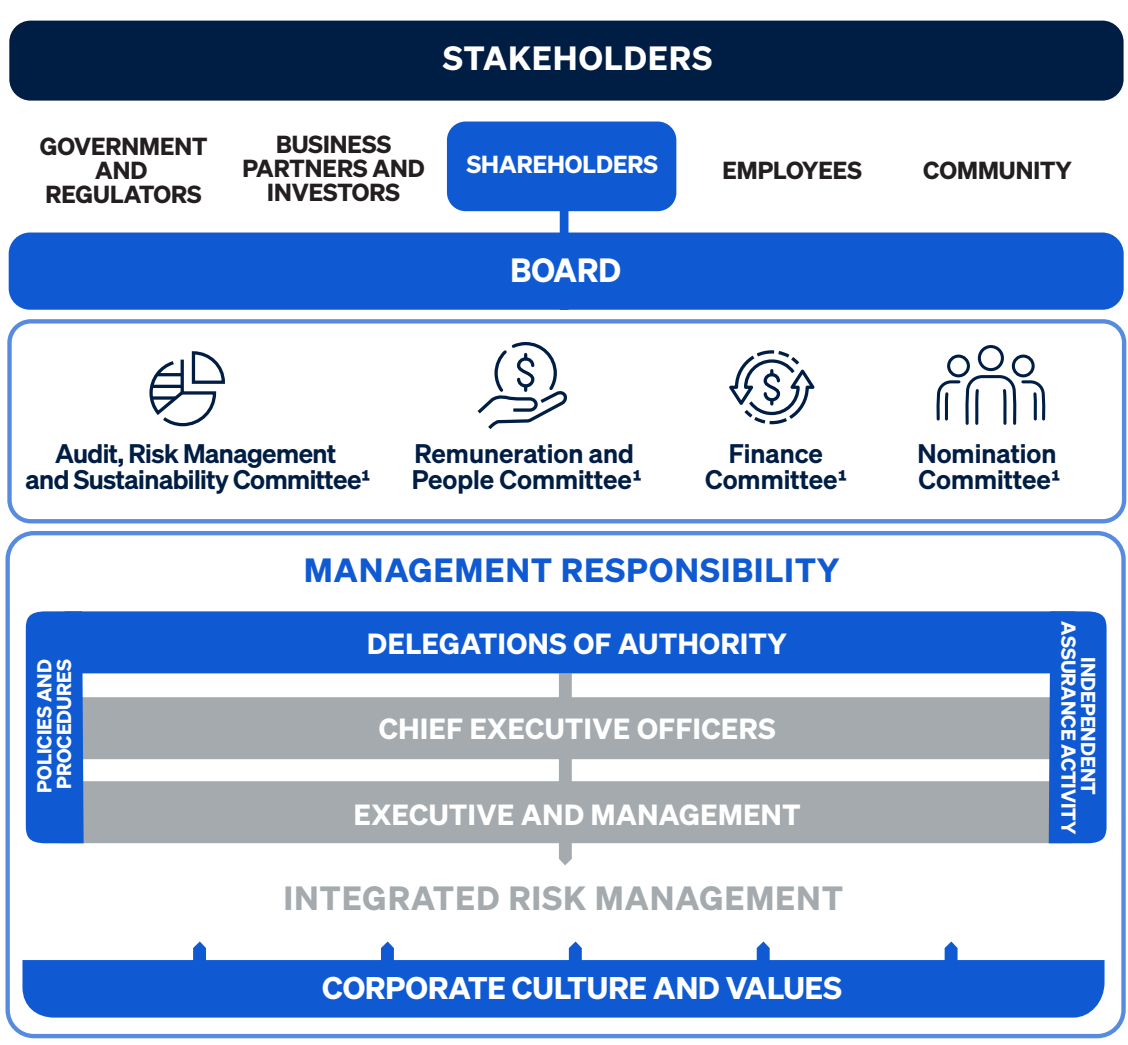
## CORPORATE ACCOUNTABILITY

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

## STEWARDSHIP

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

## GOVERNANCE FRAMEWORK



<sup>1</sup> Effective 1 July 2024, Fortescue will implement a new committee structure. The new committees will be:  
 (a) Audit, Finance and Risk Management Committee  
 (b) People, Remuneration and Nomination Committee  
 (c) Safety and Sustainability Committee

# 2. 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



**Dr Andrew Forrest AO**  
Executive Chairman



**Mark Barnaba AM CITWA**  
Non-Executive Director and  
Lead Independent Director/  
Deputy Chair<sup>4</sup>



**Elizabeth Gaines**  
Executive Director and  
Global Ambassador  
Fortescue



**Lord Sebastian Coe CH, KBE**  
Non-Executive Director



**Penny Bingham-Hall**  
Non-Executive Director



**Dr Jean Baderschneider**  
Non-Executive Director



**Yifei Li**  
Non-Executive Director



**Larry Marshall**  
Non-Executive Director<sup>1,4</sup>



**Usha Rao-Monari**  
Non-Executive Director<sup>2</sup>



**Noel Pearson**  
Non-Executive Director<sup>3</sup>

<sup>1</sup> Dr Larry Marshall was appointed Non-Executive Director on 28 August 2023

<sup>2</sup> Usha Rao-Monari was appointed Non-Executive Director on 24 January 2024

<sup>3</sup> Noel Pearson was appointed Non-Executive Director on 1 August 2024

<sup>4</sup> Dr Larry Marshall will be appointed as Lead Independent Director, effective from the Company's AGM. Mark Barnaba will continue as Non-Executive Director and Deputy Chair.

## 2.1 ROLE AND RESPONSIBILITIES

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

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

- Approving the statement of Values which underpin Fortescue's culture and overseeing the embedding of the Values across our company
- Appointing, evaluating the performance of, rewarding, and, if necessary, removing the Chief Executive Officers (CEOs)
- Developing corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management
- Monitoring actual performance against defined performance expectations
- Overseeing the management of business risks (both financial and non-financial), safety and occupational health, environmental issues and community development
- Satisfying itself that our financial statements fairly and accurately set out the financial position and financial performance of Fortescue for the period under review
- Satisfying itself that there are appropriate reporting systems and controls to assure the Board that proper operational, financial, compliance, risk management, sustainability and internal control processes are in place and functioning appropriately, further approving and monitoring financial and other reporting

- Satisfying itself that remuneration policies and practices align with our purpose, culture, Values, strategic objectives and risk appetite
- Ensuring that Fortescue acts legally and responsibly on all matters in accordance with our Code of Conduct and Integrity
- Challenging management and holding it to account
- Assuring itself that appropriate audit arrangements are in place
- Reporting to and advising shareholders.

