SOUTH32

CELEBRATING 10 YEARS 2015 – 2025

ANNUAL REPORT 2025

BRIGHTER FUTURES TOGETHER

About this report

Our 2025 Annual Reporting Suite

This year we have integrated our Sustainable Development Report and Corporate Governance Statement into this Annual Report. The following documents also form part of our 2025 Annual Reporting Suite and are published separately:

Climate Change Action Plan

Modern Slavery Statement

Tax Transparency and Payments to Governments Report

Our Annual Reporting Suite also includes the:

- Sustainability Databook
- Climate-related Risk and Reporting Methodology
- Sustainability Standards and Frameworks Index
- Tax Databook

You can view all the documents in our Annual Reporting Suite at www.south32.net

Annual Report 2025

This Annual Report is a summary of South32's operations, activities and performance for the year ended 30 June 2025 and its financial position as at 30 June 2025. It also includes our progress against our sustainability and human rights commitments. South32 Limited (ABN 84 093 732 597) is the ultimate holding company of the South32 group of companies.

In this report, unless otherwise noted:

1. references to South32, the South32 Group, the Group, we, us, our and similar expressions refer to South32 Limited, its subsidiaries and operated joint ventures[1];
2. references to 'our operations', or phrases such as commodities 'we produce', 'we refine' or in 'our portfolio' includes commodities such as bauxite, alumina, aluminium and copper that may form part of, or be produced by our non-operated joint ventures[2];
3. financial information outside of the Financial Report[3] is presented based on the Group's equity share in its subsidiaries,[4] operated joint ventures[5] and non-operated joint ventures[6];
4. metrics describing health, safety, environment, people and community related performance in this report are presented for the Group's subsidiaries and operated joint ventures[7] on a 100% basis, as outlined in the Reporting Boundaries section of our Sustainability Databook 2025 available at *www.south32.net*;
5. monetary amounts are expressed in US dollars.

Further explanation of commonly used terms and references can be found in the Glossary starting on page 260 of this report.

Page 272 includes other information on the preparation of this report and we encourage readers to consider this information before reading the report.

This report should be read in conjunction with South32's Sustainability Databook, Sustainability Standards and Frameworks Index, Climate-related Risk and Reporting Methodology 2025 and Climate Change Action Plan 2025, together with other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, London Stock Exchange and Johannesburg Stock Exchange. These documents are available at *www.south32.net*.

Non-IFRS Measures

This report includes non-IFRS financial measures, including underlying measures of earnings, effective tax rate, returns on invested capital, cash flow and net cash/(debt).

Non-IFRS measures should be considered in addition to, and not as a substitute for, IFRS measures of profitability, financial performance or liquidity. For an explanation of how South32 uses non-IFRS measures, see page 75. The definitions of individual non-IFRS measures used in this report are set out in the glossary on page 260.

Forward-looking statements

Any forward-looking statements in this report are based on South32's current expectations, best estimates and assumptions as at the date of preparation, many of which are beyond South32's control. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks and uncertainties, which may cause actual results to differ materially from those expressed in the report. See page 272 for more information.

Assurance

South32 engaged an independent external assurance organisation, KPMG, to provide the Directors of South32 Limited with assurance on select sustainability information, as explained in the FY25 Independent Assurance Report on pages 58 to 63.

Cover: Geochemist specialist and logistics coordinator at our Hermosa operation.
Right: Local farmer from Maputo province in Mozambique.

1. Details of operations which are not wholly owned by South32 Limited or its subsidiaries and for which South32 manages the operation, can be found on page 272.
2. Details of operations which are not wholly owned by South32 Limited or its subsidiaries and for which South32 does not manage the operation, can be found on page 272.
3. For Financial Report basis of preparation, refer to note 2 to the financial statements (Basis of preparation) on page 171.
4. Cerro Matoso SA financial information is presented on a 100% basis.
5. Min Sud Argentina financial information is presented on a 100% basis.
6. Mineração Rio do Norte S.A (MRN) and Port Kembla Coal Terminal (PKCT) financial information is excluded.
7. Minera Sud Argentina disclosures are limited to safety and health metrics only.

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Acknowledgement

We acknowledge and pay our respects to the Indigenous, Traditional and Tribal Peoples of the lands, waters and territories on which South32 is located and where we conduct our business around the world.

We respect and acknowledge the unique cultural and spiritual relationships that Indigenous, Traditional and Tribal Peoples have to the lands, waters and territories, and their rich contribution to society.

In the spirit of respect and reconciliation, we will continue to support initiatives that strengthen culture and ways of life so that their legacy continues and extends to future generations.

Our purpose-led approach

BRIGHTER FUTURES TOGETHER

Our purpose

is to make a difference by developing natural resources, improving people's lives now and for generations to come. We are trusted by our owners and partners to realise the potential of their resources.

We produce minerals and metals critical to the world's energy transition from operations across the Americas, Australia and Southern Africa and we are discovering and responsibly developing our next generation of mines.

We aspire to leave a positive legacy and build meaningful relationships with our partners and communities to create brighter futures together.

Our strategy

underpins our purpose and outlines what we do to achieve it.

We **optimise** our business by working safely, minimising our impact, consistently delivering stable and predictable performance, and continually improving our competitiveness.

We **unlock** the full value of our business through our people, innovation, projects and technology.

We **identify** and pursue opportunities to sustainably reshape our business for the future, and create enduring social, environmental and economic value.

Our values

guide how we achieve our purpose. Every day, our values shape the way we behave and the standards we set for ourselves and others.

Care

We care about people, the communities we're a part of and the world we depend on.

Trust

We deliver on our commitments and rely on each other to do the right thing.

Togetherness

We value difference and we openly listen and share, knowing that together we are better.

Excellence

We are courageous and challenge ourselves to be the best in what matters.

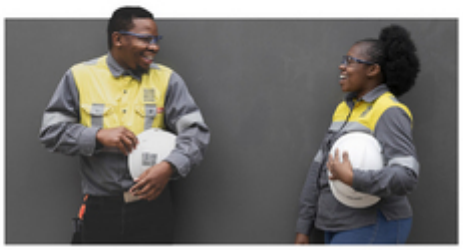
About us

SUSTAINABILITY AT THE HEART OF OUR PURPOSE

Our approach to sustainability underpins the delivery of our strategy and aims to balance environmental, social and economic considerations[8]. It comprises five interconnected pillars which focus on areas that are material to our stakeholders and our business.

Protecting and respecting our people
Nothing is more important than the health, safety and wellbeing of our people. We are committed to improving our safety performance, and fostering a values-based culture and an inclusive and diverse workforce.

Delivering value to society
We believe trust and transparency are essential to the way we operate. We listen to our stakeholders to understand what's important to them and work together with the aim of creating enduring value.



Operating ethically and responsibly
Operating ethically and responsibly is essential to building strong, mutually beneficial and trusting relationships with our stakeholders. We respect human rights and seek to apply responsible business practices across our value chain.

Managing our environmental impact
We are focused on managing our impact on nature, including water, biodiversity, air and surrounding ecosystems. We work hard to safely manage tailings, reduce waste, and rehabilitate land disturbed by our activities.

Addressing climate change
Addressing risks and opportunities that climate change presents is central to our strategy. Our climate actions are focused on positioning our portfolio for the energy transition, reducing our operational GHG emissions, supporting emissions reduction across our value chain, and strengthening our physical climate resilience.

This year, our previously separate Sustainable Development Report has been integrated into this Annual Report. Read more on pages 26 to 57.

8. We recognise that in many cases these considerations will be interdependent or may compete or conflict with each other. In delivering our strategy we aim to understand and balance the environmental, social and economic impacts of our business in a way that seeks to create value overall. References to sustainability (including sustainable development and sustainability) in the suite or other disclosures do not mean that there will be no adverse impact, or an absolute outcome, in any one area.

Celebrating 10 years

A STORY 10 YEARS IN THE MAKING

CELEBRATING 10 YEARS 2015 – 2025

South32 was formed in May 2015 and, in the following decade, we have transformed our portfolio to focus on minerals and metals that are critical to the world's energy transition, while continuing to strengthen our business and striving to leave a positive and lasting legacy.

Approximately

26,000

people have been employed by South32 over the past 10 years

Approximately

90%

of Underlying revenue today is from our aluminium value chain and base metals, compared to about 50% when we were formed

The representation of women in our total workforce has improved from **14.5%** in 2015 to

23.1%

The representation of Black People in our South African workforce has increased from **79.0%** in 2016 to

89.5%

US$240M

has been spent on social investment in our communities over the past 10 years

Our total operational emissions (Scope 1 and 2) in FY25 are lower by

11.5%

compared to FY16[9]

We've returned almost

US$6.2B

to shareholders via dividends and our on-market share buy-back

We've paid approximately

US$7.3B

in corporate income taxes and royalties to governments where we operate

Nearly

16,000

people have participated in LEAD Safely Every Day training since its launch in FY23

800+

exploration opportunities have been evaluated as we build an extensive exploration portfolio targeting base metals across the globe

9. Total operational emissions refers to GHG emissions and includes divested operations' Scope 1 and 2 emissions up to the date of divestment. Refer to our Climate Change Action Plan 2025 for further details.

From the Chair

TRANSFORMED PORTFOLIO RISING TO THE CHALLENGE

As South32 celebrates its 10th anniversary, the company differs greatly from the one founded in 2015. In pursuit of our strategy, underpinned by a focus on sustainability, we have improved the quality of our portfolio through greater exposure to higher-margin businesses.

What remains unchanged is our commitment to everyone going home safe and well at the end of every shift.

