

4 October 2024

NOTICE OF ANNUAL GENERAL MEETING

In accordance with Listing Rule 3.17, please find attached a copy of the Notice of Annual General Meeting and proxy form in relation to the upcoming Annual General Meeting of Fortescue Ltd (Fortescue, ASX: FMG) to be held on Wednesday, 6 November 2024 at 10.00am (AWST).

The abovementioned documents can be found, along with Fortescue's FY24 Annual Report, at <https://fortescue.com/investors/annual-general-meeting>.

This announcement was authorised for lodgement by Navdeep (Mona) Gill, Company Secretary.

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Fortescue Media

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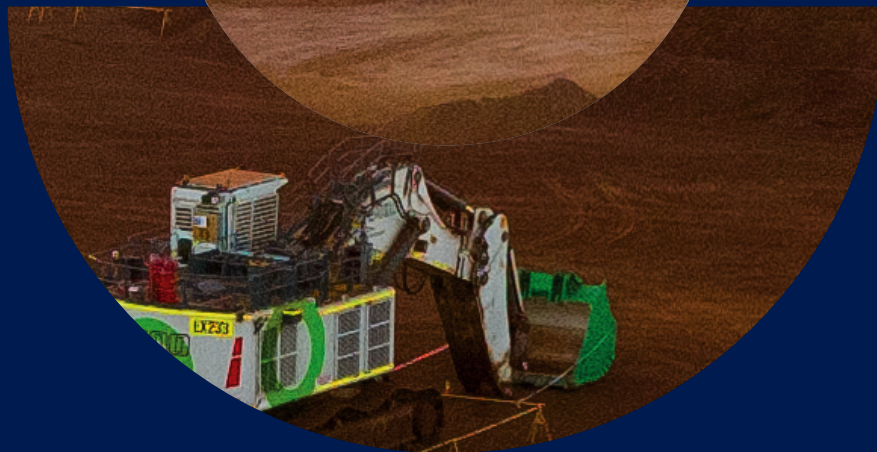
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NOTICE OF MEETING

WHAT WE DO

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

OUR VALUES

Family

Enthusiasm

Empowerment

Safety

Frugality

**Courage and
Determination**

Stretch Targets

**Generating
Ideas**

Integrity

Humility

EXECUTIVE CHAIRMAN MESSAGE



Your invitation to attend our Annual General Meeting of Shareholders and to vote on key issues

Dear valued Shareholders,

It is my pleasure to invite you to Fortescue's 2024 Annual General Meeting (**AGM** or **Meeting**) on Wednesday, 6 November 2024 at 10.00am (AWST) in River View Room 1 (entry via Gate D), Optus Stadium, Victoria Park Drive, Burswood, Western Australia. Attached is the Notice of Meeting that sets out the business of the AGM.

Established in 2003, Fortescue has had a remarkable two decades. We began as a small exploration company and quickly grew to become one of the world's largest iron ore players. We have become one of Australia's largest ever dividend payers, taxpayers and on a total shareholder return basis, performed better than any other company in Australia's history.

Today, we are forging a new future in green technology, energy and metals – a future that will unlock new markets for us while delivering long-term value for you, our loyal shareholders.

We have a clear mission that unites us at Fortescue; to show the world we can eliminate fossil fuels and do so profitably. Since 2014, we have paid A\$42 billion in dividends, making us one of the highest performing companies on the ASX. Now, as we accelerate the commercial decarbonisation of industry, rapidly, profitably and globally, our focus is on continuing this outstanding record.

The following pages contain details on the items of business to be conducted at the AGM and voting procedures.

Voting on the resolutions at the AGM is important. If you are not able to attend in person, I strongly urge you to exercise your voting rights either by completing and returning the proxy form, or by lodging it online at www.linkmarketservices.com.au and following the directions in the Notice of Meeting and on the proxy form.

On behalf of the Board and Fortescue's leadership team, I want to thank our more than 21,000 team members globally who make up the Fortescue family. Our success is due to their courage, their determination and their commitment to achieving our stretch targets every day.

Your Directors and Management team look forward to seeing you at the AGM.

Yours sincerely,

Dr Andrew Forrest AO
Executive Chairman
Fortescue

NOTICE OF ANNUAL GENERAL MEETING



**WEDNESDAY
6 NOVEMBER 2024**

10.00 AM (AWST)

**RIVER VIEW ROOM 1 (VIA GATE D)
AT OPTUS STADIUM,
VICTORIA PARK DRIVE,
BURSWOOD, WESTERN AUSTRALIA**

Notice is hereby given that the Annual General Meeting of Fortescue Ltd (ABN 57 002 594 872) (the Company or Fortescue) will be held in River View Room 1 (entry via Gate D), Optus Stadium, Victoria Park Drive, Burswood, Western Australia on Wednesday, 6 November 2024 at 10.00am (AWST).

If you are unable to attend the Meeting in person, you are encouraged to complete and return the proxy form that has been sent to you or lodge your proxy online. The completed proxy form or online registry must be received by no later than 10.00am (AWST) on Monday, 4 November 2024. Details of how to submit your proxy form are listed below.

All Shareholders who attend the Meeting in person will have a reasonable opportunity to ask questions, including an opportunity to ask questions of the Company's external auditors. To ensure that as many Shareholders as possible have the opportunity to ask questions, it is requested that Shareholders observe the following:

- All Shareholder questions should be stated clearly and should be relevant to the business of the Meeting, including matters arising from the financial report, the reports of the Directors (including the Remuneration Report) and the report of the auditors of the Company and its controlled entities for the year ended 30 June 2024, as well as general questions about the performance, business or management of the Company.
- If a Shareholder has more than one question on an item of business, all questions should be asked at the one time.
- Shareholders should not ask questions at the Meeting relating to any matters that are personal to the Shareholder or commercial in confidence.

VOTING INFORMATION

DATE FOR DETERMINING VOTING ELIGIBILITY

The Directors have determined that for the purposes of Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the persons eligible to vote at the Meeting will be those persons who are registered Shareholders at 4.00pm (AWST) on Monday, 4 November 2024. Accordingly, transfers of shares registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

ALL RESOLUTIONS WILL BE BY POLL

In accordance with section 250JA of the *Corporations Act 2001* (Cth) (**Corporations Act**), each resolution considered at the Meeting will be conducted by a poll, rather than on a show of hands.

VOTING BY PROXY

Each Shareholder who is entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote at the Meeting on that Shareholder's behalf. The proxy does not need to be a Shareholder.

A Shareholder who is entitled to cast two or more votes at the Meeting may appoint two proxies and may specify the proportion of votes each proxy is to exercise. If no proportion is specified, each proxy may exercise half of the Shareholder's votes.

A Shareholder can direct its proxy to vote for, against or abstain from voting on each resolution by marking the appropriate box in the Voting Directions section of the proxy form. If a Shareholder has specified how a proxy is to vote on a resolution, the proxy must cast all votes as directed. If a Shareholder has specified how a proxy is to vote on a resolution, but the proxy does not attend the Meeting or does not vote on that resolution, the directed proxies that are not exercised will automatically default to the Chairman, who will vote the proxies as directed.

Chairman acting as proxy

If the Chairman is to act as your proxy in relation to Resolution 1 (Adoption of Remuneration Report), Resolution 6 (Approval of the Fortescue Ltd Performance Rights Plan), Resolution 7 (Participation in the Fortescue Ltd Performance Rights Plan by Mr Dino Otranto), Resolution 8 (Participation in the Fortescue Ltd Performance Rights Plan by Mr Mark Hutchinson) and/or Resolution 9 (Conditional Spill Resolution) (whether by appointment or by default) and you have not given directions on how to vote by marking the appropriate box in the Voting Directions section of the proxy form, then you will be expressly directing and authorising the Chairman to exercise your proxy and cast your vote 'for' Resolutions 1, 6, 7 and 8 and 'against' Resolution 9, even though each of these resolutions is connected, directly or indirectly, with the remuneration of the Company's key management personnel (**KMP**). This express authorisation is included because without it the Chairman would be precluded from casting your votes on the basis that Resolutions 1, 6, 7, 8 and 9 are connected with the remuneration of the KMP.