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

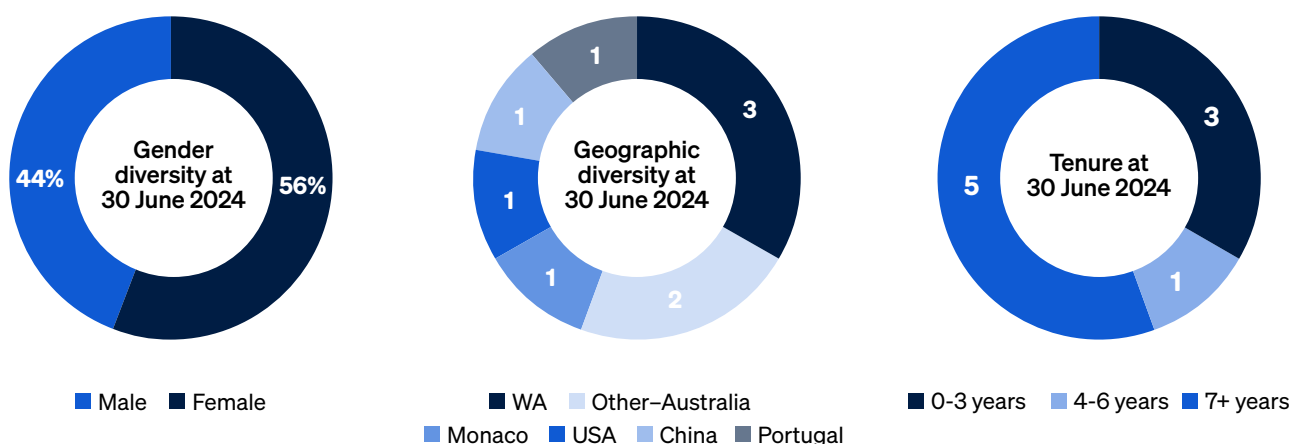
A key focus of Board meetings is monitoring the decisions of management. Appropriate time is allocated during Board meetings for consideration of key operational issues and progress towards achievement of corporate objectives. The Board has established the key performance indicators (KPIs) against which the performance of management is evaluated. These KPIs are discussed in the Remuneration Report within the FY24 Annual Report, which is available on our website [fortescue.com](https://www.fortescue.com).

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

## 2.2 BOARD COMPOSITION

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

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



## DIRECTORS OF FORTESCUE DURING FY24

	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
Elizabeth Gaines	22 February 2013	Full year	FY22 AGM	FY25 AGM
Dr Jean Baderschneider	19 January 2015	Full year	FY21 AGM	FY24 AGM
Penelope Bingham-Hall	16 November 2016	Full year	FY23 AGM	FY26 AGM
Lord Sebastian Coe CH, KBE	25 February 2018	Full year	FY21 AGM	FY24 AGM
Yifei Li	22 August 2022	Full year	FY22 AGM	FY25 AGM
Dr Larry Marshall	28 August 2023	Part year	FY23 AGM	FY26 AGM
Usha Rao-Monari	24 January 2024	Part year	N/A	FY24 AGM



## 2.3 MEETING ATTENDANCE

The Board and its 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 committee meetings and attend visits to operational sites.

Attendance at regularly scheduled Board and committee meetings during FY24 is summarised below:

Director	Board		Audit, Risk Management and Sustainability Committee		Remuneration and People Committee		Nomination Committee		Finance Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Dr Andrew Forrest AO	6	6	0	0	0	0	1	1	1	1
Mark Barnaba AM CitWA	6	6	4	4	6	6	1	1	1	1
Elizabeth Gaines	6	6	0	4	0	5	0	0	0	1
Dr Jean Baderschneider	6	6	4	4	0	3	0	0	0	0
Penny Bingham-Hall	6	6	4	4	6	6	0	0	1	1
Lord Sebastian Coe CH, KBE	6	3	0	3	6	6	1	1	0	0
Yifei Li	6	6	0	3	0	3	0	0	0	0
Dr Larry Marshall (appointed 28 August 2023)	4	4	3	3	0	3	0	0	0	0
Usha Rao-Monari (appointed 24 January 2024)	3	3	2	2	0	2	0	0	1	1

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

## THE BOARD IS FOCUSED ON ITS COMPOSITION, ENSURING THAT ALL DIRECTORS CONTINUE TO HAVE AN APPROPRIATE BALANCE OF SKILLS, EXPERIENCE AND INDEPENDENCE

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

## 2.4 BOARD SKILLS MATRIX

The 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.

## Our Board

The following table sets out the composition of skills and experience of the Board. The directors' skills, experience and qualifications are set out in the FY24 Annual Report, which is available on our website at [fortescue.com](https://www.fortescue.com).

### LEADERSHIP

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

### GOVERNANCE

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

### HEALTH, SAFETY AND ENVIRONMENT

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

### STRATEGY

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

### MINING, RESOURCES AND INFRASTRUCTURE

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

### CAPITAL PROJECTS

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

### FINANCIAL ACUMEN

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

### CAPITAL MANAGEMENT

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

### INTERNATIONAL EXPERIENCE AND BUSINESS DEVELOPMENT

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

### STAKEHOLDER MANAGEMENT

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

### INFORMATION TECHNOLOGY AND INNOVATION

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

### SALES AND MARKETING

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

### PUBLIC POLICY AND REGULATION

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

### TAX RISK MANAGEMENT AND COMPLIANCE

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

## 2.5 DIVERSITY

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

The Board has a range of diverse skills, experience and backgrounds. As a company, we believe that a diversity of views and opinions is critical in building sustainable, long-term value for all key stakeholders. This diversity is inherently valuable and promotes a range of perspectives on the key challenges and risks we face. This commitment to diversity is reflected in the Board's composition, achieving 56 per cent female Board composition, as at 30 June 2024. With the appointment of Mr Noel Pearson as Non-Executive Director on 1 August 2024, the Board's composition as at the date of this report is 50% female and 50% male. As at 30 June 2024, the average age of the directors is 64 years, with an age range from 61 to 72.