We were deeply saddened when José Luis Pérez was fatally injured at our Cerro Matoso nickel operation in Colombia in September 2024. On behalf of the Board, I offer our sincere and heartfelt sympathies to Mr Pérez's family, friends and colleagues.

We are determined to eliminate fatalities and serious injuries from our business and have used learnings from the investigation into the incident at Cerro Matoso to enhance risk controls.

Across South32 we continue to work tirelessly to deliver a fundamental shift in our safety performance through our Safety Improvement Program. While we are encouraged by an improvement in our safety performance metrics in FY25, particularly a 60% reduction in high-potential injury and illness frequency, we remain focused on shaping a culture that is safety-focused, high performing and values-based.

During the year, Directors again visited a number of our operations to assess workplace culture and better understand the challenges our people face. We visited our Hermosa project in Arizona in the United States, Hillside Aluminium in South Africa and Worsley Alumina in Western Australia.

At the Hermosa project, we saw the progress of construction first-hand as the hoisting system of the ventilation shaft had recently been commissioned and shaft sinking had commenced. Directors were updated on tribal engagement and had the opportunity to meet with local stakeholders. We were briefed on Hermosa's workforce development initiatives and visited the site of the future Centro remote-operating centre in Nogales, which will support our goal of 80% of Hermosa's workforce being recruited from the local community when fully operational.

At Worsley Alumina, Directors visited the site of the Mine Development Project which was the subject of an environmental approval process during the year. The visit provided an opportunity to better understand our approach to land clearing and see how we are complying with the conditions attached to the primary Federal and State environmental approvals. We also viewed the progressive rehabilitation of previously mined areas.

Over the past 10 years, our Board has been refreshed as Directors have retired or resigned, with retirements staggered to facilitate continuity and stability, and balance the retention of deep corporate knowledge with the contribution of fresh perspectives. This process continued earlier this year when we welcomed Mandla Msimang and Stephen Pearce as independent Non-Executive Directors.

Mandla, who is based in South Africa, has more than 20 years of regulatory, public policy and information, communications and technology expertise as well as executive and Board experience in the resources sector. Stephen, who is based in Australia, brings 35 years of financial and commercial experience in the mining, oil and gas, and utilities industries.

As we reflect on all we have achieved over the past 10 years, I am reminded that we are forever indebted to our inaugural Chair, David Crawford AO, who sadly passed away in December 2024. South32 was fortunate to start its life under David's leadership, benefitting from his immense intellect and character which exemplified our values.

I would also like to express my gratitude to two other inaugural Directors, Frank Cooper AO and Dr Futhi Mtoba, who are stepping down at our Annual General Meeting in October. The Board has been better for the outstanding contributions both have made.

Responsibly developing our next generation of mines, like Hermosa, is central to the delivery of our strategy."

Frank was the inaugural Chair of our Risk and Audit Committee, and brought strong financial, accounting, compliance and risk management expertise throughout the company's first decade. He was also a valued member of the Remuneration Committee. Our Board has greatly appreciated his steady guidance and input as we oversee the implementation of our strategy and consistent approach to capital management.

The Board has benefited from Futhi's insights on operating in Africa and her considerable financial, economic and public policy expertise. With a strong focus on culture and social performance, she has guided our Board in overseeing the evolution of our sustainability approach since day one, and contributed greatly to the work of the Risk and Audit Committee.

One of the Board's most important tasks is to manage succession planning for senior management, including the Chief Executive Officer. In May, we announced that Matthew Daley will be joining us as Deputy Chief Executive Officer in February 2026 and will assume the role of Chief Executive Officer when Graham Kerr steps down later that year. Matthew is a highly accomplished leader with deep technical expertise and experience in a range of commodities and jurisdictions. He and his family will move to Perth, Australia to assume the role.

The decision to appoint Matthew as Graham's deputy for a period of time allows him to get to know our people and our many operations before he takes the helm; an opportunity he relishes. Over this transition period South32 will continue to benefit from Graham's outstanding leadership. While we will fully recognise Graham's achievements when we bid him farewell next year, his legacy will include establishing our values-based culture and instilling a belief that, when done safely and well, mining can create value for all stakeholders. He has also led the transformation of our portfolio, improving our returns potential by increasing our exposure to higher-margin businesses in critical minerals.

The reshaping of our portfolio continued in FY25 with the completed divestments of Illawarra Metallurgical Coal, the Metalloys manganese alloy smelter, and our 50% stake in the Eagle Downs metallurgical coal project. In July 2025 we entered into a binding agreement to sell Cerro Matoso, which will further simplify our business once complete and provide additional balance sheet flexibility to support investment in our high-quality base metal growth options.

Turning to the global macroeconomic environment, over the past year we have witnessed uncertainty as geopolitical tensions increased, trade tariffs have been imposed leading to significant market volatility, and conflict increased in the Middle East and continues in Ukraine.

Despite these headwinds, our strong operating results coupled with recent portfolio improvements enabled us to deliver Underlying earnings attributable to members of US$666 million. We also maintained a strong balance sheet with net cash position of US$123 million.

We returned US$350 million to shareholders during FY25, including US$294 million in fully-franked ordinary dividends, and US$56 million via our on-market share buy-back. At the end of FY25, our US$2.5 billion capital management program was 94% complete, and reflecting our disciplined approach to capital management, the Board has resolved to extend our capital management plan by 12 months to 11 September 2026, with US$144 million remaining to be returned to shareholders.

As we look to our next 10 years and beyond, we are increasing our exposure to commodities critical to the energy transition with a focus on copper and zinc.

Construction is progressing at Hermosa's Taylor zinc-lead-silver deposit, which is expected to deliver attractive returns for decades. In May, we reached a key milestone in the FAST-41 Federal permitting process when the US Forest Service released a Draft Environmental Impact Statement (EIS) for Hermosa, with the final EIS remaining on track for H2 FY26.

The high-margin Sierra Gorda copper mine in Chile has multiple organic growth options, and we have further development options in Hermosa's Clark battery-grade manganese deposit and high-grade copper and zinc resources at the Ambler Metals joint venture in Alaska. We continue to explore the highly prospective land package at Hermosa with a focus on the Peake and Flux prospects, and we are investing in greenfield exploration with partnerships and projects targeting base metals in highly prospective regions.

Responsibly developing our next generation of mines, like Hermosa, is central to the delivery of our strategy. We remain focused on the sustainability topics that are material to our stakeholders, our business and our long-term future. This includes climate change, which presents risks and opportunities for our business.

In our second Climate Change Action Plan (CCAP) we reiterate our commitment to taking climate action and describe the steps we are taking to deliver on this through the execution of our strategy. We are focused on positioning our portfolio for the energy transition, reducing our operational emissions, supporting emissions reduction across our value chains, and strengthening our physical climate resilience. Our CCAP 2025 will be the subject of a non-binding advisory resolution at our 2025 Annual General Meeting.

We also recognise the importance of protecting and conserving biodiversity, and have aligned our approach to biodiversity with the International Council on Mining and Metals' Nature Position Statement. A key element of our approach is our aim to achieve no net loss or a net gain of biodiversity by the completion of closure. Previously limited to new developments, this now applies to all existing and future operations.

As we celebrate the 10th anniversary of South32, we have a sense of pride for what the company has become and excitement for the opportunities which lie ahead. Our industry faces a challenge like never before – to supply minerals and metals critical for the world's energy transition. At South32, we are embracing that challenge and the opportunities it brings for our people, our business and communities around the world.

On behalf of the Board, I thank our people for their hard work and commitment to deliver our strategy and fulfil our purpose. I also thank the communities where we operate, our shareholders and all our other stakeholders for their ongoing support.

Karen Wood AM
Chair

Our transformed portfolio

REDUCED COMPLEXITY AND IMPROVED RETURNS

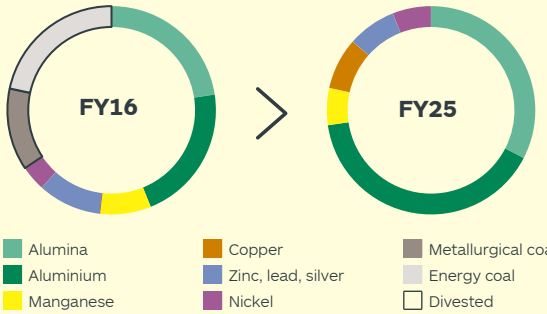
CELEBRATING 10 YEARS 2015 – 2025

A decade after South32 was formed, we have a simplified portfolio, attractive growth options and a strong balance sheet. This leaves us well positioned to invest in the future and manage potential market uncertainty.

Transformed portfolio

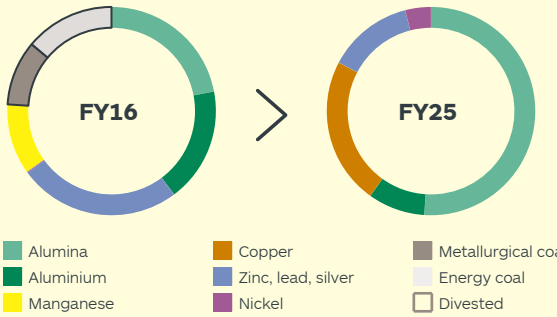
Over the past decade we have transformed our business and now have a stronger, simpler portfolio focused on producing minerals and metals critical to the world's energy transition.

Production by commodity (CuEq, %)[10]



Throughout the past 10 years, we have divested lower-margin, capital-intensive assets in coal and manganese alloys and increased our exposure to future-facing copper and zinc.