Subject to the above requirements being met, the Chairman intends to vote all undirected proxies in respect of:

- Resolutions 1 to 8, in favour of the relevant Resolution; and
- Resolution 9, against the Resolution.

If you are in any doubt as to how to vote, you should consult your professional adviser.

SUBMITTING YOUR PROXY FORM PRIOR TO THE MEETING

The proxy form that has been sent to Shareholders must be completed and received at the office of Link Market Services Limited, as detailed below, by 10.00am (AWST) on Monday, 4 November 2024.

Mail:

Fortescue Ltd
C/- Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

Delivery:

Fortescue Ltd
C/- Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street Parramatta NSW 2150

*during business hours Monday to Friday
(9.00am - 5.00pm) and subject to any public
health orders and restrictions

Facsimile: (02) 9287 0309 (from Australia)
+61 2 9287 0309 (from overseas)

Online: www.linkmarketservices.com.au

Select 'Shareholders Login' and in the 'Single Holding Login' section enter Fortescue Ltd or the ASX code (FMG) in the Issuer name field, your Holder Identification Number (HIN) or Security Reference Number (SRN) (which is shown on the front of your proxy form or on your holding statement), postcode, complete the security process, tick the terms and conditions agreement and click 'Login'. You can also login via your portfolio.

Select the 'Voting' tab and then follow the prompts. You can also ask questions using the 'Ask a question' link below the voting link once you select the 'Voting' tab.

Your proxy form will be deemed to have been signed if it is lodged in accordance with the instructions given on the website.

Link Group is now known as MUFG Pension & Market Services Limited. Over the coming months, Link Market Services will progressively rebrand to its new name MUFG Corporate Markets, a division of MUFG Pension & Market Services Limited.

CORPORATE REPRESENTATIVES

Any corporate Shareholder wishing to appoint a person to act as its representative at the Meeting may do so by providing that person with:

- A letter or certificate executed in accordance with the Corporations Act authorising that person to act as the corporate Shareholder's representative at the Meeting; or
- A copy of the resolution appointing that person as the corporate Shareholder's representative at the Meeting, certified by a secretary or director of the corporate Shareholder.

Alternatively, Shareholders can download and fill out the 'Appointment of Corporate Representation' form from Link Market Services Limited's website –

www.linkmarketservices.com.au. Hover over 'Resources' and click on 'Forms' and then select 'Holding Management'.

MEETING DOCUMENTS

If you are a Shareholder and would like a physical copy of a communication from Fortescue, such as this Notice of Meeting, or if you have questions about your holding, visit **www.linkmarketservices.com.au** or contact the Registry:

Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

Telephone (within Australia): 1300 733 136

Telephone (outside Australia): +61 1300 733 136

Email: registrars@linkmarketservices.com.au

Website: www.linkmarketservices.com.au



CONDUCT OF THE MEETING

Fortescue is committed to ensuring that its general meetings are conducted in a manner which provides those Shareholders (or their proxy holders) who participate in the meeting with the opportunity to participate in the business of the meeting in an orderly fashion and to ask questions about and comment on matters relevant to the business of the meeting or about Fortescue generally.

Fortescue will not allow conduct at any general meeting which is discourteous to those who are participating in the meeting, or which in any way disrupts or interferes with the proper conduct of the meeting. The Chairman will exercise his powers to ensure that the Meeting is conducted in an orderly and timely fashion, in the interests of Shareholders who are participating in the Meeting.

KEY DATES

Deadline for lodgement of proxy forms

10.00am (AWST) on Monday, 4 November 2024

Determination of voting eligibility

4.00pm (AWST) on Monday, 4 November 2024

Annual General Meeting

10.00am (AWST) on Wednesday, 6 November 2024

QUERIES

If you have any queries regarding the matters contained in the Meeting documents, please contact the Company Secretary, Navdeep (Mona) Gill on +61 8 6218 8888.



AGENDA

1. EXECUTIVE CHAIRMAN'S AND CHIEF EXECUTIVE OFFICERS' ADDRESS

2. FINANCIAL REPORTS

To receive and consider the financial report, the reports of the Directors and the auditors of the Company and its controlled entities for the financial year ended 30 June 2024.

Note: There is no requirement for Shareholders to approve these reports.

3. ORDINARY BUSINESS

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That the Remuneration Report for the Company and its controlled entities for the financial year ended 30 June 2024 be approved and adopted.”

Note: This resolution is advisory only and does not bind the Company or the Board. However, if at least 25% of the votes validly cast on this resolution are against the resolution, it will constitute a ‘second strike’ and the conditional spill resolution in Resolution 9 will be put to Shareholders for their consideration and vote.

Voting Exclusion Statement

A vote must not be cast on Resolution 1:

- by, or on behalf of, any member of the KMP, details of whose remuneration are included in the Remuneration Report or their closely related parties (regardless of the capacity in which it is cast); or
- by any member of the KMP as at the date of the Meeting or their closely related parties, as a proxy for another Shareholder.

However, the Company need not disregard votes cast by the persons referred to above if the vote is cast as a proxy on behalf of a person who is entitled to vote on Resolution 1:

- in accordance with the voting direction on the Proxy Form; or
- where there is no voting direction on the Proxy Form, by the Chairman, who has been expressly authorised on the Proxy Form to exercise the proxy on Resolution 1 as the Chairman sees fit, even though it is connected (directly or indirectly) with the remuneration of the KMP.

RESOLUTION 2 – RE-ELECTION OF LORD SEBASTIAN COE CH, KBE

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Lord Sebastian Coe CH, KBE, who retires in accordance with rule 4.6 of the Company’s Constitution and the ASX Listing Rules, be re-elected as a Non-Executive Director of the Company.”

RESOLUTION 3 – RE-ELECTION OF DR JEAN BADERSCHNEIDER

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Dr Jean Baderschneider, who retires in accordance with rule 4.6 of the Company’s Constitution and the ASX Listing Rules, be re-elected as a Non-Executive Director of the Company.”

RESOLUTION 4 – ELECTION OF USHA RAO-MONARI

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Usha Rao-Monari, who retires in accordance with rule 4.7(a) of the Company’s Constitution and the ASX Listing Rules, be elected as a Non-Executive Director of the Company.”

RESOLUTION 5 – ELECTION OF NOEL PEARSON

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Noel Pearson, who retires in accordance with rule 4.7(a) of the Company’s Constitution and the ASX Listing Rules, be elected as a Non-Executive Director of the Company.”

RESOLUTION 6 – APPROVAL OF THE FORTESCUE LTD PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, the terms of the Fortescue Ltd Performance Rights Plan (the Performance Rights Plan) and the grant of performance rights and issue of equity securities pursuant to the terms of the Performance Rights Plan (as an exception to ASX Listing Rule 7.1), be approved on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

Resolution 6 is a resolution that is connected directly with the remuneration of the members of the KMP. Accordingly, a vote must not be cast on Resolution 6 by any member of the KMP or their closely related parties as proxy for another Shareholder, if the appointment does not specify the way in which the proxy is to vote unless:

- the proxy is the Chairman; and
- the proxy appointment expressly authorises the Chairman to exercise the proxy, even though Resolution 6 is connected (directly or indirectly) with the remuneration of the members of the KMP.