Part of the Board's role is to consider and approve measurable targets for workforce diversity each financial year and to assess both the targets and their progress annually. Information on the proportion of females in our workforce, women in manager and above positions and First Nations employment is included in the FY24 Sustainability Report, which is available on our website. The Diversity Policy can also be accessed through the Corporate Governance section of our website at [fortescue.com](https://www.fortescue.com).

## 2.6 APPOINTMENT, INDUCTION AND CONTINUING EDUCATION OF DIRECTORS

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

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

Prior to appointing a director, a rigorous 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](https://www.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](https://www.fortescue.com).

It is Fortescue's practice to allow its non-executive directors to accept appointments outside Fortescue with prior approval of the Executive Chairman. The commitments of non-executive directors are considered by the Nomination Committee prior to a director's appointment to the Board and are reviewed on an ongoing basis.<sup>1</sup>

## 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.

<sup>1</sup>Effective 1 July 2024, this will be considered through the People, Remuneration and Nomination Committee.

## 2.8 EXECUTIVE DIRECTORS

As at 30 June 2024 and at the date of this report, the Board has two executive directors, Dr Andrew Forrest AO, Fortescue's Executive Chairman, and Elizabeth Gaines. The role of independent directors and their composition on the Board is discussed on the following pages.

## 2.9 INDEPENDENCE

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

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

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

As at 30 June 2024, the Board had seven non-executive directors. Based on the above criteria, all seven are considered to be independent.

Post 30 June 2024, Mr Noel Pearson was appointed to the Board on 1 August 2024 as a non-executive director. Mr Pearson is also considered to be independent.

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

The table above shows the composition of the Board as at 30 June 2024 by reference to their executive/non-executive status and whether they are considered to be independent.

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

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

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

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

Mr Barnaba also acts as the Lead Independent Director. This 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.

As announced by Fortescue to the ASX on 28 August 2023, Mr Barnaba will relinquish his role as Lead Independent Director during the 2024 calendar year. Dr Larry Marshall will be appointed as Lead Independent Director, effective from the Company's AGM. Mark Barnaba will continue as Non-Executive Director and Deputy Chair. As at 30 June 2024, Mr Barnaba acted as the Lead Independent Director.

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

## 2.10 EVALUATING BOARD AND COMMITTEE PERFORMANCE

The Board and each of its 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 2024.

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

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

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

## 2.11 REMUNERATION AND EXECUTIVE PERFORMANCE

The Board, through the Remuneration and People Committee (RPC), periodically reviews the performance of senior executives.<sup>1</sup> A review was performed in FY24 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 the FY24 Annual Report which is available on our website [fortescue.com](https://www.fortescue.com).

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

## 2.14 NON-ENGLISH SPEAKING DIRECTORS

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

## 2.15 COMPANY SECRETARY

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

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

<sup>1</sup>Effective 1 July 2024, this review will be done through the People, Remuneration and Nomination Committee



## 3. BOARD COMMITTEES AND MANAGEMENT

The Board has established 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 committees are responsible for providing robust oversight and challenge, and supporting management in the execution of the business strategy.

### 3.1 BOARD COMMITTEES

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

As at 30 June 2024, the committees of the Board are:

- Audit, Risk Management and Sustainability Committee (ARMSC)
- Remuneration and People Committee
- Finance Committee
- Nomination Committee.

During FY24, the Board reviewed its committee structures and effective 1 July 2024 it has implemented a new structure under which the following committees will be established:

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

Members of the new committees will be as follows:

- AFRMC: Mark Barnaba (Chair), Dr Jean Baderschneider (member); Penny Bingham-Hall (member); Dr Larry Marshall (member); Usha Rao-Monari (member)
- PRNC: Penny Bingham-Hall (Chair); Mark Barnaba (member); Dr Jean Baderschneider (member); Lord Sebastian Coe (member); Yifei Li (member)
- SSC: Dr Jean Baderschneider (Chair); Mark Barnaba (member); Penny Bingham-Hall (member); Dr Larry Marshall (member); Usha Rao-Monari (member)

Each committee has its own charter approved by the Board, under which the Board delegates authority. Each committee is required to report the outcomes of its deliberations to the Board so that it is fully informed. The charters for the new committees are available from the Corporate Governance section of our website [fortescue.com](https://www.fortescue.com).

	Members as at 30 June 2024	Composition requirements	Responsibilities include oversight of the following
Audit, Risk Management and Sustainability Committee	<ul style="list-style-type: none"> <li>Mark Barnaba AM CitWA (Chair)</li> <li>Dr Jean Baderschneider</li> <li>Penny Bingham-Hall</li> <li>Dr Larry Marshall<sup>1</sup></li> <li>Usha Rao-Monari<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Minimum three non-executive directors</li> <li>Majority independent directors</li> <li>Chair must be an independent director</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Financial reporting and tax compliance</li> <li>External and internal audit</li> <li>Risk management, internal control framework, insurance and cyber security</li> <li>Business integrity, anti-bribery and corruption, sanctions and whistleblower reporting and investigations</li> <li>Sustainability, environmental management, climate change, human rights and modern slavery, First Nations heritage, First Nations engagement and community investment</li> </ul>
Remuneration and People Committee	<ul style="list-style-type: none"> <li>Penny Bingham-Hall (Chair)</li> <li>Mark Barnaba AM CitWA</li> <li>Lord Sebastian Coe CH, KBE</li> </ul>	<ul style="list-style-type: none"> <li>Minimum three non-executive directors</li> <li>Majority independent directors</li> <li>Chair must be an independent director</li> </ul>	<ul style="list-style-type: none"> <li>Remuneration strategy</li> <li>Non-Executive Director remuneration</li> <li>Chief Executive Officer and Executive Director remuneration</li> <li>Senior Executive remuneration</li> <li>Short-term and long-term incentive plans</li> <li>Performance management</li> <li>Succession planning and talent management</li> <li>Diversity strategy, targets, policy and practices</li> <li>Gender pay equity</li> <li>Matters relating to recruitment, retention and termination policies</li> </ul>
Nomination Committee	<ul style="list-style-type: none"> <li>Lord Sebastian Coe CH, KBE (Chair)</li> <li>Dr Andrew Forrest AO</li> <li>Mark Barnaba AM CitWA</li> </ul>	<ul style="list-style-type: none"> <li>Minimum two non-executive directors</li> <li>Majority independent directors</li> <li>Chair must be an independent director</li> </ul>	<ul style="list-style-type: none"> <li>Non-Executive Director skills</li> <li>Board membership and diversity</li> <li>Nomination and review of applicants for Board Director positions</li> <li>Committee member appointments</li> </ul>
Finance Committee	<ul style="list-style-type: none"> <li>Mark Barnaba AM CitWA (Chair)</li> <li>Dr Andrew Forrest AO</li> <li>Penny Bingham-Hall</li> <li>Usha Rao-Monari</li> </ul>	<ul style="list-style-type: none"> <li>Minimum three directors</li> <li>At least two members must be independent non-executive directors</li> <li>Chair must be a non-executive director</li> </ul>	<ul style="list-style-type: none"> <li>Material investment and financing decisions that have a potentially significant impact on Fortescue, including: <ul style="list-style-type: none"> <li>Capital markets and other debt issues or repayment</li> <li>Major acquisitions and disposals</li> </ul> </li> <li>Critically review and challenge any proposals presented by management that may significantly alter Fortescue's position in respect of the above areas</li> </ul>