Underlying EBITDA by commodity[11]



Reduced complexity

We have transformed our portfolio to be simpler, with a greater exposure to attractive commodities focused on higher-margin, longer-life mining assets with multiple extension options.

Operations profile[12]

	FY16		FY25 pro-forma[13]
Operating sites	16	>	9

Employee headcount ('000)	14	>	8

We've continued to streamline our portfolio over the past decade, with divestments providing additional balance sheet flexibility to support investment in our growth options.

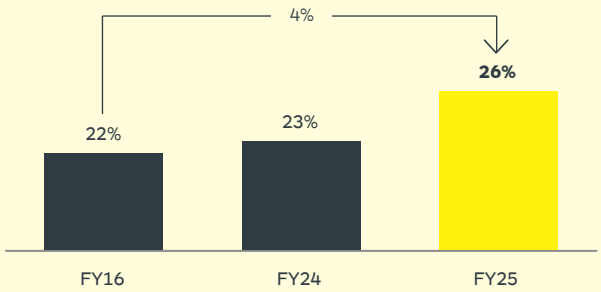
We completed the sale of South Africa Energy Coal and Tasmanian Electro Metallurgical Company in 2021, Illawarra Metallurgical Coal in 2024 and the Metalloys manganese smelter in 2025. In July 2025, we announced a binding agreement to divest our Cerro Matoso nickel operation, with completion expected in late H1 FY26[14]. These divestments have simplified and reduced the complexity of our portfolio.

10. Copper equivalent production has been calculated based on FY25 average realised product prices for all years included in FY25 reporting, to allow for comparison between years.
11. Presented on a proportional consolidation basis. FY25 excludes Illawarra Metallurgical Coal following its divestment in August 2024; our Manganese EAI as Australia Manganese was temporarily suspended due to Tropical Cyclone Megan, with export shipments resuming in May 2025; Hermosa; Group and unallocated items/eliminations.
12. Excludes non-operated sites. Includes all South32 employees globally, including at our manganese EAIs, direct employees at our non-operated joint ventures, development projects and options, and our Group functions.
13. FY25 pro-forma refers to the Group excluding Cerro Matoso.
14. In July 2025, we entered into an agreement to sell Cerro Matoso, which is expected to complete in late H1 FY26 subject to the satisfaction or waiver of certain conditions. Refer to market release "Agreement to Divest Cerro Matoso" dated 7 July 2025 for further details.

Higher margins, improved returns

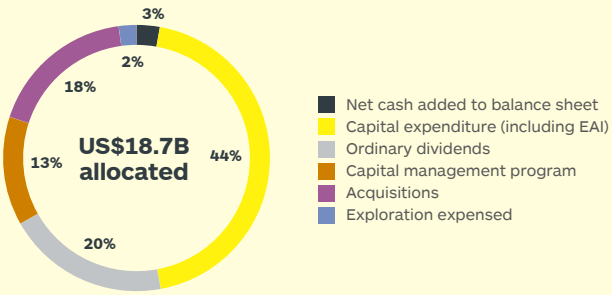
Our portfolio transformation over the past decade has helped us achieve improved financial results and shareholder returns in FY25, underpinned by strong operating performance.

Group operating margin



The reshaping of our portfolio has helped us realise an increased Underlying EBITDA of US$1.9 billion in FY25 and enabled us to return US$350 million to shareholders during the financial year.

Capital allocation since FY16



Positioned for the energy transition

We have taken action to reduce our operational emissions and, through our portfolio transformation, have removed our exposure to hard-to-abate Scope 3 emissions from coal production and downstream use.

Emissions profile (F16 vs FY25, total operations)[15]

	FY16		FY25
Scope 1 and 2 (Mt CO_2-e)	23.4	>	20.7
Scope 3 (Mt CO_2-e)	137.6	>	22.7

We have advanced decarbonisation efforts, focusing on our highest-emitting operations in our aluminium value chain, being our Hillside Aluminium smelter and Worsley Alumina refinery.

We have invested in our Hermosa Project, currently the only advanced project in the United States capable of supplying two federally designated critical minerals, zinc and manganese.

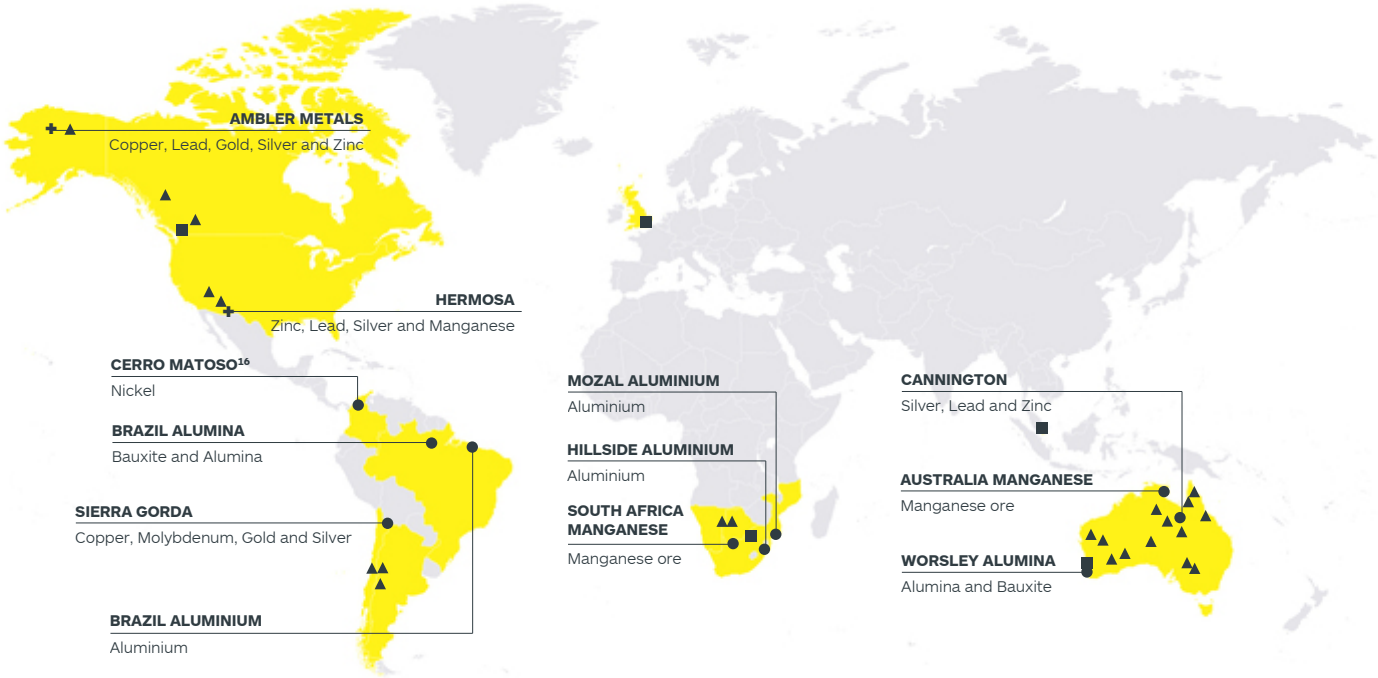
We have also added copper to our portfolio with the acquisition of a 45% stake in Sierra Gorda. As the world moves towards electrification, copper will be increasingly in demand for power-related infrastructure, including renewable energy.

15. We report two operational emissions data sets: total operations, which includes divested operations, and continuing operations, which reflects emissions from our current operations.

Where we operate and what we produce

GLOBAL BUSINESS FOR A LOW-CARBON FUTURE

We operate in Australia, Southern Africa and the Americas, producing minerals and metals critical to the energy transition and many aspects of modern life. We are progressing construction at our Taylor deposit at Hermosa and have a pipeline of high-quality development options and exploration projects.



● Mining and processing ✚ Development ▲ Exploration ■ Office

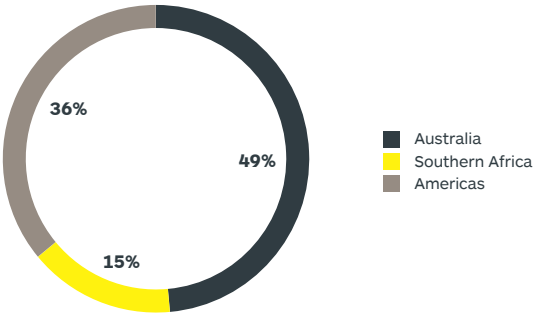
FY25 Underlying EBITDA[18]

US$1,928M

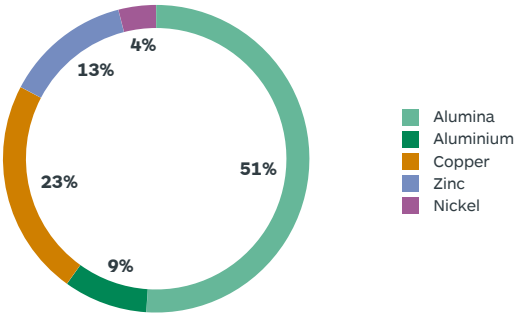
Copper equivalent production (kt)[17]

926kt

Underlying EBITDA by geography[18]



Underlying EBITDA by commodity[18]



16. In July 2025, we entered into an agreement to sell Cerro Matoso, which is expected to complete in late H1 FY26 subject to the satisfaction or waiver of certain conditions. Refer to market release "Agreement to Divest Cerro Matoso" dated 7 July 2025 for further details.
17. Copper equivalent production was calculated using FY24 realised prices.
18. Presented on a proportional consolidation basis. Excludes Illawarra Metallurgical Coal following its divestment in August 2024; our Manganese EAI as Australia Manganese was temporarily suspended due to Tropical Cyclone Megan, with export shipments resuming in May 2025; Hermosa; Group and unallocated items/eliminations.