Additionally, and in accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- a person who is eligible to participate in the Performance Rights Plan; or
- an associate of that person.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 7 – PARTICIPATION IN THE PERFORMANCE RIGHTS PLAN BY MR DINO OTRANTO

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Shareholders approve the grant of up to 208,656 performance rights to Mr Dino Otranto for the financial year ending 30 June 2025 under the Performance Rights Plan and the issue, transfer or allocation of, and acquisition by Mr Dino Otranto of, fully paid ordinary shares in respect of those performance rights, in accordance with the terms of the Performance Rights Plan and on the terms described in the Explanatory Statement.”

Voting Exclusion Statement

Resolution 7 is connected directly with the remuneration of a member of the KMP, Mr Dino Otranto, Fortescue Metals' Chief Executive Officer. Accordingly, a vote must not be cast on Resolution 7 as proxy for another Shareholder by any member of the KMP or their closely related parties, if the appointment does not specify the way in which the proxy is to vote unless:

- the proxy is the Chairman; and
- the proxy appointment expressly authorises the Chairman to exercise the proxy, even though Resolution 7 is connected (directly or indirectly) with the remuneration of a member of the KMP.

RESOLUTION 8 – PARTICIPATION IN THE PERFORMANCE RIGHTS PLAN BY MR MARK HUTCHINSON

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Shareholders approve the grant of up to 248,001 performance rights to Mr Mark Hutchinson for the financial year ending 30 June 2025 under the Performance Rights Plan and the issue, transfer or allocation of, and acquisition by Mr Mark Hutchinson of, fully paid ordinary shares in respect of those performance rights, in accordance with the terms of the Performance Rights Plan and on the terms described in the Explanatory Statement.”

Voting Exclusion Statement

Resolution 8 is connected directly with the remuneration of a member of the KMP, Mr Mark Hutchinson, Fortescue Energy's Chief Executive Officer. Accordingly, a vote must not be cast on Resolution 8 as proxy for another Shareholder by any member of the KMP or their closely related parties, if the appointment does not specify the way in which the proxy is to vote unless:

- the proxy is the Chairman; and
- the proxy appointment expressly authorises the Chairman to exercise the proxy, even though Resolution 8 is connected (directly or indirectly) with the remuneration of a member of the KMP.

RESOLUTION 9 – CONDITIONAL SPILL RESOLUTION

Resolution 9 is conditional on at least 25% of the votes cast on Resolution 1 being cast against the adoption of the Remuneration Report for the financial year ended 30 June 2024. If you do not want a Spill Meeting (as defined below) to take place, you should vote 'against' Resolution 9. If you do wish for a Spill Meeting to take place, you should vote 'for' Resolution 9.

To consider, and if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution:

*"That, subject to and conditional on at least 25% of the votes validly cast on Resolution 1 to adopt the Company's Remuneration Report for the financial year ended 30 June 2024 being cast against that resolution, an extraordinary general meeting of the Company (**Spill Meeting**) be held within 90 days of this resolution passing at which:*

(a) all of the Directors who were Directors of the Company when the resolution to make the directors' report for the financial year ended 30 June 2024 was passed and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and

(b) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."

Voting Exclusion Statement

A vote must not be cast on Resolution 9:

- by, or on behalf of, any member of the KMP, details of whose remuneration are included in the Remuneration Report or their closely related parties (regardless of the capacity in which it is cast); or
- by any member of the KMP as at the date of the Meeting or their closely related parties, as a proxy for another Shareholder.

However, the Company need not disregard votes cast by the persons referred to above if the vote is cast as a proxy on behalf of a person who is entitled to vote on Resolution 9:

- in accordance with the voting direction on the Proxy Form; or
- where there is no voting direction on the Proxy Form, by the Chairman, who has been expressly authorised on the Proxy Form to exercise the proxy on Resolution 9 as the Chairman sees fit, even though it is connected (directly or indirectly) with the remuneration of the KMP.

Dated this 4th day of October 2024

By Order of the Board



Navdeep (Mona) Gill

Company Secretary, Fortescue Ltd

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders of Fortescue in connection with the business to be conducted at the Annual General Meeting of Shareholders to be held in the River View Room 1 (entry via Gate D), Optus Stadium, Victoria Park Drive, Burswood, Western Australia on Wednesday, 6 November 2024 at 10.00am (AWST).

This Explanatory Statement describes the matters to be considered at the Meeting and forms part of, and should be read in conjunction with, the accompanying Notice of Meeting.

This Explanatory Statement and all its attachments are important documents and should be read carefully and in their entirety. If you have any questions regarding the matters set out in this Explanatory Statement or the Notice of Meeting, please contact the Company or your financial adviser, stockbroker or solicitor.

FINANCIAL REPORTS

The first item of business of the Meeting deals with the presentation of the consolidated financial report of the Company for the year ended 30 June 2024, together with the Directors' declaration and report in relation to that financial year, and the auditor's report on those financial statements (**Financial Reports**) as required by the Corporations Act.

Copies of the Financial Reports, as contained in the Company's 2024 Annual Report, are available on the Company's website at **fortescue.com** under the 'Investors' tab (Announcements and Reports).

While neither the Corporations Act nor the Company's constitution requires a resolution in respect of the first item of business of the Meeting, Shareholders are asked to consider the Financial Reports and raise any matters of interest with the Directors when this item is being considered. Shareholders will be provided with a reasonable opportunity at the Meeting to ask questions about, or make comments on, the Financial Reports. No resolution is required to be moved in respect of this item.



RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act, Shareholders are asked to consider and vote on the adoption of the Remuneration Report as presented in the Annual Report for the year ended 30 June 2024. A copy of the Remuneration Report, as contained in the 2024 Annual Report, is available on the Company's website at fortescue.com under the 'Investors' tab (Announcements and Reports). A reasonable opportunity for discussion of the Remuneration Report will be provided at the Annual General Meeting.

The Remuneration Report outlines:

- the remuneration policy for the Company; and
- the remuneration arrangements in place for the Directors and specified Executives of the Company.

At the 2023 Annual General Meeting, 52.37% of the votes cast on the resolution to adopt the Remuneration Report for the financial year ended 30 June 2023 were cast against the resolution and the Company received a "first strike". Since the 2023 Annual General Meeting, the Company has listened to the feedback from Shareholders, and information on the actions taken to address the "first strike" are set out in the Remuneration Report contained in the 2024 Annual Report. These actions include the following changes to the Company's remuneration framework which will be, or have already been, implemented:

- whilst the Board retains its ability to apply discretion to incentive outcomes, it will not make discretionary payments that do not clearly align with shareholder interests, noting that no special recognition awards were made in FY24;
- introduction of a mandatory ESSIP deferral for KMP of 50 per cent across two years from the FY25 ESSIP grant onwards;
- increased weighting to relative TSR and reduced weighting to Strategic Measures for the LTIP; and
- improved disclosure of Strategic Measures for all on-foot LTIP grants (FY22, FY23 and FY24).

The vote on Resolution 1 is advisory only and will not require the Company to alter the arrangements set out in the Remuneration Report, should Resolution 1 not be passed. Notwithstanding the effect of this legislative requirement, the Board will take the outcome of the vote into consideration when applying the Company's remuneration policy. Further, if at least 25% of the votes validly cast on Resolution 1 are cast against adopting the 2024 Remuneration Report, Resolution 9 (the **Conditional Spill Resolution**) will be put to the Meeting. The operation and consequences of a spill resolution are set out under Resolution 9 on page 21.

A voting exclusion statement for Resolution 1 is set out in the Notice of Meeting.

Directors' recommendation

The Board recommends that Shareholders vote in favour of Resolution 1.

The Chairman intends to vote all undirected proxies (where the Chairman has been duly authorised to do so) in favour of Resolution 1.