<sup>1</sup> Effective 28 August 2023.

<sup>2</sup> Effective 24 January 2024.



### 3.2 MANAGEMENT

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

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

Management sets the 'tone at the top' in terms of how we operate in a manner consistent with the Values, Code of Conduct and Integrity, and the risk appetite set by the Board.

Management provides the Board with accurate and timely information on Fortescue's operations, including compliance with relevant legal and regulatory requirements.

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

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

The Board sets annual performance targets, which include business and individual performance objectives under the executive remuneration plan (detailed in the Remuneration Report of the FY24 Annual Report) which is available on our website [fortescue.com](https://www.fortescue.com). These performance targets are determined by the Remuneration and People Committee on behalf of the Board and are cascaded through the management teams. The performance of key executives is evaluated against the agreed performance targets annually.



# 4. RISK MANAGEMENT

Fortescue fosters and maintains a strong risk culture to promote risk awareness and informed decision making across all its 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 introduced a Values induction for all new leaders and have made our Values central to our recruitment, onboarding and people processes. Our Values are promoted through strong internal messaging across all communication channels, including company-wide weekly meetings, digital channels, posters, websites, internal and external publications and forums, to maintain visibility, encourage increased engagement and build on our positive culture.

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

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

Further information on our corporate culture and Values is included in the FY24 Sustainability Report, available on our website at [fortescue.com](https://www.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](https://www.fortescue.com).

## 4.3 RISK MANAGEMENT

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

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

The ARMSC 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.

## FORTESCUE RISK MANAGEMENT FRAMEWORK



<sup>1</sup>Effective 1 July 2024, this will be updated to reflect the new Board committee structure.

## 4.4 FORTESCUE RISK MANAGEMENT FRAMEWORK

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

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

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

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

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

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

We do this by:

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

The ARMSC reviews the FRMF on an annual basis. The most recent review was conducted in May 2024. The ARMSC is satisfied that the framework supports a sound system of risk management and internal control, with due regard to the risk appetite of the Board and the executive team.



## 4.5 MATERIAL RISK EXPOSURES

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

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

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

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

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

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

RISKS	CONTEXT	KEY MANAGEMENT ACTIONS
<p><b>Economic risks</b></p> <p><b>Geopolitical and economic tensions increase market volatility</b></p>	<p>Escalating geopolitical and global trade tensions can have potentially significant, long-term implications that could inhibit international trade, weigh on business confidence and constrain global investment.</p> <p>In particular, the implementation of economic sanctions, tariffs or other protectionist or restrictive trade policies among China and/or any of its major trading partners can have ramifications for global trade that could result in increasing volatility in the price of iron ore or the disruption of Fortescue's business activities in China. This could then have a material adverse effect on Fortescue's business, results of operations and financial position.</p> <p>Ongoing military conflicts, including the war in Ukraine and conflict in the Middle East, as well as tensions between China and the US, have increased volatility and uncertainty across global energy and commodity markets and supply chains. A prolonging, expansion or emergence of other similar 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. This could cause significant business disruption and Fortescue may not be able to adjust production volume in a timely or cost-efficient manner in response to changes in market and demand for iron ore.</p>	<p><b>We continue to monitor political and market conditions closely and are focused on maintaining strong relationships with our partners and stakeholders in all key markets.</b></p>
<p><b>Slowdown in Chinese iron ore consumption could impact the demand for our products</b></p>	<p>China is the largest global importer of seaborne iron ore. Fortescue's business is highly dependent on continuing demand for iron ore from China's steel industry. Changes in the demand for Australian-sourced iron ore could be impacted by increased supply from non-Australian iron ore producers and by adverse economic, geopolitical or regulatory developments in China.</p> <p>Slowing Chinese economic growth, particularly in steel-intensive sectors of the Chinese economy, may ultimately result in lower demand for Fortescue's iron ore and lower iron ore prices. This could have a material adverse effect on Fortescue's business, results of operations and financial position.</p>	<p><b>We have a strong balance sheet and access to significant cash reserves that should enable us to weather demand-side shocks. There is also flexibility to adjust operational capacity and costs to align with changes in market demand for iron ore.</b></p> <p><b>In addition:</b></p> <ul style="list-style-type: none"> <li><b>We continue to review our product strategy and align this to both market developments and our resource base</b></li> <li><b>We have agile, integrated operations and marketing strategy, which enables us to respond quickly to market dynamics</b></li> <li><b>We have a strong track record of supporting and enhancing Sino-Australian business relationships</b></li> <li><b>We continue to pursue and promote strong relationships with all levels of the Chinese government</b></li> <li><b>We support a range of community and sponsorship initiatives in China, including support for educational establishments and students.</b></li> </ul>