FY25 PRODUCTION AT A GLANCE

Alumina (kt)

5,067

Aluminium (kt)

1,211

Copper (kt)[19]

89.7

Zinc (kt)

44.5

Lead (kt)

92.4

Silver (koz)[20]

10,292

Nickel (kt)[21]

37.1

Manganese ore (mwmt)

3.3

Our minerals and metals have an important role to play in key market sectors such as energy and renewables, the automotive industry including electric vehicles, and construction and consumer goods.

Aluminium value chain

Aluminium is often referred to as the metal of the future. It is lightweight, durable, strong, resistant to corrosion, recyclable and can conduct electricity. It has a wide range of applications including construction, electrical wiring, transportation including electric vehicles and their batteries, packaging and consumer goods. It also has the potential to substitute copper for certain applications in aerospace and rail. We mine bauxite and produce both alumina and aluminium, and we have increased our aluminium production capacity to meet growing demand.

Copper

Copper is an excellent conductor of electricity. It is a key metal used in electric vehicles and charging infrastructure, and as the world moves towards electrification it will be used in power-related infrastructure including renewable energy generation. Copper is also widely used in construction and consumer durables including household appliances. We hold a 45% interest in the Sierra Gorda copper mine which has embedded options for further growth, and we are progressing a pipeline of options to grow our copper volumes as we seek to capitalise on the long-term demand outlook for the commodity.

Zinc, Lead, Silver

Zinc protects steel structures, wind turbines and solar panels against corrosion, and zinc oxide coatings help achieve higher energy conversion in solar panels. Lead batteries have potential to be used in energy storage systems to support uptake of renewable energy. Silver is used in solar panels, the electrical systems of vehicles, medical appliances and consumer electronics. Cannington has been producing zinc, lead and silver for more than 25 years, and we are investing US$2.16 billion to develop the Taylor zinc-lead-silver deposit at our Hermosa project.

Nickel

Nickel is used in stainless steel, which is used in transportation, manufacturing, household items and surgical instruments. Nickel has an important role to play as the world transitions to a more sustainable future as it is used as an alloy in wind and solar power infrastructure. Nickel-rich batteries are also critical for the rapid adoption of electric vehicles. Cerro Matoso is one of the world's largest ferronickel producers. In July 2025, we entered into an agreement to sell Cerro Matoso, which is expected to complete in late H1 FY26 subject to the satisfaction or waiver of certain conditions[21].

Manganese

Manganese is used to improve the quality and strength of steel in major infrastructure such as hospitals, office towers and bridges. It also has the potential to displace cobalt in lithium-ion batteries, with demand for manganese-rich cathode chemistries expected to grow. We are currently well positioned to meet future demand as we are one of the world's largest producers of manganese from our operations in Australia and South Africa, and the Hermosa Clark deposit has the potential to produce battery-grade manganese.

19. Payable copper equivalent production (kt). Calculated by aggregating revenues from payable copper, molybdenum, gold and silver, and dividing the total Revenue by the price of copper. FY25 realised prices for copper (US$4.18/lb), molybdenum (US$21.12/lb), gold (US$2,877/oz) and silver (US$31.7/oz) have been used for FY25, FY26e and FY27e.
20. Silver production at Cannington only. Sierra Gorda silver production is included in Payable copper equivalent production disclosure.
21. In July 2025, we entered into an agreement to sell Cerro Matoso, which is expected to complete in late H1 FY26 subject to the satisfaction or waiver of certain conditions. Refer to market release "Agreement to Divest Cerro Matoso" dated 7 July 2025 for further details.

From the CEO

RELENTLESS FOCUS ON STRONG PERFORMANCE

As CEO of South32 since its inception, it has been a privilege to lead our transformation into today's diversified producer of minerals and metals critical to the world's energy transition.

Nothing is more important to us than the health, safety and wellbeing of our people, and we were devastated in September 2024 when a contractor at our Cerro Matoso operation, José Luis Pérez, fell from a walkway while performing a maintenance task and was fatally injured.

I speak for everyone in South32 when I offer my deepest condolences to the family and colleagues of Mr Pérez. I visited Cerro Matoso after this tragic incident and shared the sense of sadness and loss among the team.

We owe it to Mr Pérez and everyone affected by his death to learn from this incident. Following an investigation the findings and lessons learned have been shared across our operations, and actions have been taken to reduce the risk of a similar incident occurring in the future.

As an organisation, we continue work to embed our 'safety guarantee', knowing that we cannot be truly successful unless everyone goes home safe and well at the end of every shift. Our 'safety guarantee' aims to cultivate a sense of chronic unease, reducing complacency and our tolerance to risk. To further highlight this, in FY25 we introduced our Safety Guarantee Awards, recognising our people who are helping to create safer workplaces and inspiring their colleagues around the world to do the same.

Our LEAD Safely Every Day (LSED) training program, which delivers safety leadership capability workshops and coaching, has been completed by almost 16,000 people since its launch in FY23. This includes over 95% of leadership roles and frontline employees in FY25, and a subset of contractors.

Our FY25 safety performance metrics indicate that our people are more focused on hazard awareness, proactive reporting, risk reduction and disciplined operating practices. Our lost time injury frequency and our total recordable injury frequency both decreased by more than 25%. There were sustained improvements in both our significant hazard frequency and the ratio of significant hazard to significant event near misses, which represent how effectively we are identifying and addressing safety hazards.

In addition to our work on physical safety, we recognise the importance of psychosocial safety for our workforce. This year we finalised our new psychosocial risk framework, which standardises how we identify, assess and manage psychosocial risks, including harmful behaviours and work-related factors. We have commenced implementation of the framework at our Australian operations and will continue embedding context-specific psychosocial risks into risk management processes across other locations in FY26.

We recently announced plans to transition to a new CEO, with Matthew Daley joining us as Deputy CEO in February 2026 ahead of moving into the CEO role when I step down later in 2026. With his extensive operational and leadership experience, I am confident Matthew is the right person to take our business forward.

I am committed to leading us through this transition and supporting Matthew as he takes on the role of CEO, while remaining focused on the execution of our strategy. This includes the work to deliver a step change in our safety performance and the ongoing transformation of our portfolio.

Looking outside of South32, we've seen geopolitical tensions, conflicts and trade wars contribute to unpredictable markets. We continue to focus on the factors we control, through our disciplined approach to cost management and capital allocation, and by delivering strong operating performance.

We exceeded our FY25 production guidance, underpinned by annual production growth of 20% in copper. We also delivered a 6% annual increase in aluminium production.

At Australia Manganese, we completed the safe recovery of operations and resumed export sales, following the extensive damage caused by Tropical Cyclone Megan in March 2024. The return to operations, together with a strong Q4 performance at South Africa Manganese, resulted in us exceeding guidance for manganese production during the year.

"We exceeded our FY25 production guidance, underpinned by annual production growth of 20% in copper."

In FY25, we recorded Underlying earnings before interest, tax, depreciation and amortisation of US$1,928 million. We finished the year with net cash of US$123 million as we balanced returning cash with investing in our business.

The divestment of Illawarra Metallurgical Coal in Q1 FY25 has reduced complexity in our portfolio and unlocked capital to invest in our growth pipeline. In July, we announced we had entered into a binding agreement to divest our Cerro Matoso nickel operation, with the transaction expected to be completed in late 2025 subject to satisfaction or waiver of certain conditions.

At Worsley Alumina, government approvals received during the year have enabled the start of mining in new bauxite areas under the Worsley Mine Development Project.

At our Hermosa development, we are building the long-life Taylor zinc-lead-silver project and in Q4 we commenced sinking the main shaft and construction of the process plant. Hermosa has government support to help meet the United States' critical minerals supply and, beyond Taylor, the Clark battery-grade manganese deposit is uniquely positioned due to its potential to supply the North American electric vehicle market. Exploration of the Peake prospect continues to return high-grade copper results and we are testing the potential for a continuous mineralised system extending back to Taylor.

At Sierra Gorda, our cornerstone copper asset, there is potential to grow copper production through our brownfield expansion projects and, longer term, through the Catabela Northeast exploration project, where all 18 exploration holes have intersected significant copper mineralisation.

Exploration has been an important part of our strategy since day one. This year we invested US$35 million in our greenfield exploration opportunities in Australia, the US, Canada, Argentina and Namibia, as we work to discover our next generation of base metals mines.

Climate change is fundamentally reshaping our industry, driving the transition away from fossil fuels and increasing demand for minerals and metals we produce, while intensifying climate variability and extreme weather. We have published our second Climate Change Action Plan (CCAP) which sets out our approach to addressing the risks and opportunities that climate change presents.

Our CCAP includes actions to reduce our operational emissions to mitigate transition risk and protect value, and to support emissions reduction across our value chains. Our target to halve our net operational emissions by FY35 from FY21 levels, and long-term goal of achieving net zero emissions across all scopes by 2050, remain unchanged.

While our FY25 operational emissions were 1.5 Mt CO_2-e lower than FY21, Mozal Aluminium's increased reliance on coal-fired electricity due to drought conditions led to a 2% year-on-year increase in total operational emissions in FY25. The year-on-year increase in Scope 2 emissions linked to Mozal Aluminium more than offset the 12% reduction in Worsley Alumina's Scope 1 emissions during FY25, relative to FY21 levels, following the conversion of two boilers from coal to gas during the prior year.

Our portfolio transformation has substantially lowered our Scope 3 emissions since FY19, as it has reduced our exposure to emissions from the combustion of energy coal and the use of metallurgical coal.