RESOLUTIONS 2 TO 5 – RE-ELECTION / ELECTION OF DIRECTORS

Rule 4.6 of the Company's constitution and ASX Listing Rule 14.4 provides that no Director (other than a Managing 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 longer. Resolutions 2 and 3 seek Shareholder approval for the re-election of Lord Sebastian Coe CH, KBE and Dr Jean Baderschneider each of whom, having been last re-elected in 2021, are retiring by rotation in accordance with rule 4.6 of the Company's Constitution and, being eligible, offer themselves for re-election as a Director of the Company.

Rule 4.7(a) of the Company's Constitution provides that each Director appointed by the Board since the date of the previous annual general meeting must retire but is eligible to stand for election as a director at that meeting. Ms Usha Rao-Monari was appointed as a Director of the Company by the Board on 24 January 2024 and Mr Noel Pearson was appointed as a Director by the Board on 1 August 2024. Ms Rao-Monari and Mr Pearson, being eligible, have each offered themselves for election as a Director of the Company.

RESOLUTION 2 – RE-ELECTION OF LORD SEBASTIAN COE CH, KBE

Lord Sebastian Coe CH, KBE

Non-Executive Director since February 2018

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

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

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

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

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

Having assessed the independence of Lord Coe in accordance with the independence criteria set out in section 2.9 of the Company's Corporate Governance Statement, the Board has determined that Lord Coe is an independent director.

Committee memberships:

People, Remuneration and Nomination Committee (Member).

Directors' recommendation

Lord Sebastian Coe CH, KBE has an interest in Resolution 2 and refrains from making any recommendation as to how Shareholders should vote on Resolution 2. The Company's remaining Directors consider that Lord Coe's skills, knowledge and experience make him a valuable member of the Board and recommend that Shareholders vote in favour of Resolution 2.

The Chairman intends to vote all undirected proxies in favour of Resolution 2.

RESOLUTION 3 – RE-ELECTION OF DR JEAN BADERSCHNEIDER

Dr Jean Baderschneider**Non-Executive Director since January 2015**

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

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

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

Dr Baderschneider is a member of the International Advisory Committee to the 2024 Conference of the Parties (COP29) to the United Nations Framework Convention on Climate Change (UNFCCC). She is also the President of the Board of Trustees of The President Lincoln's Cottage and a member of the Abraham Lincoln National Council of Ford Theatre. In addition, she is on the Board of Directors of the Nizami Ganjavi International Center, the Board of Directors of the McCain Institute and is a Commissioner on the United Nations and Liechtenstein Financial Sector Commission on Modern Slavery. With over 17 years of experience working on anti-human trafficking efforts globally, she served on the Board of Directors of Polaris, Made in a Free World and Verite and is a Founding Board member and Chair of the Global Fund to End Modern Slavery.

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

Having assessed the independence of Dr Baderschneider in accordance with the independence criteria set out in section 2.9 of the Company's Corporate Governance Statement, the Board has determined that Dr Baderschneider is an independent director.

Committee memberships:

Safety and Sustainability Committee (Chair); Audit, Finance and Risk Management Committee (Member); and People, Remuneration and Nomination Committee (Member).

Directors' recommendation

Dr Jean Baderschneider has an interest in Resolution 3 and refrains from making any recommendation as to how Shareholders should vote on Resolution 3. The Company's remaining Directors consider that Dr Baderschneider's skills, knowledge and experience make her a valuable member of the Board and recommend that Shareholders vote in favour of Resolution 3.

The Chairman intends to vote all undirected proxies in favour of Resolution 3.

RESOLUTION 4 – ELECTION OF MS USHA RAO-MONARI

Ms Usha Rao-Monari**Non-Executive Director since 24 January 2024**

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

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

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

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

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

Having assessed the independence of Ms Rao-Monari in accordance with the independence criteria set out in section 2.9 of the Company's Corporate Governance Statement, the Board has determined that Ms Rao-Monari is an independent director.

Committee memberships:

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

Directors' recommendation

Ms Usha Rao-Monari has an interest in Resolution 4 and refrains from making any recommendation as to how Shareholders should vote on Resolution 4. The Company's remaining Directors consider that Ms Rao-Monari's skills, knowledge and experience make her a valuable member of the Board and recommend that Shareholders vote in favour of Resolution 4.

The Chairman intends to vote all undirected proxies in favour of Resolution 4.

RESOLUTION 5 – ELECTION OF MR NOEL PEARSON

Mr Noel Pearson

Non-Executive Director since 1 August 2024

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

Mr Pearson is a prominent Australian Indigenous leader, social advocate and lawyer. For over 30 years Mr Pearson has pursued a key agenda to achieve land rights and socioeconomic development outcomes for Cape York.

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

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

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

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

Having assessed the independence of Mr Pearson in accordance with the independence criteria set out in section 2.9 of the Company's Corporate Governance Statement, the Board has determined that Mr Pearson is an independent director.

Directors' recommendation

Mr Noel Pearson has an interest in Resolution 5 and refrains from making any recommendation as to how Shareholders should vote on Resolution 5.

The Company's remaining Directors consider that Mr Pearson's skills, knowledge and experience make him a valuable member of the Board and recommend that Shareholders vote in favour of Resolution 5.

The Chairman intends to vote all undirected proxies in favour of Resolution 5.

RESOLUTION 6 – APPROVAL OF THE FORTESCUE LTD PERFORMANCE RIGHTS PLAN

Resolution 6 seeks Shareholder approval of the Performance Rights Plan and the grant of performance rights and issue of equity securities upon vesting of the performance rights to eligible participants pursuant to the terms of the Performance Rights Plan, as an exception to ASX Listing Rule 7.1 and for a period of three years from the date on which Resolution 6 is approved.

Shareholder approval of the Performance Rights Plan is required to ensure that securities granted or issued under the Performance Rights Plan are not counted in the Company's 15 per cent annual limit on issuing securities without Shareholder approval under ASX Listing Rule 7.1 (please see further explanation below). The Performance Rights Plan was last approved by Shareholders at the Company's 2021 Annual General Meeting on 9 November 2021. Accordingly, Shareholder approval is required to allow the Company to rely on the exception in ASX Listing Rule 7.2 (Exception 13(b)). While it is currently intended that the Company will purchase on-market the fully paid ordinary shares (**Shares**) required to satisfy any award that vests in respect of granted performance rights (and the Company has not previously relied on the exception in ASX Listing Rule 7.2 as it has never issued new Shares in respect of vested performance rights), the Company is seeking Shareholder approval in the interests of good governance, transparency and to preserve flexibility in case it determines in the future to issue Shares rather than acquire them on-market.

On 1 October 2022, amendments to the Corporations Act came into effect, simplifying the process for incentivising participants under employee share schemes. Division 1A was introduced in Part 7.12 of the Corporations Act, providing a separate regime for making offers in connection with an employee share scheme (**New Regime**) and replacing the relief previously afforded by ASIC Class Order 14/1000. To ensure that the Company is afforded the relief provided by the New Regime, the Company has made amendments to the Performance Rights Plan which are consistent with the New Regime.

A summary of the key terms of the Performance Rights Plan (including any key terms as a result of the New Regime) is attached as Annexure A to this Explanatory Statement.

Remuneration objectives of the Performance Rights Plan

Fortescue's reward strategy seeks to build a performance-oriented culture that:

- supports the achievement of the Company's strategic vision; and
- attracts, retains and motivates employees by providing market competitive fixed remuneration and incentives.

The reward strategy also supports Fortescue in being the technology, metals and energy group accelerating the commercial decarbonisation of industry, rapidly, profitably and globally, by:

- being well positioned to deliver fair and market competitive rewards;

- supporting a performance based culture and acknowledging global industry outperformance; and
- aligning remuneration with the long-term goals of the Company.