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RISKS	CONTEXT	KEY MANAGEMENT ACTIONS
<p><b>Economic risks</b></p> <p><b>Fluctuations in commodity prices and strong competition may adversely impact our financial results and future cash flows</b></p>	<p>Commodity prices have historically been, and may continue to be, subject to volatility. This volatility may stem from global economic and geopolitical factors, technological change, product substitution, government policy and a range of other market factors that directly impact the demand and/or price obtained for those products. Global supply interruptions and evolving climate change regulations may result in changes to price differentials between our products and those of our competitors.</p> <p>A key driver of Fortescue's current performance is the price of iron ore, which is sensitive to China's domestic steel demand. The supply of seaborne iron ore is dominated by three other major suppliers that, together with Fortescue, are estimated to account for approximately 69 per cent of global seaborne exports in 2024. Fortescue's competitors have a significant capacity to respond to competitive pressures and market dynamics. The Group may not be able to respond successfully to such competitive pressures or the competitive activities of the other major suppliers, which could drive down iron ore prices generally or the prices of iron ore sold by the Group. This could materially affect Fortescue's business, results of operations and financial position.</p>	<ul style="list-style-type: none"> <li>• We maintain strong relationships with our customers to ensure supplies of iron ore meet their expectations in terms of quality, consistency and reliability of supply</li> <li>• We review our product strategy and can optimise longer-term reserves and resources in our portfolio to meet the strategy</li> <li>• We drive sustainable productivity and efficiency gains throughout our business to ensure we remain a competitive, low-cost producer</li> <li>• We maintain a disciplined approach to capital management and cash flows to further strengthen our corporate balance sheet and maintain our industry-leading Pilbara Hematite C1 cost position.</li> </ul>
<p><b>Access to funding and fluctuations in currency exchange rates and interest rates may adversely impact our financial results and future cash flows</b></p>	<p>Fortescue's functional currency is the US dollar (USD) and a majority of revenue from iron ore sales and Fortescue's financing arrangements are denominated in USD. However, a significant portion of operating costs, including expenses for Fortescue's current or future projects, are incurred in Australian dollars (AUD). Appreciation of the AUD against the USD or prolonged periods of exchange rate volatility could adversely affect Fortescue's profitability and financial position. Fortescue's exposure to fluctuations in the value of other currencies relative to the USD will increase as we grow our business internationally.</p> <p>To manage liquidity and fund growth, Fortescue may need to secure funding from the banking or debt capital markets. The availability of funding from these markets is subject to general economic conditions and lender credit assessments of the resources industry, the Group and its projects. Financing may not be available when needed or at terms acceptable to the Group. During periods of rising interest rates, funding costs may be negatively impacted if linked to floating rates. Likewise, during periods where interest rates are falling, funding costs may be negatively impacted, compared to the market, if funding is linked to fixed interest rates.</p>	<ul style="list-style-type: none"> <li>• We actively monitor interest and foreign currency exchange rate risks and manage these risks in accordance with Treasury policies</li> <li>• We use natural hedges where possible to offset any foreign currency exchange risk through the matching of assets and liabilities by underlying currency</li> <li>• We hedge short-term transactional foreign exchange rate risk for operations and committed exposure for projects</li> <li>• 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</li> <li>• Our debt refinance strategy is developed at least 12 months prior to debt maturity.</li> </ul>

RISKS	CONTEXT	KEY MANAGEMENT ACTIONS
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**Economic risks**

<p><b>Actions by government, political events or tax authorities could have a negative impact on our business</b></p>	<p>Significant changes in areas such as tax policy, industrial relations frameworks and environmental regulations or the ability to secure governmental approvals in a timely manner to undertake exploration, construction or mining activities may have a significant impact on Fortescue's business activities. This includes actions undertaken in international jurisdictions and at both the Commonwealth and State levels in Australia. These government actions could materially impact the viability of strategic growth options, the carrying value of existing assets or Fortescue's financial performance.</p>	<p>We proactively engage with governments and other regulators to ensure any potential adverse impacts of proposed regulatory changes are understood and, where possible, mitigated.</p>
<p><b>Supply disruptions and cost pressures could impact profit margins and future cash flows</b></p>	<p>Fortescue's operations are resource intensive and as a result, our costs and operating margins could be materially affected by a disruption in, lack of availability or increased cost of energy (including electric power), water, fuel (including natural gas and diesel fuel), tyres, skilled labour or other key inputs. Most of Fortescue's operations are located in a remote part of Western Australia and as a result, Fortescue may experience interruptions to the supply or increases in prices for its key inputs (such as the rapid escalation of the diesel fuel price as a result global economic or geopolitical factors) that it may not be able to offset with productivity improvements. Changing economic conditions, including periods of growing inflationary pressures, as well as geopolitical tensions, trade constraints and heavy reliance on international suppliers for critical assets, can have a pervasive effect on Fortescue's input costs, including in key areas such as labour, fuel, transport and maintenance. This could negatively impact profit margins and future cash flows.</p>	<ul style="list-style-type: none"> <li>• We have a strong culture of innovation which empowers our people to develop and implement productivity and efficiency improvements that ensure we maintain our industry-leading cost position</li> <li>• We are a global leader in a range of technical and operational solutions that have been deployed across our business to maximise the value obtained from our ore reserves</li> <li>• We adopt a risk-based approach to the approval of major capital and operational expenditure which ensures the optimal allocation of financial resources to support our business strategy</li> <li>• We are focused on building strong strategic partnerships with our suppliers, on a long-term and mutually beneficial basis</li> <li>• We actively work to secure resources within our control to strengthen the resilience of our operations' logistics and critical services against supply disruptions</li> <li>• We explore opportunities to optimise existing supply sources and identify alternative sources for critical goods and services to diversify our supply chain</li> <li>• Our diversity in energy sources and supplier arrangements minimises the short-term and long-term supply risks</li> <li>• We are actively transitioning to green energy sources of supply to sustain and support our operations' decarbonisation targets</li> <li>• We are continuously reviewing global procurement options to secure best value for money on goods and materials to optimise capital and operational costs.</li> </ul>