Strengthening climate resilience is essential to addressing the physical impacts of climate change on our operations, people, communities, and value chain. We have developed our first Climate Adaptation and Resilience Plan to help us reduce exposure to present-day climate hazards, and strengthen our ability to anticipate, absorb, respond and recover from physical climate change impacts. The Climate Adaptation and Resilience Plan also supports our focus on nature restoration, rehabilitation and conservation.

As we enter the second decade of South32, much has changed in terms of what we produce but I believe one key theme remains – when done well, our business can help to improve people's lives now and for generations to come.

I would like to offer my sincere appreciation and thanks to our teams around the globe for their efforts over the past year, and indeed the past 10 years, as we have solidified our position as a diversified producer of the minerals and metals critical to the world's energy transition.

Graham Kerr
Chief Executive Officer

Our business model

DELIVERING GROWTH AND MINIMISING IMPACT

Our portfolio is diversified by commodity and geography. We work to minimise the impact of our activities and aim to create enduring value for our stakeholders, at each stage of the mining lifecycle.

The resources we rely on

People and expertise
Our global workforce is made up of employees and contractors and is our most important resource, providing the skills, experience and technical expertise required to run our business.

Natural resources
The resources and reserves we access are the primary inputs for our business. Other natural resources such as water and energy are also important to our operations, and we require access to land to conduct our business activities.

Physical assets
We have a suite of operations including open-cut and underground mines, refineries, smelters and associated infrastructure. We procure equipment and services from suppliers globally to support our business.

Finance
Our shareholders and lenders provide access to financial capital, which we put to work in our existing operations and growth pipeline.

Relationships
Trust and transparency are essential to the way we operate. We seek to build trust in the communities where we have a presence to help realise the potential of their resources, and we work with our suppliers and customers to apply responsible business practices throughout our value chain. We engage with governments and civil society groups with the aim of creating constructive and collaborative dialogue.

What we do

Explore
We have a portfolio of more than 20 greenfield exploration partnerships and prospects across the world to discover deposits to underpin our next generation of mines, with a focus on minerals and metals critical to the global energy transition. We use technology and well-designed programs to minimise the footprint of our exploration activities.

Develop
Our growth pipeline is focused on base metals critical to the energy transition. As we advance these, including as we develop the Taylor zinc-lead-silver deposit at Hermosa, we are looking to apply 'next generation mine' design principles. The design aims to lower operational emissions and features a small-footprint underground mine with efficient water use and dry-stack tailings. Hermosa's development will create significant employment opportunities, supporting the growth and diversification of the local economy.

Mine/process
We mine and process bauxite, copper, zinc, lead, silver, nickel and manganese. The health, safety and wellbeing of our employees, contractors, visitors and communities at all our sites is critically important. We listen to our stakeholders and work together with the aim of creating enduring value.

Refine/smelt

We refine bauxite to produce alumina, we smelt alumina to produce aluminium, and we smelt nickel ore to produce ferronickel. We are also evaluating and executing operational decarbonisation initiatives, focusing on our highest-emitting facilities.

Market

We generate revenue from the sale of our commodities to a global customer base and purchase raw materials and supplies from global markets. We analyse commodities and their markets to inform our strategic business planning and investment decisions. We are working to support emissions reduction across our value chains, including efforts to reduce emissions from international shipping.

Rehabilitate and close

From exploration through to closure, we seek to minimise our adverse impacts on the surrounding communities and environments. We undertake progressive rehabilitation and our closure plans are informed by the aspirations and expectations of our host communities and countries.

The outcomes we create

We aim to create enduring value for our stakeholders. We aspire to leave a positive legacy and build meaningful relationships with our partners and communities to create brighter futures together.

Learn more about our stakeholders and impact on pages 16 and 17.

Our stakeholders

BUILDING MEANINGFUL RELATIONSHIPS

Our stakeholders are individuals or groups who may be affected by or interested in our decision-making and activities. Proactive engagement helps us to understand their interests, priorities and concerns, and helps guide our sustainability approach.

Our people

Our global workforce is made up of employees and contractors. In FY25 we had 8,892 employees and we paid US$831 million in employee wages and benefits. Our people are fundamental to our success and we recognise the importance of proactive, timely and transparent engagement with them. We use channels including meetings, videos, newsletters, leadership calls, presentations, training and web forums. Our annual Your Voice employee survey is one tool we use to obtain feedback to better understand people's experience of working for us. Site visits help Directors and leaders engage with our people and better understand the operating context, the challenges they face, and our culture.

Communities

Communities neighbouring or near our operational areas may be impacted directly or indirectly by our activities and business relationships. We engage with these communities with proactive, responsive and ongoing communication. We seek to understand their expectations, aspirations, concerns and interests, which we consider in the development of operation-specific stakeholder engagement plans. These plans underpin our work to build strong, meaningful relationships and establish transparency and trust. We aim to work collaboratively with Indigenous, Traditional and Tribal Peoples to preserve cultural heritage and advance opportunities for economic participation and social inclusion.

Investors

Our investors include shareholders, fund managers, lenders and bondholders. Effective two-way communication is important for them to exercise their rights and for us to better understand their needs and expectations. We maintain an extensive program of engagement with investors involving our Directors and senior leaders, which includes roadshows, briefings, presentations, site tours and meetings, as well as participation in events and forums. We also engage with representatives from investor-led initiatives, including Climate Action 100+.

Customers

We sell our minerals and metals to 187 customers around the globe, and we engage with them to understand their responsible sourcing and product stewardship needs and expectations. We work with certification bodies, such as the Aluminium Stewardship Initiative, to attain certification against performance standards that reinforce responsible practices and build stakeholder confidence in certain products.

Suppliers

Our supply chains are complex networks comprising 5,769 active suppliers across 50 countries. We need surety of supply to support business continuity and an understanding of sustainability-related risks in our supply chains. We aim to work with suppliers with strong values and standards and have outlined our expectations in our Code of Business Conduct and Supplier Minimum Requirements, available at *www.south32.net*. We invest in developing the capacity and capability of local businesses to help them enter the value chains of large companies such as ours. This includes our Enterprise and Social Development Program that supports small, medium and micro enterprises in South Africa, and engagement with Aboriginal and Torres Strait Islander businesses in Australia.

Joint venture partners

These are companies which we have a relationship with through a joint venture, joint operation, or joint arrangement. Our operated joint ventures must comply with our operating policies, standards, practices and procedures. Our non-operated joint ventures operate under their own governance frameworks as established through the joint venture agreement. In these instances, we endeavour to influence our joint venture partners to adopt standards consistent with ours through:

- Representation on joint venture management and governance, boards, committees and councils;
- The exercise of our rights under joint venture arrangements;
- Sharing the knowledge, skills and expertise of our people; and
- Engaging and collaborating with our joint venture partners on shared goals and values.

Governments and regulatory agencies

Our contribution to local economies through our purchase of goods and services, employment, social investments and the taxes and royalties we pay can be significant. We engage with all levels of government, and regulatory bodies responsible for licensing and regulation. We seek to work collaboratively to help them realise value from natural resources and transition towards low-carbon[22] economies. Our approach to tax transparency and payments to government aligns with the International Council on Mining and Metal's Position Statement on Transparency of Mineral Revenues, and the Extractive Industries Transparency Initiative.

Industry associations

Industry associations seek to protect, support and advance the interests of a specific sector or commodity. Membership provides us with opportunities to understand, learn and contribute to industry best practice and innovation, and influence matters affecting our business. We also look to network and share knowledge with people involved in a specific industry or commodity.

Civil society groups

These organisations are distinct from government and business, and can include community-based organisations as well as non-governmental organisations (NGOs). Engagement and collaboration with them can promote shared understanding and learnings on issues of common interest. Our senior leaders attend meetings throughout the year with numerous civil society groups. We also monitor NGO activities and campaigns and seek to engage and partner with groups at a local, state, national and international level, where relevant.

FY25 highlights

8,892
employees globally[23]

US$350M
returned to shareholders during FY25[24]

52,741
beneficiaries of education and skills programs

US$5.7B
spent on suppliers[25]

32
countries import our products

US$487M
in total taxes and royalties paid

5,769
active suppliers across 50 countries

22. Low-carbon refers to substantially lower levels of GHG emissions when compared to the current state. Where used in relation to South32's products or portfolio, it refers to enhancement of existing methods, practices and technologies to substantially lower the level of embodied GHG emissions as compared to the current state.
23. Includes direct employees at our non-operated joint ventures.
24. Fully-franked ordinary dividends paid in respect of H2 FY24 (US$140 million), fully-franked ordinary dividends paid in respect of H1 FY25 (US$154 million) and on-market share buy-back (US$56million).
25. Spend data does not include spend associated with (a) traded goods and services that are not used for operating costs (logistics and bulk raw materials are included in total spend); (b) purchasing/credit cards which can only be used for low-value transactions (under US$2,000 per month), time-sensitive land tenement payment or regulatory permit or license applications and renewals; and (c) non-order invoice payments which are typically limited to regulatory payments, internal payments (including to internal companies and joint arrangement partners), donations, employee benefits, non-employee reimbursements, legal settlements, or payments to doctors, hospitals or for medical treatments.

Our strategic purpose

OUR STRATEGY IN ACTION

Every day our people work to deliver our strategy, which supports our purpose and is underpinned by our approach to sustainability. Our FY25 performance at a glance is below[26].