Fortescue is committed to providing competitive remuneration packages to its employees. The Company benchmarks staff remuneration against major indices such as the ASX 30, ASX 50 and ASX 100 Resources, and seeks input from independent remuneration consultants regarding executive remuneration.

The Company's remuneration strategy and its approach to the offering of short term and long term incentives include the offer of performance based equity securities.

Executive short term incentives are awarded in the form of both cash and equity securities, with a maximum of 50 per cent in cash, under the terms of the Company's Executive and Senior Staff Incentive Plan (**ESSIP**). Long term incentives are delivered solely in the form of performance based equity securities under the terms of the Company's Long Term Incentive Plan (**LTIP**). Other eligible employees are awarded performance-based incentives in the form of either cash, equity securities or a combination of both, under the terms of the Staff Incentive Plan (**SIP**).

The Performance Rights Plan allows the Company to achieve the objectives of its remuneration strategy by allowing the Company to grant performance rights under the Performance Rights Plan to executives and staff in satisfaction of the equity component of the ESSIP, the LTIP and the SIP.

Each performance right granted under the Performance Rights Plan will entitle the holder to be issued, transferred or allocated a Share for nil consideration (unless the Board determines that an exercise price is required to be paid) subject to the satisfaction of any relevant vesting conditions and the exercise of the performance right (if required) within the vesting period.

Further information on the vesting conditions and other terms and conditions that will apply to the grant of performance rights under the Performance Rights Plan is set out below and in Annexure A to this Explanatory Statement.

Approval of the Performance Rights Plan under the ASX Listing Rules

ASX Listing Rule 7.1 provides that, subject to certain exceptions, a listed company must not issue or agree to issue in any 12-month period any equity securities (or other securities with rights to convert to equity, such as options or performance rights), if the number of those securities exceeds 15 per cent of the number of ordinary securities that the Company has on issue at the commencement of that 12-month period, other than with the prior approval of shareholders (**15 per cent Placement Capacity**).

ASX Listing Rule 7.2 (Exception 13(b)) is an exception to ASX Listing Rule 7.1 and provides that ASX Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue, shareholders have approved the issue of securities

under the employee incentive scheme as an exception to ASX Listing Rule 7.1. The Performance Rights Plan was last approved by Shareholders at the 2021 Annual General Meeting of the Company. Shareholder approval is, once again, sought to allow the Company to rely on the exception in ASX Listing Rule 7.2 (Exception 13(b)), should the Company elect to issue new Shares under the Performance Rights Plan (rather than acquire Shares on-market).

If Resolution 6 is approved, any equity securities that are issued under the Performance Rights Plan will not be counted towards the Company's 15 per cent Placement Capacity for a period of three years from the date that the resolution is approved. If Resolution 6 is not approved, the Company may continue to operate the Performance Rights Plan as it has in the past (through on-market Share purchases). Alternatively, equity securities that are issued under the Performance Rights Plan will be counted towards the Company's 15 per cent Placement Capacity or the Company will be required to seek the prior approval of Shareholders in respect of each proposed issue under the Performance Rights Plan. If Shareholder approval is not provided in respect of Resolution 6, and the Board resolved not to incentivise employees under the Performance Rights Plan, the Board would need to consider alternative remuneration arrangements, which are consistent with the Company's remuneration objectives, including providing equivalent cash incentives, subject to risk of forfeiture, performance conditions and performance periods.

Shareholder approval will be required before any Director, or related party, of the Company can be issued new Shares under the Performance Rights Plan.

For the purposes of the Shareholder approval sought under, and in accordance with, ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, the following information is provided to Shareholders:

- a summary of the key terms of the Performance Right Plan is set out in Annexure A to this Explanatory Statement;
- no Shares have been issued under the Performance Rights Plan since it was last approved by Shareholders in 2021, as all Shares acquired by participants under the Performance Rights Plan were acquired on-market;
- 9,825,183 performance rights have been granted to eligible participants under the ESSIP and LTIP since the Performance Rights Plan was last approved by Shareholders in 2021; and
- it is currently proposed that the Company will not issue any Shares under the Performance Rights Plan and will purchase on-market the Shares required to satisfy any award that vests in respect of granted performance rights. The maximum number of equity securities that could be issued under the Performance Rights Plan following Shareholder approval is 60,000,000 securities (which is significantly less than 5 per cent of the total Shares on issue, being approximately 154 million Shares). This figure is not an indication of the actual amount of equity securities that may be issued under the Performance Rights Plan, but is rather a "ceiling" for the purposes of ASX Listing Rule 7.2 (Exception 13(b)).

Directors' recommendation

A voting exclusion statement for Resolution 6 is set out in the Notice of Meeting.

While Ms Elizabeth Gaines, an Executive Director of the Company, may, under the terms of the Performance Rights Plan Rules, participate in the Performance Rights Plan, she has agreed with Fortescue that she will not participate in respect of her current role with Fortescue. Nevertheless, Ms Gaines refrains from making any recommendation as to how Shareholders should vote on the resolution. The remaining Directors of the Company (who are not entitled to participate in the Performance Rights Plan) recommend that Shareholders vote in favour of Resolution 6.

The Chairman intends to vote all undirected proxies (where the Chairman has been duly authorised to do so) in favour of Resolution 6.

RESOLUTIONS 7 AND 8 – PARTICIPATION IN THE PERFORMANCE RIGHTS PLAN BY MR DINO OTRANTO AND MR MARK HUTCHINSON

Resolutions 7 and 8 seek Shareholder approval for the grant of up to:

- 208,656 performance rights to Mr Dino Otranto, Fortescue Metals' Chief Executive Officer; and
- 248,001 performance rights to Mr Mark Hutchinson, Fortescue Energy's Chief Executive Officer,

and for the subsequent issue, transfer or allocation, and acquisition by Mr Otranto and Mr Hutchinson of Shares in respect of those performance rights, under the Performance Rights Plan, for the financial year ending 30 June 2025. A summary of the key terms of the Performance Right Plan is set out in Annexure A to this Explanatory Statement.

The proposed grant of performance rights to, and the acquisition of Shares in respect of those performance rights by, Mr Otranto and Mr Hutchinson does not require Shareholder approval under the Corporations Act or the ASX Listing Rules. In particular, Messrs Otranto and Hutchinson are not Directors of Fortescue (or associates of any Director of Fortescue) and do not fall within ASX Listing Rule 10.14. However, in the interests of good governance and transparency, the Board has determined to seek Shareholder approval in respect of the proposed grant of up to 208,656 performance rights to Mr Otranto and up to 248,001 performance rights to Mr Hutchinson.

It is currently intended that the Company will purchase on-market the Shares required to satisfy any award that vests in respect of the performance rights.

The Company will proceed with the grant of up to 208,656 performance rights to Mr Otranto and up to 248,001 performance rights to Mr Hutchinson in accordance with the terms of the Performance Rights Plan at the same time as grants are made to other employees, regardless of whether Shareholder approval is given in respect of Resolutions 7 and 8. However, if Shareholder approval is not given in respect of Resolution 7 and/or Resolution 8, the Company will reconsider the remuneration arrangements for Mr Otranto and Mr Hutchinson (as applicable), for the financial year ending 30 June 2026. This approach has been taken on the basis that:

- the Board and the People, Remuneration and Nomination Committee consider the proposed grants to be consistent with the objectives of the Performance Rights Plan and commensurate with Mr Otranto's and Mr Hutchinson's respective roles and responsibilities within the Company;
- the Board is of the view that the grant of performance rights to both Mr Otranto and Mr Hutchinson under the Performance Rights Plan forms an important part of their respective remuneration and provides an appropriate and meaningful variable remuneration component that is aligned with the long-term success of the Company, Shareholder interests and current market practice;
- if the Company did not grant the performance rights as proposed by Resolutions 7 and 8, the Board would need to consider alternative remunerations arrangements which are consistent with the Company's remuneration objectives, including providing equivalent cash incentives; and
- the Company is not required to seek Shareholder approval under the ASX Listing Rules or the Corporations Act in respect of the proposed grant of performance rights to, and subsequent acquisition of Shares by, Mr Otranto and Mr Hutchinson.