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<p><b>Operational risks</b></p> <p><b>Project execution across domestic and international operations</b></p>	<p>Fortescue is continuing on its journey in the global energy transition which involves expanding into new jurisdictions, some of which introduce a range of risks that are not present, or are more pronounced than, in respect to similar activities undertaken in Australia.</p> <p>Fortescue's growth strategy spans several major projects, including:</p> <ul style="list-style-type: none"> <li>• Iron ore exploration and studies in Gabon</li> <li>• Continued expansion and maintenance of its Pilbara iron ore operations</li> <li>• Development of high performance battery systems to power mining fleet and rail fleets</li> <li>• A range of projects supporting the decarbonisation of Fortescue's iron ore operations</li> <li>• FID (Final Investment Decision) approved projects – Arizona Hydrogen in the USA, Gladstone PEM50 Project in Australia and Christmas Creek Green Metal Project, with further projects moving through the pipeline towards FID.</li> </ul> <p>Fortescue has completed its Iron Bridge magnetite project, and is ramping up to full production.</p>	<ul style="list-style-type: none"> <li>• We perform country risk assessments, including completion of thorough due diligence</li> <li>• Board approvals ensure decisions are aligned to Fortescue's strategic objectives</li> <li>• We understand the importance of acting with integrity, honesty and in compliance with all applicable laws and regulations, wherever we have a presence</li> <li>• We have a robust and agile framework for the identification, assessment and delivery of all major projects. This includes an uncompromising focus on operational and financial discipline, supplemented by a comprehensive project management capability to ensure project objectives are achieved.</li> </ul>
<p><b>Major unplanned disruptions to operations</b></p>	<p>Fortescue engages in activities that have the potential to cause harm to our people and/or to the communities and environment in which we operate. This can include serious injuries, fatalities, loss of infrastructure and damage to the environment and sites of cultural significance. An unplanned major operational event has the potential to impact financial performance, result in litigation or class actions and cause long-term damage to our licence to operate and reputation. The impacts of operational events may be amplified if prevention controls are unsuccessful in minimising the likelihood and severity of events.</p> <p>Major unplanned disruptions to operations can arise from events such as:</p> <ul style="list-style-type: none"> <li>• Natural disasters and climate change (such as the increasing intensity or frequency of cyclones and flooding events)</li> <li>• Geotechnical events (such as a pit slope failure)</li> <li>• Transportation events (such as aircraft crashes, vessel collisions or groundings, or train derailments)</li> <li>• Occupational or process safety events (such as the loss of containment of hazardous materials that can result in fires or explosions)</li> <li>• Disruptions to energy supplies</li> <li>• 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)</li> <li>• Tailings Storage Facility (TSF) failure incidents</li> <li>• Prolonged industrial disputes and a range of other accidents which could result in damage to port, rail or mine infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>• 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</li> <li>• We comply with manufacturer operating specifications, industry codes and relevant standards</li> <li>• We undertake regular safety inspections and independent geotechnical audits</li> <li>• We use advanced technologies that continuously monitor the safe operation of our mines, processing facilities and equipment, including asset health monitoring</li> <li>• We have a comprehensive contingency plan, including business continuity and crisis management plans in place to manage major unplanned disruptions</li> <li>• 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</li> <li>• Independent engineering reviews are undertaken every year on all TSFs maintained by Fortescue. All activities and work are carried out in full compliance with the requirements of the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS) and the Australian National Committee on Large Dams (ANCOLD)</li> <li>• Property and business continuity insurances partially mitigate the financial impact of major unplanned disruptions arising from potential TSF failure.</li> </ul>



**Operational risks**

<p><b>Uncertainties exist in reserves and resource estimates, and we may not fully exploit existing reserves or discover new reserves</b></p>	<p>Resource and reserve estimates are expressions of judgement based on knowledge, experience, industry practice and the interpretation of limited information and sampling results. Substantial time and expenditure is required to establish Mineral Resources and Ore Reserves, and it can take a number of years to achieve production, during which the economic feasibility of progressing to production may change. Prior valid assumptions may change in light of new information, which can potentially change the economic viability of some Ore Reserves. Volatility in commodity prices may result in adjustments to our recognition of Ore Reserves. Failure to generate sufficient reserves to meet our future production could detrimentally impact long-term shareholder returns.</p> <p>Fortescue's operations or future expansions may also affect land which contains First Nations sites or objects of cultural significance. Fortescue consults with relevant First Nations stakeholders and applies for Ministerial consents under relevant legislation. The time taken to complete such consultations, obtain such authorisations or approvals, or the inability to reach agreement with relevant First Nations groups could materially affect Fortescue's existing business or any future expansions, resulting in an increase in operating costs, reduced revenue and negative impact on estimates of future Mineral Resources and Ore Reserves.</p> <p>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.</p>	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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 the FY24 Annual Report, available on our website at <a href="https://www.fortescue.com">fortescue.com</a></li> <li>• We have a program of exploration and mining which identifies and exploits new ore bodies and supports the expansion of existing ore bodies</li> <li>• We have developed innovative exploration techniques which enable us to commercialise previously unexploited tenements and invest in new sources of ore, including magnetite deposits</li> <li>• We actively engage with all stakeholder groups and genuinely seek mutually beneficial outcomes</li> <li>• 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</li> <li>• We have strong relationships with First Nations people which are built on open and transparent engagement, mutual respect and the development and ongoing operation of comprehensive Native Title agreements</li> <li>• 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</li> <li>• Fortescue's approach more broadly to First Nations engagement reduces risk, through its range of practical initiatives that are driving economic and employment opportunities.</li> </ul>
<p><b>Performance of key business partners is not aligned with our expectations and they do not meet their obligations</b></p>	<p>Fortescue relies on contractors and sub-contractors to conduct aspects of its operations and projects and is exposed to risks related to their activities. Counterparties failing to meet their obligations may unfavourably impact our cost and production performance and may expose Fortescue to third party liability or reputational harm. The growing inflationary pressures on operating costs, including rising interest rates, have also placed financial strain on many businesses. There is an ongoing risk of business failures which could cause disruption to our supply chain.</p>	<ul style="list-style-type: none"> <li>• We work collaboratively with our business partners to achieve superior safety, operational and financial performance</li> <li>• We regularly revisit the proper ratio of insourced/outsourced resources to better control performance and introduce greater flexibility within our contractual arrangements, where appropriate</li> <li>• We have robust mechanisms in place to regularly review and engage with our major suppliers to assess their financial stability and contractual performance.</li> </ul>