OPTIMISE OUR BUSINESS

926kt
Copper equivalent production[27]
FY24: **1,025kt**

US$1,353M
Capital expenditure[28]
FY24: **1,409M**

US$192M
Cash flow
Free cash flow from operations
FY24: **US$(80)M**

1.4
Lost time injury frequency
(per million hours worked)
FY24: **2.0**[29]

UNLOCK VALUE

23.1%
Proportion of our workforce who are women
FY24: **20.6%**[30]

US$517M
Growth capital expenditure invested at our Hermosa project[31]
FY24: **US$372M**

89.5%
Proportion of Black People in our workforce in South Africa
FY24: **88.4%**

82.1%
Inclusion index score, as measured in our Your Voice employee survey
FY24: **81.8%**

IDENTIFY OPPORTUNITIES

US$23M
Spend on social investment
FY24: **US$24M**

US$35M
Investment in greenfield exploration opportunities
FY24: **US$27M**

A$24M
Procurement from Aboriginal and Torres Strait Islander businesses
FY24: **A$34M**

20.7 Mt CO_2-e
Operational emissions[32]
FY24: **20.3 Mt CO_2-e**

26. These statistics reflect Key Performance Indicators (KPIs) used to assess and monitor business performance.
27. Copper equivalent production was calculated using FY24 realised prices.
28. Total capital expenditure including equity accounted investments.
29. Three injuries which occurred in FY24 have been reclassified from restricted work cases to lost time cases, resulting in an increase in LTIF from 1.9 to 2.0.
30. For year-on-year comparison, FY24 total women in workforce, excluding Illawarra Metallurgical Coal which was sold in August 2024, is 22.5.
31. Hermosa growth capital expenditure excludes lease payments for self-generated power assets directly attributable to construction of infrastructure at the Taylor deposit. These self-generated power costs were included in our capital cost estimate provided in market release "Final Investment Approval to Develop Hermosa's Taylor Deposit" dated 15 February 2024.
32. Includes Scope 1 and Scope 2 greenhouse gas emissions.

Delivering our strategy

We align our workforce behind seven 'breakthroughs' which articulate goals that are closely linked to the three pillars of our strategy. The breakthroughs are used to shape our annual business planning process.

Our first breakthrough is, 'we all guarantee everyone goes home safe and well', which asks each person in our workforce to take responsibility for their own safety and wellbeing, and that of their colleagues.

Our 'safety guarantee' is an internal approach that is used to instil a belief that everyone can go home safe and well, create a sense of chronic unease, reduce complacency and assist to reduce risk tolerance in relation to safety and health.

Risk management and corporate governance

We are governed by robust risk management and a corporate governance framework. Learn more in our Risk management section on pages 64 to 73, and our Governance section on pages 101 to 134.

Capital management framework

Our strategy is underpinned by a disciplined approach to capital management. Our capital management framework remains unchanged, supporting investment in our business and rewarding shareholders as our financial performance improves.

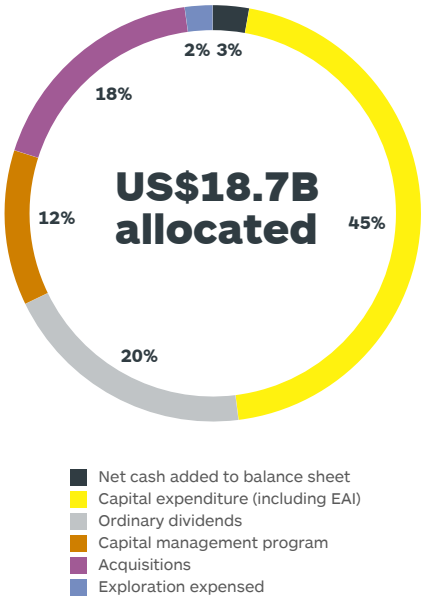
Our capital allocation priorities are to maintain safe and reliable operations and an investment-grade credit rating throughout the cycle. We intend to distribute a minimum of 40% of Underlying earnings as ordinary dividends to our shareholders following each six-month reporting period.

We encourage internal competition for excess capital, which can include further investment in new projects, acquisitions, greenfield exploration, share buy-backs or special dividends.

We returned US$56 million to shareholders via our on-market share buy-back in FY25, purchasing 26 million shares at an average price of A$3.39 per share.

Our US$2.5 billion capital management program is 94% complete with US$144 million to be returned to shareholders ahead of its extension by 12 months to 11 September 2026.

Capital allocation since FY16



CASE STUDY

Recovery at Australia Manganese and Groote Eylandt

In May 2025, export sales resumed at Australia Manganese, marking an important milestone in its recovery from the significant damage caused by Tropical Cyclone Megan in March 2024. Manganese ore is now being loaded and shipped from the reconstructed wharf at Australia Manganese, which is expected to return to normalised rates over FY26.

The intense weather system associated with Tropical Cyclone Megan produced record rainfall of 681mm and some of the strongest wind gusts recorded in 20 years. It flooded mining pits and caused significant damage to infrastructure, resulting in the temporary suspension of operations at Australia Manganese. Recovery activities began as soon as it was safe to do so and included dewatering pits and repairing or replacing damaged infrastructure.

More than 317,000 hours were invested in the wharf recovery and rebuild, with over 970 tonnes of steel and 740 tonnes of concrete removed from the seabed. A bridge connecting the northern pits of the Western Leases mining area and the processing plant was also rebuilt. The Australia Manganese team worked closely with the broader Groote Eylandt community to support their recovery, focusing on repairing key infrastructure, enabling the delivery of supplies and the restoration of essential services.

Our strategic purpose continued

OPTIMISE OUR BUSINESS

Working safely

Our FY25 commitments:

- LEAD Safely Every Day learning activities completed by 100% of leaders and at least 90% of frontline employees
- A significant hazard to significant event near miss ratio of more than 20
- A 20% reduction in material health exposures above 200% Occupational Exposure Limits (OELs) against FY24
- A 60% reduction in the number of injuries and acute illnesses associated with a potential fatality compared with FY23 baseline
- A year-on-year reduction in lost time injury frequency (LTIF) to 1.4
- A reduction in total recordable injury frequency (TRIF) to 5.1

Progress during FY25:

In September 2024, we were devastated by the death of José Luis Pérez, a contractor who was fatally injured after he fell from height at our Cerro Matoso nickel operation. We continue to offer our sympathies to his family, friends and colleagues, and provided counselling and support together with his employer.

Our response to this incident has included an investigation, site-wide inspections to identify similar design risks, updates to engineering standards and expansion of the scope of asset inspections to further enhance risk controls.

In FY25, a contractor working with South Africa Manganese lost their life in an off-site road trucking accident, and a contractor was fatally injured after an incident at Sierra Gorda, a non-operated joint venture. We were deeply saddened by these deaths and have supported the relevant parties with their investigations into both incidents. More information can be found on page 30.

Our global Safety Improvement Program (SIP) aims to deliver a step change in how we manage safety across our business. It focuses on shifting mindsets through leadership, empowering individuals to take ownership of their safety and that of others, reducing risk through effective controls, and strengthening systems and metrics that support safe work.

A key component of the SIP is our LEAD Safely Every Day (LSED) program, which involves leadership safety workshops and coaching. More than 16,000 people have completed LSED since its launch in FY23. This includes over 95% of leadership roles and frontline employees in FY25, and a subset of contractors.

The sustained increase in our Significant Hazard Frequency and the improved ratio of significant hazards to significant event near misses of 78 (up from 21 in FY24) indicate stronger hazard awareness and a more proactive reporting culture across our operations. In FY25, we achieved a 65% reduction in the number of injuries and acute illnesses associated with a potential fatality compared with the FY23 baseline, above our target of 60%.

We recorded a significant reduction in the frequency of injuries and illnesses that have the potential to cause significant harm, while our LTIF (1.4 from 2.0 in FY24[33]) and TRIF (3.7 from 5.1 in FY24) both decreased by more than 25%. These reductions reflect sustained progress in injury and illness prevention, our focus on risk reduction, and disciplined operating practices across operations.

Light vehicles and mobile surface equipment (LVME) contributed to 29% of potential significant events recorded in FY25. We continue to implement our Mobile Equipment Collision Avoidance (MECA) program, which involves workshops that scrutinise how operations can reduce vehicle interactions, such as by reviewing road network design, and introducing new training modules and collision-avoidance technology. Since launching MECA in FY24, potential significant events and near misses involving LVME have decreased 52%, with a 60% reduction in those resulting in high-potential injury.

This year Worsley Alumina launched a four-week course to equip health and safety representatives with the skills and confidence to champion our 'safety guarantee'. Participants work to strengthen their hazard identification and risk assessment capabilities, while developing techniques for leading safety inspections and investigations.

We aim to manage the range of health risks posed by our activities, including exposure to airborne contaminants, hazardous substances, non-ionising radiation and communicable or infectious diseases. In FY25 we conducted a review of our OELs and plan to implement revised limits across our operations in FY26.

Learn more about our approach to safety and health in the Sustainability section, starting on page 26.

CASE STUDY

Safety in numbers

In FY25, we implemented accelerated LSED programs at Mozal Aluminium, South Africa Manganese and Cerro Matoso. Reviews at Hillside Aluminium, Hotazel Manganese Mines, Australia Manganese and Worsley Alumina found while our people are more clearly connecting the training to their daily work and to our 'safety guarantee', opportunities remain to further embed LSED with contractors and their leaders, and we need to empower frontline teams to build ownership and confidence around safety. The review insights are being incorporated into site safety programs.

33. Three injuries which occurred in FY24 have been reclassified from restricted work cases to lost time cases, resulting in an increased total LTIF from 1.9 to 2.0.