Participation

The number of performance rights to be granted to Mr Otranto and Mr Hutchinson for the financial year ending 30 June 2025 under the Executive and Senior Staff Incentive Plan (ESSIP Performance Rights) and Long Term Incentive Plan (LTIP Performance Rights) is based on the value of the percentage of their Total Fixed Remuneration (TFR) specified in the table below, divided by the volume weighted average price of Shares traded over the first 5 days of the performance period which commenced on 1 July 2024, being A\$22.0159. The table below also includes details of Mr Otranto's and Mr Hutchinson's current total remuneration, and their nominal total remuneration assuming all performance rights proposed under Resolutions 7 and 8 are granted and vest, assuming a Share price of A\$22.0159.

	Maximum ESSIP Opportunity				Maximum LTIP Opportunity			
	TFR (A\$)	% of TFR	A\$	No of ESSIP Performance Rights	% of TFR	A\$	No of LTIP Performance Rights	Nominal Total Remuneration
Dino Otranto	1,750,000	112.5	1,968,750	89,424	150	2,625,000	119,232	6,343,750
Mark Hutchinson	2,080,000	112.5	2,340,000	106,286	150	3,120,000	141,715	7,540,000

* The ESSIP has a mandatory minimum amount of 50 per cent that must be taken in Performance Rights, with the option to elect up to 100 per cent. The value shown in the table above illustrates the maximum number of ESSIP Performance Rights that could be granted if both Mr Otranto and Mr Hutchinson elect 100% Performance Rights. The actual number of Performance Rights will be determined based on their individual elections.

The value that both Mr Otranto and Mr Hutchinson actually receive from the grant of performance rights will depend upon the number of performance rights that vest (if any) and the value of Shares at such time. Further, the number of performance rights that ultimately vest will depend on the extent to which the vesting conditions and other conditions attached to each performance right are satisfied over the vesting period.

Entitlement to Shares

Subject to the terms of the Performance Rights Plan, the satisfaction of vesting conditions and other conditions attached to performance rights, each performance right entitles the holder to be issued, transferred or allocated one Share for nil consideration. Under the Performance Rights Plan, Shares will only be issued, transferred or allocated to recipients (and value received) upon the vesting of relevant performance rights.

Vesting conditions

Under the Performance Rights Plan, the Board must determine the vesting conditions that will apply to the vesting of performance rights prior to the date of grant of those performance rights. The Board will assess the overall performance of the Company at the end of the relevant vesting period, based on those vesting conditions. This assessment will determine the extent of vesting of the performance rights. The results achieved will be communicated to participants in the plan (including Mr Otranto and Mr Hutchinson) and to Shareholders as part of the Company's annual remuneration reporting obligations. Further information regarding the vesting conditions is set out below.

Vesting periods

The vesting periods for the vesting conditions attached to the performance rights to be granted in respect of the financial year ending 30 June 2025 to each of Mr Otranto and Mr Hutchinson are as follows:

- ESSIP Performance Rights: from 1 July 2024 to 30 June 2025; and
- LTIP Performance Rights: from 1 July 2024 to 30 June 2027.

At the end of the relevant vesting period, the vesting conditions, as further particularised below, will be assessed to determine the number of ESSIP Performance Rights and LTIP Performance Rights (as the case may be) that vest.

Cessation of Employment

On cessation of Mr Otranto's or Mr Hutchinson's employment (as applicable), they will be entitled to retain a pro-rata portion of their unvested performance rights (determined based on the extent of the vesting period that remains outstanding), which may vest, subject to satisfaction of the applicable vesting conditions, in accordance with the original terms of their grant at the end of the vesting period.

ESSIP Performance Rights

The vesting of ESSIP Performance Rights granted to each of Mr Otranto and Mr Hutchinson will be dependent upon an assessment of the Company performance against certain objectives, which are designed to drive both a short and long-term perspective on performance and protect the long-term interests of Shareholders.

Fortescue's short term incentive arrangements are designed to focus executives on both 'what' must be achieved (financial targets), as well as 'how' it should be achieved (non-financial targets and individual KPIs). The financial performance measures of the ESSIP were chosen as they represent the key drivers for the short-term success of the Company and provide a framework for delivering long-term value. The non-financial measures recognise the importance of supporting the Company's differentiated culture underpinned by its core values, which is fundamental to corporate success.

By way of summary, the targets and objectives that the Board, on the recommendation of the People, Remuneration and Nomination Committee has determined will apply to ESSIP Performance Rights to be granted to each of Mr Otranto and Mr Hutchinson are set out below. Details in respect of the targets are market sensitive and as such cannot be disclosed at this time. Further disclosure of weightings, targets and outcomes will be provided in the FY25 Annual Report:

Category	Sub-Category	Targets relating to	Financial / non financial targets
Mission Pillars	Metals	<ul style="list-style-type: none"> Shipped tonnes Cost Sustaining capital expenditure Product mix Green Metal 	Financial
	Energy, Technology & Fortescue Zero	<ul style="list-style-type: none"> Projects to final investment decision Projects commenced construction Net operating expenditure Fortescue Capital Breakthrough technology development and commercial readiness 	Financial
	Decarbonisation	<ul style="list-style-type: none"> Reduction in emissions intensity Decarbonisation schedule milestones 	Non-financial
Enablers	Safety*	<ul style="list-style-type: none"> Total Recordable Injury Frequency Rate Critical Injury Frequency rate Leading safety indicators 	Non-financial
	Engagement	<ul style="list-style-type: none"> Employee engagement index 	Non-financial
	Diversity	<ul style="list-style-type: none"> Fortescue's Diversity Strategy 	Non-financial
Individual KPIs	Growth	<ul style="list-style-type: none"> Role specific KPIs 	Financial and non-financial

*Fatality Hurdle applies

ESSIP Deferral

The ESSIP has a mandatory minimum amount of 50 per cent that must be taken in Performance Rights, with the option to elect up to 100 per cent. In response to Shareholder feedback, a new deferral mechanism has been introduced into the ESSIP. On vesting, 50 per cent of the award for Key Management Personnel is deferred over two years (25 per cent released at the end of year one and 25 per cent at the end of year two).

LTIP Performance Rights

The Board, on the recommendation of the People, Remuneration and Nomination Committee has determined that the vesting conditions applicable to the LTIP Performance Rights to be granted to each of Mr Otranto and Mr Hutchinson includes the following performance measures, weighted as set out below.

Performance Measure	Weighting of Measures
Relative Total Shareholder Return	70%
Strategic Objectives	30%

In response to Shareholder feedback, the ability to achieve 'stretch' targets against measures within the LTIP has been removed (which now prevents one KPI outcome offsetting poor individual performance of another). The weighting of Strategic Objectives has reduced to 30 per cent, and relative TSR has been increased to 70 per cent to increase the link between executive reward and shareholder experience. 'Return on Equity' (ROE) has been removed from the FY25 LTIP scorecard.

Relative Total Shareholder Return (TSR)

TSR is a measure of the performance of the Company's shares over a three-year period against comparator group(s). It combines share price appreciation and dividends paid to show the total return to the Shareholder expressed as a percentage. The use of TSR relative to a peer group is well accepted by the market. Relative TSR hurdles are valuable because the Company needs to outperform a peer group for participants to receive any rewards and, therefore, is aligned to relative market performance.