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RISKS	CONTEXT	KEY MANAGEMENT ACTIONS
<p><b>Operational risks</b></p> <p><b>Information technology security breach or unsuccessful technological innovation impacting competitive advantage</b></p>	<p>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.</p> <p>As digital threats continually evolve, they become more sophisticated and frequent. Our IT systems could be compromised from both internal and external sources. Potential consequences of such breaches may include the loss of sensitive data, increased litigation risk, reputational damage and significant financial losses. Specific risks include unauthorised access to our intellectual property and operational technology, which could result in major operational disruption, erode our competitive advantage and jeopardise our strategic goals.</p> <p>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 net zero 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.</p>	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• 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</li> <li>• Regular updates to our software and infrastructure are managed through a well-defined change management process, ensuring minimal operational disruption</li> <li>• We have established an artificial intelligence (AI) governance framework aligned with international standards such as the NIST AI RMF, GDPR and ISO 42001. This framework guides our deployment of AI technologies, ensuring ethical, secure and effective usage</li> <li>• New programs have been initiated to bolster data protection, focusing on safeguarding personal and sensitive information against unauthorised access and breaches</li> <li>• We maintain an evaluation framework for IT innovation projects to assess their technical and commercial viability. This includes partnerships that enhance our implementation capabilities.</li> </ul>



**RISKS                      CONTEXT                      KEY MANAGEMENT ACTIONS**

**Social and environmental risks**

**Managing workforce capacity and capability to meet our current and future skill requirements**

Automation, digital platforms and other innovations are changing the fundamental nature of work, resulting in industries evolving at a rapid pace. Any sustained disruptions to the free flow of skilled labour can amplify existing shortages in some industry wide sought after skills and rapidly escalate labour costs. Our ability to identify, attract and retain key talent is fundamental to establishing sufficient workforce capacity and capability to support the delivery of current and future strategic priorities.

- We have robust approaches to talent and recruitment management, remuneration, skills development and succession planning
- We work to strengthen our reputation and status in the community as an employer of choice through community engagement programs
- Employee engagement is a key priority, and we are committed to ensuring our employees are provided with opportunities to help shape the way that we conduct our business
- We are committed to building and maintaining a workplace that is diverse and inclusive of everyone
- We seek to remunerate all our employees in a fair and equitable manner to promote high levels of employee engagement and productivity
- Our unique corporate culture and Values make us an attractive place to work and our strategic plans to become an integrated green energy and resources company differentiate us in the market.

RISKS	CONTEXT	KEY MANAGEMENT ACTIONS
<b>Social and environmental risks</b>		
<p><b>Risks associated with climate change and transition to a low carbon economy</b></p>	<p>Fortescue acknowledges climate change as a significant and material issue for the business. Fortescue faces exposure to climate-related risks either directly through its operations and infrastructure, or indirectly through its mission to drive global transition to a low carbon economy, which includes decarbonising our own value chain.</p> <p>Without immediate action to reduce global emissions, the impacts of climate change will continue to worsen. Fortescue operates significant assets within the Pilbara region of Western Australia, which is already subject to severe weather events, including high temperatures, bushfires, cyclones, storm surges, heavy rainfall and flooding. Climate change may increase the frequency and severity of these weather events, which could impact mining operations, including ore processing and rail and port operations, impacting Fortescue's ability to ship iron ore to its customers. These factors and any prolonged downtime of Fortescue's production or transportation facilities could materially impact our ability to satisfy contractual obligations, potentially impacting Fortescue's operational and financial position.</p> <p>The transition to a low carbon economy presents Fortescue with a range of risks, which may arise from rapid policy, regulatory and legal changes, technological challenges associated with decarbonisation, market shifts and other societal responses to climate change. We accept that there are, and will be in the future, technical challenges related to decarbonisation, which is amplified by skill shortages to execute green energy and decarbonisation projects.</p> <p>Delays in Fortescue's success in introducing technological innovations may impede our ability to keep pace with evolving stakeholder expectations or impact our ability to achieve our emission reduction targets, which could result in significant reputational damage.</p> <p>The transition to a low carbon economy also presents Fortescue with a range of opportunities. Fortescue is actively developing and commercialising green energy and green technology solutions, demonstrating to a global audience the possibility of major commercially viable industrial decarbonisation of industry.</p>	<ul style="list-style-type: none"> <li>• Fortescue has accelerated its transition to become the number 1 integrated green technology, energy and metals company</li> <li>• We have set industry-leading targets aiming to be Real Zero across our Australian terrestrial iron ore operations by 2030 for Scope 1 and 2 emissions and aiming to achieve net zero Scope 3 emissions by 2040</li> <li>• We are decarbonising our operations by investing in renewable energy and battery storage to eliminate the use of diesel and gas in our iron ore operations, and by developing green hydrogen and green ammonia projects, along with a range of green technology products</li> <li>• We closely monitor policy and regulatory developments and proactively engage with government bodies, regulators and industry associations to influence favourable policy and regulatory outcomes</li> <li>• We apply scenario analysis to evaluate possible changes and their effect on our business model, financial performance and competitive position</li> <li>• We are embedding climate risk into our enterprise risk management framework with a focus on building resilience to protect assets and minimising operational downtime from extreme weather events</li> <li>• We manage the risk to the health and safety of our people through relevant hazard control standards and management procedures detailing requirements for prevention, preparedness and response.</li> </ul> <p>Additional details on our management of climate-related risks are set out in the Climate Change Report section of our FY24 Annual Report, which is available on our website at <a href="https://www.fortescue.com">fortescue.com</a></p>