Stable and predictable performance while minimising impact

Our FY25 commitments:

- Achieve 97% to 102% of target revenue equivalent production
- Controllable costs within 2.5% of budget (adjusted for foreign exchange, price-linked costs and other adjustments)
- Capital expenditure (adjusted for foreign exchange) within 5% of FY25 budget
- Taylor Growth capital expenditure within 10% of FY25 budget

Progress during FY25:

We achieved 98.6% of revenue equivalent production[34] in FY25, resulting in a target outcome.

We achieved 102% of copper equivalent production guidance[35], driven by annual growth of 20% in copper and 6% in aluminium.

Sierra Gorda payable copper equivalent production exceeded guidance by 4%, as the operation realised higher copper grades and improved molybdenum recoveries. Brazil Aluminium continued to ramp up and Mozal Aluminium operated near nameplate capacity in the June 2025 quarter, having successfully mitigated the impacts of civil unrest in Mozambique.

We have continued to engage with the Government of the Republic of Mozambique, Hidroeléctrica de Cahora Bassa (HCB) and Eskom on securing sufficient and affordable electricity supply to enable Mozal Aluminium to operate beyond March 2026, when the current agreement expires.

These engagements do not provide confidence that Mozal Aluminium will secure sufficient and affordable electricity beyond March 2026. Without this, we expect Mozal Aluminium will be placed on care and maintenance at the end of the current agreement[36].

Manganese production exceeded FY25 guidance by 9% as Australia Manganese resumed shipments and South Africa Manganese delivered a strong finish to the year. Australia Manganese successfully completed its operational recovery plan following the extensive damage caused by Tropical Cyclone Megan in March 2024.

At South Africa Manganese production increased by 25% in the June 2025 quarter following the prior period's planned maintenance shut.

Our controllable cost base was within 0.9% of budget[34], as we continued our focus on disciplined cost management, resulting in a target outcome.

Capital expenditure excluding growth projects was 95% of target[34], resulting in a target outcome. This included US$58 million at Illawarra Metallurgical Coal prior to its divestment in August 2024.

Taylor Growth capital expenditure was 94% of target, as we commenced sinking the main shaft and continued sinking the ventilation shaft during the June 2025 quarter.

CASE STUDY

Our safety champions

Our Safety Guarantee Awards, launched in September 2024, recognise employees and contractors who are making South32 a safer place for themselves and others.

Each quarter a safety champion is highlighted and the first was Mario Cossa, a Production Supervisor at Mozal Aluminium who designed and built a moveable platform to protect workers from falls, heat radiation and dust.

The Cannington port team was acknowledged in Q2 for working out a way to better shield workers from the risks of handling hazardous materials during the acid decanting process. The Cerro Matoso Production team was selected in Q3 for identifying a safer way to carry out chimney cleaning and unclogging tasks.

The Q4 award went to a group from the Worsley Alumina refinery who have implemented a safety initiative that protects our people from risks associated with manually unblocking electrical safety-critical equipment.

34. Excludes non-operated entities (Sierra Gorda, Brazil Alumina and Brazil Aluminium).
35. Group FY25 payable copper equivalent production, calculated by applying FY24 realised prices for all operations.
36. Refer to market releases "Mozal Aluminium Update" dated 14 July 2025 and 14 August 2025.

Our strategic purpose continued

UNLOCK THE VALUE OF OUR BUSINESS

Our people are connected and engaged

Our FY25 commitments:

- Improve the representation of women in the total workforce and in leadership positions
- Achieve local diversity targets
- Achieve an inclusion index score of 81%

Progress during FY25:

An inclusive culture and diverse workforce allows for greater collaboration, innovation and performance. We set and track performance against a series of measurable objectives which are targets and actions aimed at improving inclusion and diversity in our workplace. In FY25, we met the target for five of our seven measurable objectives.

There are four measurable objectives for the representation of women in our workforce and senior roles. The representation of women in our overall workforce improved, increasing to 23.1% from 20.6% in FY24 and above our goal of at least 23.0%. The representation of women on our Board increased to 54.5% from 50.0% in FY24, continuing to meet our target of at least 40.0%.

The representation of women on our Lead Team remained at 50.0% and met our target of at least 40.0, while the representation of women in leadership roles was 23.6%, short of our target of at least 24.1%.

We achieved all five targets in the measurable objective for improving or maintaining local workforce diversity. The representation of Black People in our workforce in South Africa increased to 89.5% from 88.4% in FY24 and met our target of at least 88.5%. The representation of Black People in management roles in South Africa rose to 60.0% from 51.8%, and met our target of at least 60.0%.

The share of Mozambique Nationals at Mozal Aluminium increased to 97.8% from 97.5% in FY24, achieving our target of at least 95.0%, and the proportion of local community members hired into unionised positions at Cerro Matoso was 66.7%, a large increase on 43.0% in FY24 and well above our target of at least 50%.

Representation of Aboriginal and Torres Strait Islander Peoples in our Australian workforce increased to 2.0% from 1.7% in FY24, and met our target of at least 2.0%.

Our annual Your Voice employee survey assesses views on five dimensions – 'safety guarantee', leadership, employee engagement, employee experience, and workplace misconduct/intolerance response. FY25 saw an inclusion index score of 82.1% (above our target of 81% and an increase from 81.8% in FY24) as respondents reported an equal or improved experience in four dimensions and a 2.0% decrease in misconduct/intolerance response to 82%.

We delivered 92.0% of our Group Inclusion and Diversity Action Plan which guides our efforts to build a more inclusive workplace. This was below our target of 100%, which was achieved in FY24.

Learn more about our Group Inclusion and Diversity Action Plan and approach to people and culture in the Sustainability section, starting on page 26.

Project execution

Our FY25 commitments:

- Safely commence Taylor deposit surface construction package and progress shaft sink development to plan
- Safely progress Clark deposit decline development to plan and progress the next phase of process testing to plan

Progress during FY25:

In FY25, we invested US$517 million of growth capital expenditure at our Hermosa project as we progressed construction of the Taylor zinc-lead-silver project and an exploration decline for the Clark battery-grade manganese deposit.

Taylor is our first development at Hermosa and as a long-life, low-cost, low-carbon operation will be a major milestone aligned with our strategy. At Taylor, we started sinking the main shaft, commissioned its hoisting system, and continued sinking the ventilation shaft. We have also started construction of the process plant.

The Clark development option is currently the only advanced project in the US with the potential to supply the emerging North American electric vehicle market. In September 2024, Hermosa was selected by the US Department of Energy (DOE) to enter award negotiations for a grant of up to US$166 million to support the development of a commercial-scale manganese production facility. The grant from the DOE's Battery Materials Processing and Battery Manufacturing program will provide 30% of the manganese production facility cost, on a cost-share basis and subject to final negotiation.

Decline access at Clark is scheduled for the end of 2025 and will enable bulk sampling through a demonstration plant and further underground exploration. The US Department of Defense is supporting this work through a US$20 million grant from the Defense Production Act Investment Program, matched with a US$43 million investment by South32 to fund activities to support access to the manganese deposit.

At Worsley Alumina, mining of new bauxite areas commenced under the Worsley Mine Development Project, which is expected to sustain alumina production to at least FY36[37]. This follows primary State and Federal environmental approvals provided in December 2024 and February 2025, respectively[38].

37. The information in this report that refers to Production Target and forecast financial information for Worsley Alumina is based on Proved (87%) and Probable (13%) Ore Reserves. The Ore Reserves underpinning the Production Target have been prepared by G Burnham and reported in accordance with the JORC Code and is available to view on pages 233 to 256. South32 confirms that all material assumptions underpinning the Production Target and forecast financial information derived from the Production Target continues to apply and have not materially changed.
38. Refer to market release "Worsley Mine Development Project Receives Federal Approval" dated 12 February 2025.

Technology and innovation unlock value

Our FY25 commitments:

〉 Deliver critical technology and innovation programs

Progress during FY25:

Technology and innovation are key enablers of our transition towards a low-carbon future and to realising our objective of safer, cleaner and more productive operations. Our Group-wide approach to innovation, known as Innovate32, focuses on enabling the identification, investment and deployment of technologies across our business, and has three missions: Low Footprint, Next Generation Mine and Securing Future Resources.

Within our Low Footprint Mission, we have a number of decarbonisation initiatives aimed at reducing emissions at Worsley Alumina. Recent efforts include supporting studies on long-duration energy storage, calciner electrification, and energy and water efficiency technology. In addition, circularity technologies are being explored to reduce raw material consumption and associated Scope 3 emissions.

As part of the Electric Mine Consortium, which concluded in September 2024 after a four-year collaboration, we conducted battery-electric vehicle (BEV) trials at Cannington. The aim was to reduce the use of diesel vehicles and equipment, and their associated emissions, especially in underground mines. We have applied the findings to Hermosa, where we have signed contracts for the supply of production and ancillary BEV equipment. We are also a funding partner of the BluVein mine electrification project to develop an e-rail dynamic charging system for BEVs, with the aim of further optimising BEV operation.

We are collaborating with industry, government and research organisations on the Heavy Industry Low-Carbon Transition Cooperative Research Centre to accelerate technologies for heavy industry to transition to net zero.

We continue to advance initiatives focused on life extension, tailings repurposing, and alternative closure strategies. In FY25, we assessed tailings repurposing opportunities across all our Australian operations and initiated an early-stage technology trial for waste rock sorting at our Cannington site. At Australia Manganese we are undertaking technology trials to increase recovery rates for the finer sand tails.

The Next Generation Mine Mission aims to reshape the way we mine to support better safety and productivity outcomes. In the rapidly growing world of artificial intelligence, we have focused on areas that deliver the greatest value to our business and strategy. We are already seeing the benefits, with improved safety outcomes and tangible cash flow (currently A$20 million annually, with plans to realise A$50 million by the end of FY26).