The ASX100 Resources Index has been chosen as the comparator group because this is a transparent market indicator and includes Fortescue's ASX listed commodity market peers. For performance below the 60th percentile none of the LTIP Performance Rights relating to the TSR performance measure will vest. Performance at or above the 90th percentile will result in 100 per cent of the LTIP Performance Rights relating to the TSR performance measure vesting.

The Board acknowledges that a relative TSR hurdle can result in unintended outcomes. Accordingly, in the event that the absolute TSR is negative, but the relative TSR hurdle is achieved, the Board will consider overall performance and circumstances and may, at its absolute discretion, reduce the level of vesting or determine that no award will be made with respect to the TSR measure.

Strategic Objectives

The strategic measures are aimed at directing performance towards the Company's long-term objectives (Strategic Objectives). The Board, on the recommendation of the People, Remuneration and Nomination Committee, has determined the following strategic objectives that will apply to both Mr Otranto and Mr Hutchinson in respect of the LTIP Performance Rights:

Strategic Objectives – targets including:

- Metals – Mine life, Iron Bridge, Green Metals
- Energy – Project returns, Fortescue Capital
- Technology/Fortescue Zero – revenue targets, AI programme delivery

Details in respect of the FY25 Strategic Objectives are market sensitive and as such cannot be disclosed at this time. Further disclosure of the weightings, targets and outcomes will be provided in the FY25 Annual Report.

The achievement of the strategic objectives is assessed by the Board at the end of the vesting period, based on achievement against specific target milestones, and is subject to a score of between zero and 10. For a score below the threshold of five, none of the LTIP Performance Rights relating to the Strategic Objectives performance measure will vest. 100 per cent of the LTIP Performance Rights relating to the Strategic Objectives performance measure will vest for a score of 10 (target). Vesting of awards is on a pro-rata basis for performance between 'Threshold' and 'Target' levels.

Measurement of performance

Each of the performance measures provide for a determination by the Board that the Company has performed at a 'Threshold' or 'Target' level. These graduated levels of performance have been included in order to align and reward LTIP participants through market cycles. In the event that performance is at the 'Target' level in respect of the relevant performance measure, the LTIP participants will be entitled to 100 per cent of the tranche of LTIP Performance Rights to which the performance measure relates.

Maximum Value Limit

Awards are subject to a Maximum Value Limit which caps the number of rights that will vest in circumstances where there has been a significant increase in Share price over the performance period. The Maximum Value Limit baseline is 50 per cent share price growth over the performance period noting that the Board may approve higher levels of vesting when considering Company performance and/or any other fact, event or circumstance that may impact the outcomes of the LTIP. In determining the level of the Maximum Value Limit to be applied, the Board will have consideration to any perceived windfall gain in Fortescue's Share price, influenced in part by iron ore prices outside the control of management.

Price

No consideration is payable by either Mr Otranto or Mr Hutchinson in respect of:

- the grant of performance rights under the Performance Rights Plan; or
- the issue, transfer or allocation of Shares upon the vesting and exercise of performance rights granted under the Performance Rights Plan.

Timing of grant of performance rights

It is proposed that the performance rights will be granted to both Mr Otranto and Mr Hutchinson at the same time as grants are made to other employees.

Securities previously issued to both Mr Otranto and Mr Hutchinson under the Performance Rights Plan

- Since the Performance Rights Plan was approved by Shareholders in 2021:
 - Mr Otranto has been granted 397,337 performance rights (of which 191,345 have yet to vest, 166,459 have vested and 39,533 have lapsed).
 - Mr Hutchinson has been granted 491,623 performance rights (of which 318,826 have yet to vest, 109,610 have vested and 63,197 have lapsed).
- All Shares provided to Mr Otranto and Mr Hutchinson on vesting of performance rights granted under the Performance Rights Plan were acquired by the Company on-market.
- No acquisition price was payable by Mr Otranto or Mr Hutchinson for the grant of the performance rights or for the issue, transfer or allocation of Shares upon the vesting and exercise of performance rights granted under the Performance Rights Plan.

Details of any securities issued under the Performance Rights Plan will be published in the annual report of the Company relating to the period in which they were issued.

It is not proposed that any person covered by ASX Listing Rule 10.14 will participate in the Performance Rights Plan in respect of the financial year ending 30 June 2025.

Other implications

- No funds will be raised from the grant of performance rights or the issue, transfer or allocation of Shares to either Mr Otranto or Mr Hutchinson following the vesting and exercise of the performance rights. If Shares are transferred or allocated, rather than issued upon vesting and exercise, funds will be expended by the Company to acquire Shares on-market.
- Australian International Financial Reporting Standards require the performance rights to be expensed in accordance with Australian Accounting Standards Board Accounting Standard 2 – Share Based Payments. Expensing performance rights will have the effect of increasing both the expenses and contributed equity of the Company.
- There are no significant opportunity costs to the Company or benefits foregone by the Company in granting performance rights.
- The grant of performance rights to Mr Otranto and Mr Hutchinson under the Performance Rights Plan will not have a diluting effect on the percentage interest of Shareholders' holdings if following the vesting and exercise (if required) of the performance rights the Shares transferred or allocated to each of Messrs Otranto and Hutchinson are acquired on-market.

Annual Report

Full details of both Mr Otranto's and Mr Hutchinson's holdings of interests in the Company are set out in the Company's 2024 Annual Report.

A voting exclusion statement for Resolutions 7 and 8 is set out in the Notice of Meeting.

Directors' recommendation

The Board recommends that Shareholders vote in favour of Resolutions 7 and 8.

The Chairman intends to vote all undirected proxies (where the Chairman has been duly authorised to do so) in favour of both Resolutions 7 and 8.

RESOLUTION 9 – CONDITIONAL SPILL RESOLUTION

Resolution 9 is a conditional resolution. Even if it is passed, it will only become effective if, based on the formal results of the poll, at least 25% of the votes cast on Resolution 1 are cast against Resolution 1. If, based on the formal results of the poll, less than 25% of the votes cast on Resolution 1 are cast against Resolution 1, then there will be no ‘second strike’ and Resolution 9 will not be effective.

Resolution 9 (the **Spill Resolution**) will be considered as an ordinary resolution.

If the Spill Resolution is passed and becomes effective based on the formal results of the poll on Resolution 1, the following will occur:

- the Company will be required to hold an extraordinary general meeting of shareholders within 90 calendar days of the Annual General Meeting (the **Spill Meeting**); and
- the following Directors, being the “**Relevant Directors**” who were Directors of the Company at the time the Board resolution to make the Directors’ Report was passed, will cease to hold office immediately before the end of the Spill Meeting unless they are re-elected at the Spill Meeting:
 - Dr Andrew Forrest AO;
 - Mr Mark Barnaba AM CitWA;
 - Dr Larry Marshall;
 - Ms Elizabeth Gaines;
 - Dr Jean Baderschneider;
 - Ms Penny Bingham-Hall;
 - Lord Sebastian Coe CH, KBE;
 - Ms Yifei Li;
 - Mr Noel Pearson; and
 - Ms Usha Rao-Monari.

Even if Lord Sebastian Coe, Dr Jean Baderschneider, Ms Usha Rao-Monari and Mr Noel Pearson are re-elected/elected at this Meeting, each of them would still need to be re-elected at the Spill Meeting to remain in office.

Resolutions to appoint persons to the offices that will be vacated immediately before the end of the Spill Meeting will be put to a vote at the Spill Meeting.

If the Spill Resolution is passed and becomes effective based on the formal results of the poll on Resolution 1, each of the Relevant Directors intends to stand for re-election at the Spill Meeting and may vote their own Shares in support of their own and each other Relevant Director’s re-election.