### Social and environmental risks

<p><b>Breaches of our legal and regulatory obligations may lead to fines and potential loss of licence to operate</b></p>	<p>The regulatory environment in which Fortescue operates remains complex, with onerous compliance obligations in all jurisdictions.</p> <p>Fortescue may be subject to potential fraud, bribery, corruption and modern slavery risks associated with its business, employees, third party suppliers and customers in the geographic locations in which we operate. Corresponding compliance obligations have become more stringent in recent years.</p> <p>Environmental laws and regulations have also become increasingly stringent over time in line with community and stakeholder expectations. Such laws and regulations and the resulting licence conditions govern many aspects of our operations, and compliance with such requirements could cause delays or require capital outlays in excess of those anticipated, causing a material adverse effect on Fortescue's results of operations and cash flows.</p> <p>Fortescue's business may be restricted by economic sanctions and export controls imposed by Australia and other jurisdictions. Our international operations subject Fortescue to these laws and regulations, which are complex, restrict business dealings with certain countries, governments, entities and individuals and are constantly changing.</p> <p>Penalties for non-compliance with these complex laws and regulations can be significant and include substantial fines, sanctions or civil and/or criminal penalties and violations can result in adverse publicity, which could harm our business, financial condition or results of operations. In some cases, a non-compliance could also result in a temporary or permanent loss of our licence to operate.</p>	<ul style="list-style-type: none"> <li>• We understand the importance of acting with integrity, honesty and in compliance with all applicable laws and regulations, wherever we operate</li> <li>• We have a robust business integrity policy and compliance framework which details the controls in place for the mitigation of risks associated with fraud, bribery, corruption, modern slavery and sanctions. Compliance with this framework is recognised as a collective responsibility at all levels of the organisation</li> <li>• We proactively engage early with all levels of government and with relevant regulators</li> <li>• We have an active program of education, training, monitoring, periodic assessments and reporting within the business</li> <li>• We consider mine closure implications throughout the life of project development and subsequent operations to minimise the potential financial, social and environmental risks of mine closure. Our standard operating procedures include progressive rehabilitation activities to ensure the required environmental performance objectives are met on closure</li> <li>• We have incorporated the ISO14001:2016 criteria to manage legal environmental obligations into our Environment Policy and Standard.</li> </ul>
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RISKS	CONTEXT	KEY MANAGEMENT ACTIONS
<b>Social and environmental risks</b>		
<p><b>Our operations could adversely impact the community, including First Nations heritage sites</b></p>	<p>Our relationship with the communities in the areas in which we operate is an essential part of ensuring the success of our existing operations and the development of new projects. Our operations have the potential to cause damage to sites of cultural significance which could adversely affect Fortescue's reputation and impact its existing business or future expansion activities.</p>	<ul style="list-style-type: none"> <li>• Our primary objective at all times is to prevent inadvertent damage to cultural heritage</li> <li>• We consult closely with our Native Title partners and Commonwealth and State governments to identify, manage and protect places of significant First Nations cultural heritage, and comply with all applicable legislation</li> <li>• Our Native Title land access agreements and First Nations heritage agreements establish detailed processes for the conduct of First Nations cultural heritage surveys, consultation, project planning, impact mitigation and negotiation</li> <li>• We strive to create economic opportunities within the regions in which we operate by employing local people and purchasing local products and services. We recognise the need to create vibrant and flourishing communities that will attract and retain a mining workforce and their families.</li> </ul>

## 4.6 ANNUAL EXECUTIVE CERTIFICATIONS

In accordance with the requirements of ASX Principle 4 'Safeguard integrity in corporate reporting' and section 295A of the *Corporations Act 2001* 'Contents of annual financial report', an extensive executive certification process was undertaken for the year ended 30 June 2024. 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 ARMSC, 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 committee until actions are completed.

# 5. ASSURANCE FUNCTIONS

An effective internal audit function is a critical part of ensuring that a strong internal control environment is maintained across our business

## 5.1 INTERNAL AUDIT<sup>1</sup>

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 ARMSC. 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 ARMSC 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 ARMSC approves the appointment and dismissal of the Group Manager Risk, Assurance and Insurance and assesses their performance, independence and objectivity.

The Group Manager Risk, Assurance and Insurance reports to the ARMSC with functional oversight provided by the Acting Chief Financial Officer<sup>2</sup>.

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.

<sup>1</sup>Effective 1 July 2024, functions performed by the ARMSC in respect of assurance will be performed by the new Board committees, as applicable.

<sup>2</sup>On 17 July 2024 this role became Group Chief Financial Officer.

## 5.2 EXTERNAL AUDITOR

### Appointment and rotation of auditor

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

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

PwC attends ARMSC meetings by invitation and reports annually to the ARMSC on its independence and the outcomes of the external audit. The ARMSC 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 the FY24 Annual Report, available on our website at [fortescue.com](https://www.fortescue.com)



### 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 FY24 financial statements.

### Attendance at Annual General Meeting (AGM)

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

## 5.3 OTHER ASSURANCE

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

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

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



# 6. SECURITY HOLDERS

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

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

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

We have implemented a Continuous Disclosure and Market Communications Policy which is available from the Corporate Governance section of our website [fortescue.com](https://www.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](https://www.fortescue.com), which contains relevant and up to date information, including a section on the website setting out Shareholder Communications information, with contact details for Fortescue's security registry. The security registry provides the facility for shareholders to have the option to receive communications electronically
- An email alert system allowing interested parties to register for automated alerts of ASX lodgements and other information.

# 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](https://fortescue.com).

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

The Code and Policies are internally promoted on a regular basis and training programs have been developed to instill and reinforce our Values and expected behaviours. The Code and Policies are subject to periodic review and are available on our website [fortescue.com](https://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, suppliers and business partners, is expected to comply with the Code of Conduct and Integrity. In addition, they are required 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 acknowledge the requirements of the Code of Conduct and Integrity in writing before they commence working with us. Any material breaches of the Code of Conduct and Integrity are reported to the Board through the ARMSC.<sup>1</sup>

Further information on our approach to business integrity is set out in the FY24 Sustainability Report available on our website [fortescue.com](https://fortescue.com).

<sup>1</sup>Effective 1 July 2024, this will be reported through the new Board committees, as applicable.

## 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 business partners 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 with the Governance and Compliance team or via our external Whistleblower system.

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

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

## 7.3 ANTI-BRIBERY AND CORRUPTION

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

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

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

## 7.4 SECURITIES TRADING

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

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

# 8. MARKET DISCLOSURES

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

For this purpose, we have established a Continuous Disclosure and Market Communications Policy, a copy of which is available from the Corporate Governance section of our website [fortescue.com](https://www.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.

With regard to general disclosures at media briefings or public presentations, only the Executive Chairman, Metals CEO, Energy CEO and the Acting CFO<sup>1</sup> are authorised to issue public comments on behalf of Fortescue or provide journalists and members of the investment community with information.

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

Copies of announcements to the ASX, investor briefings, half-yearly Financial Reports, quarterly production reports, the Annual Report and other relevant information are available on our website [fortescue.com](https://www.fortescue.com).

<sup>1</sup>On 17 July 2024 this role became Group Chief Financial Officer.





# 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 on our website [fortescue.com](https://www.fortescue.com).