In deciding how to vote on the Spill Resolution, the Board recommends that Shareholders consider the following factors:

- as detailed in the Explanatory Statement relating to Resolution 1, the Board believes that it has addressed the concerns raised by investors in the context of which the ‘first strike’ was received at the Company’s 2023 Annual General Meeting;
- there would be uncertainty as to the composition of the Board until any Spill Meeting is held. Such uncertainty may create instability within the Company and may have a negative effect on the Company’s share price, its dealings with stakeholders and its broader operation;
- a Spill Meeting would disrupt the Board’s function and require the Company to divert resources (both financial and time-based) towards organising and responding to the Spill Meeting;
- if the Board are not returned to office at the Spill Meeting, it could take a considerable period to rebuild a Board with skills and experience equivalent to the current group. Further changes to the Board and uncertainty in the renewal of Directors resulting from the Spill Meeting is not considered by the Board to be in Fortescue’s best interests or those of its Shareholders;
- each of the Directors (with the exception of Ms Rao-Monari and Mr Pearson) has previously received strong support from shareholders for their re-election, demonstrating that shareholders believe in their ability to lead Fortescue; and
- substantial additional costs (including legal, printing, mail-out, electronic communications and share registry costs) would be incurred if the Company is required to call and hold a Spill Meeting.

A voting exclusion statement for Resolution 9 is set out in the Notice of Meeting.

Directors’ Recommendation

The Board recommends that Shareholders vote **against** Resolution 9.

The Chairman intends to vote all undirected proxies (where the Chairman has been duly authorised to do so) against Resolution 9.

ANNEXURE A

SUMMARY OF THE FORTESCUE LTD PERFORMANCE RIGHTS PLAN

The key terms and conditions of the Performance Rights Plan are summarised below.

Board

The Board, or a duly appointed committee of the Board, is responsible for the operation of the Performance Rights Plan.

Participants

- a) Executive Directors who hold salaried employment with a member of the group, full-time, part-time and casual employees of the group, consultants (who provides services to a member of the group), and any other person who may be a 'primary participant' for the purposes of and as defined in the Corporations Act are all eligible to participate in the Performance Rights Plan.
- b) Non-Executive Directors, and any other Director who does not hold a salaried employment with any member of the group, are not eligible to participate in the Performance Rights Plan.

Eligibility

The Board has an absolute discretion to determine the eligibility of participants. Some of the factors that the Board may have regard to in determining eligibility include:

- a) the seniority of the participant and the position the participant occupies within the group;
- b) the length of service of the participant with the group;
- c) the record of employment of the participant with the group;
- d) the potential contribution of the participant to the growth and profitability of the group;
- e) the extent (if any) of existing participation in the Performance Rights Plan by the participant; and
- f) any other matters the Board considers relevant.

Number of performance rights

- a) The Board has discretion to determine the number of performance rights offered to participants.
- b) Further, in determining the number of performance rights to be granted to participants, the Board will have regard to: (i) current market practice; and (ii) the overall cost to the Company of grants under the Performance Rights Plan.

No payment on grant or vesting

Unless the Board determines otherwise, no payment is required for the grant, on the vesting, or the issue, transfer or allocation of Shares following vesting, of a performance right.

Vesting conditions

Vesting of the performance rights is conditional on the participant satisfying the pre-determined vesting conditions determined by the Board by the end of the vesting period. The vesting period applicable to performance rights is the period determined by the Board.

Vesting of performance rights

The performance rights will only vest if the participant meets any specified vesting conditions within the vesting period. The Board retains a residual discretion to reduce the number of performance rights that will vest depending upon the particular circumstances. If the terms of grant require the performance rights to be exercised, the participant must exercise the performance rights in order for the participant to become entitled to be issued, transferred or allocated Shares. Unless the Board determines otherwise, any performance rights, which have not vested within the vesting period, will lapse.

Entitlements under performance rights

The performance rights do not entitle the holder to exercise any votes in respect of the Shares to which the performance right relates, nor is the holder entitled to participate in any dividend or any new issue of securities by the Company in respect of that performance right. After vesting a participant may, depending upon the particular terms of grant, be entitled to receive a payment equivalent to the total accumulated dividends received during the period prior to the vesting of the performance rights.

Issue, transfer or allocation of Shares on vesting of performance rights

The Shares to be provided on vesting and exercise (if required) of the performance rights may be issued by the Company or acquired on market by the Company (or any trustee of the Performance Rights Plan) and transferred or allocated to the holder of the performance right.

Any Shares issued under the Performance Rights Plan will rank equally with those traded on the ASX at the time of issue.

The Board may impose restrictions on the transferability of a Share issued, transferred or allocated to a participant following vesting of a performance right, which shall be set out in the invitation.

Cessation of employment

On a participant's cessation of employment, subject to the particular terms of grant, the Board may determine that some, or all, of the participant's performance rights or restricted shares lapse, are forfeited, vest (immediately or subject to conditions), are exercisable for a prescribed period (if applicable), or are no longer subject to some or all applicable restrictions.

Change of Control

On a change of control event (which includes a takeover, merger, any person acquiring a relevant interest in more than 50 per cent of the issued share capital in the Company and other similar events), the Board may waive some, or all, of the vesting conditions or other conditions applicable to the performance rights or Shares, in its absolute discretion.

Capital reorganisation

In the event of any capital reorganisation or other similar supervening event, the number of Shares the subject of the performance rights may be adjusted in the manner determined by the Board having regard to the ASX Listing Rules and on the basis that participants do not receive any advantage or disadvantage from such an adjustment.

Clawback provision

Clawback will be initiated at the discretion of the Board, including where, in the opinion of the Board:

- a) a Participant has engaged in fraud, dishonesty or gross misconduct, breached his or her obligations to the group or there is a material misstatement of financial information;
- b) an award, which would not have otherwise vested, vests or may vest as a result of the fraud, dishonesty or breach of obligations of any other person; or
- c) circumstances have occurred that result in an unfair benefit being obtained by any Participant.

In such circumstances, the Board may determine the treatment in relation to the performance rights or Shares issued on vesting.







Fortescue Ltd
ABN 57 002 594 872

LODGE YOUR VOTE



ONLINE

<https://investorcentre.linkgroup.com>



BY MAIL

Fortescue Ltd
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND*

Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150

*During business hours Monday to Friday



ALL ENQUIRIES TO

Telephone: 1300 733 136 Overseas: +61 1300 733 136

LODGE A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **10:00am (AWST) on Monday, 4 November 2024**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your securityholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage

of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's security registry or online at www.linkmarketservices.com.au.

IMPORTANT INFORMATION

Link Group is now known as MUFG Pension & Market Services. Over the coming months, Link Market Services will progressively rebrand to its new name MUFG Corporate Markets, a division of MUFG Pension & Market Services.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

NAME SURNAME
ADDRESS LINE 1
ADDRESS LINE 2
ADDRESS LINE 3
ADDRESS LINE 4
ADDRESS LINE 5
ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of Fortescue Ltd and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AWST) on Wednesday, 6 November 2024 at River View Room 1 (Entry via Gate D), Optus Stadium, Victoria Park Drive, Burswood, Western Australia (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 6, 7, 8 and 9: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 6, 7, 8 and 9, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 1 to 8 and against Resolution 9.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2 Re-election of Lord Sebastian Coe CH, KBE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Dr Jean Baderschneider	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4 Election of Usha Rao-Monari	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Election of Noel Pearson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of the Fortescue Ltd Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Participation in the Fortescue Ltd Performance Rights Plan by Mr Dino Otranto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Participation in the Fortescue Ltd Performance Rights Plan by Mr Mark Hutchinson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Contingent Resolution – Conditional Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Securityholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Securityholder 3 (Individual)

Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

FMG PRX2401N