New technology includes the Safety Companion tool being piloted at Hillside Aluminium. This virtual chatbot can provide our frontline workers and leaders with faster safety information and insights from our Global 360 risk and event management system, and related internal standards and guidelines.

The Securing Future Resources Mission explores new methods to reduce uncertainty and support decisions in mineral exploration and evaluation. In FY25, we continued developing orebody knowledge and processing technologies to unlock value from complex copper orebodies.

Learn more about how we are using technology to lower our emissions, manage tailings and improve safety outcomes in our Sustainability section starting on page 26.

CASE STUDY

Full steam ahead

We recognise that decarbonising energy-intensive industries, such as aluminium manufacturing, will require innovation and access to large-scale, reliable and affordable low-carbon energy sources.

In May 2025, it was announced Worsley Alumina has secured A$4.4 million in funding from the Australian Renewable Energy Agency (ARENA) to support the development of steam electrification pathways at its alumina refinery. The funding, which is being matched by South32, will allow Worsley Alumina to undertake a pre-feasibility study of four investment options for partial steam electrification.

These include electric boilers, which generate steam directly using an electrode, and mechanical vapour recompression, which involves capturing low-pressure waste vapour from the refining process for recompression to create pressurised steam for reuse.

The technologies have the potential to improve efficiency and reduce operating costs and emissions through the use of renewable electricity. They could also benefit other alumina refineries in the future.

Learn more about our climate change focus in the Climate Change Action Plan 2025 at www.south32.net.

Our strategic purpose continued

IDENTIFY OPPORTUNITIES

Create social, environmental and economic value

Our FY25 commitments:

- Implement social investment plans within 5% of budget
- Achieve 75% of economic development plan targets
- Complete 75% of water performance business plan actions

Progress during FY25:

Social investment plans were implemented for each operation and we invested US$23.3 million[39] in community initiatives.

Our direct social investment spend was across our four key focus areas: economic participation (US$7.9 million); education and learning (US$5.3 million); good health and social wellbeing (US$4.3 million); and natural resource resilience (US$2.6 million).

The economic value of our presence in communities is an important part of our societal contribution and we develop economic development plans as required by our internal social performance standard. These are complementary to our social investment plans and identify opportunities to contribute to local communities through employment, procurement, business development and regional economic development. In FY25, 87% of our economic development plans were implemented.

We believe that growing small, medium and micro enterprises (SMMEs) is fundamental to the transformation of the South African economy. We collaborate with SMMEs on Enterprise and Supplier Development (ESD) expenditure and our FY25 ESD expenditure of US$10.5 million exceeded our target of US$3.63 million.

In Australia we are committed to increasing our procurement of goods and services from Aboriginal and Torres Strait Islander businesses across our supply chain. In FY25, we spent A$23.8 million, which is 2.8% of influenceable spend[40] and above our Reconciliation Action Plan target of 2.4%.

We have a responsibility to manage human rights risks to people across our operations and business relationships. Our suite of human rights training, which covers modern slavery and security, is assigned to selected employees based on their role and is made available to all employees. In FY25, operational and functional representatives participated in Human Rights Due Diligence training delivered by the International Council of Mining and Metals.

Read more in our Modern Slavery Statement at www.south32.net.

Water remains a vital shared resource and a critical input for our operations. Water management is embedded in our operational business plans and, in FY25, the water performance actions were 100% complete at Australia Manganese, Cannington and Hillside Aluminium, and 92% complete at Cerro Matoso.

We recognise the importance of conserving biodiversity. We own, lease and manage more than 550,000 hectares (ha) of land for operational and strategic purposes. Around 3% of this land (18,231 ha) has been disturbed as a result of our activities. In FY25, 175ha of land was disturbed through our activities, we undertook progressive rehabilitation activities across approximately 221ha, and set aside almost 3,800ha for conservation.

Today, over 90% of our operational emissions are generated within our aluminium value chain, mostly from coal-fired electricity use at our aluminium smelters, and coal- and gas-generated steam and electricity use at Worsley Alumina[41].

In FY25, our conversion of two boilers from coal to gas at Worsley Alumina (completed in FY24) contributed to a 12% reduction in Worsley Alumina's Scope 1 emissions and a 4.2% reduction in total Scope 1 emissions[42], both relative to FY21 levels. However, in FY25 drought conditions in the Zambezi basin resulted in an undersupply of hydroelectric power to Mozal Aluminium, requiring an increase in supply of predominantly coal-fired electricity from Eskom. This, together with an increase in the Eskom supplier-specific emission factor, led to an approximate 22% year-on-year increase in total Scope 2 emissions and a 2% year-on-year increase in total operational emissions (total operations basis)[43]

Read more in our Climate Change Action Plan 2025 at www.south32.net.

39. Our contributions to community programs comprise direct investment (including Enterprise Development), in-kind support and administrative costs.
40. Influenceable spend is external categories of spend where Aboriginal and Torres Strait Islander businesses participate in the local open market.
41. Refer to our Climate-related Risks and Reporting Methodology, available at *www.south32.net*, for further details on how we calculate Scope 1 and Scope 2 emissions.
42. Analysis is on a total operations basis. In FY25, total Scope 1 emissions were 28.7% (2.9Mt CO_2-e) lower than in FY21, primarily due to divestments.
43. To support transparency and year-on-year comparability, we report two operational emissions data sets: Total operations, which includes divested operations, and continuing operations, which reflects emissions from our current operations. This enables tracking against our adjusted target baseline.

Sustainably reshape our business for the future

Our FY25 commitments:

〉 Develop and pursue opportunities to optimise our portfolio

Progress during FY25:

We continued to make significant progress in reshaping our portfolio towards minerals and metals critical for the global energy transition.

On 29 August 2024, we completed the sale of Illawarra Metallurgical Coal for total cash proceeds of up to US$1.65 billion[44]. Earlier that month, on 12 August, we completed the sale of our 50% stake in the Eagle Downs metallurgical coal project for US$15 million in cash, a contingent payment of US$20 million and a price-linked royalty of up to US$100 million[45]. We also completed the sale of Metalloys manganese alloy smelter on 3 June 2025[46].

On 7 July 2025, we announced a binding agreement to divest Cerro Matoso for nominal upfront consideration and future cash payments of up to US$100 million[47]. The transaction is expected to complete in late H1 FY26, subject to the satisfaction or waiver of certain conditions.

These changes have significantly reduced complexity in our business. Our exposure to base metals and our aluminium value chain represents approximately 90% of Underlying revenue.

We invested US$63 million in exploration programs at our existing operations and development options.

This included US$35 million at the Hermosa project, where we continued to test the potential for a continuous copper system connecting the Peake deposit and Taylor Deeps. This presents the potential to produce copper – as well as zinc, lead and silver – via the Taylor processing plant. Taylor's infrastructure will also unlock value for future growth options including the Clark manganese deposit and the Flux prospect, which has returned high-grade copper and zinc results[48].

At Sierra Gorda, initial exploration at the Catabela Northeast prospect has also returned significant copper results[49].

The Ambler Metals joint venture in Alaska, a high-grade growth option, is undertaking study work, environmental baseline field activities and permitting activities. Ambler Metals comprises the high-grade polymetallic Arctic deposit, the Bornite copper deposit and an exciting regional exploration portfolio. At our 100%-owned Roosevelt project, which is also located in the Brooks Range in Alaska and has similar geological formations, early exploration activities are ongoing.

In November 2024, we announced we had acquired a 19.9% stake in American Eagle Gold Corp (AEG) for US$21 million[50]. AEG holds an option to acquire a 100% interest in the Nakinilerak exploration prospect within the Babine copper-gold porphyry district in British Columbia, Canada.

In FY25, we invested US$35 million in our greenfield exploration prospects targeting base metals in Australia, the United States, Canada, Argentina and Namibia.

Exploration projects include:

- A farm-in agreement with Encounter Resources targeting copper at the Jessica project in the Northern Territory, Australia;
- A strategic alliance with AusQuest to explore a pipeline of high-potential exploration opportunities such as copper, zinc and nickel projects in Australia;
- An earn-in agreement with Hammer Metals for the Isa Valley project, targeting copper and zinc in Queensland, Australia;
- An option agreement with Bronco Creek Exploration for a copper project in Arizona, United States;
- An earn-in agreement with Ridgeline Minerals to explore the Selina copper, zinc, lead and silver project in Nevada, US;
- A South32-operated joint venture with Minsud Resources to explore the Chita Valley, copper, molybdenum, silver and gold project in San Juan Province, Argentina;
- A farm-in agreement with Bowyang Resources and Barrier Resources targeting base metals at the Thackaringa and Broken Hill projects in New South Wales, Australia;
- An earn-in agreement with MRG Resources for the William Rogers project, targeting copper and zinc in Queensland, Australia;
- An option agreement with Noronex Limited for the Humpback-Damara Copper Project in Namibia, along with a strategic alliance to target base metal projects in the country, as well as two exploration licenses in Botswana; and
- Advancing internally generated base metal exploration opportunities in Australia and the Americas.

44. Refer to market release "Sale of Illawarra Metallurgical Coal" dated 29 February 2024.
45. Refer to media release "Completion of Eagle Downs divestment" dated 13 August 2024.
46. Refer to media release "Completion of Metalloys manganese alloy smelter divestment" dated 3 June 2025.
47. Refer to market release "Agreement to divest Cerro Matoso" dated 7 July 2025.
48. The information in this report that relates to Exploration Results for the Flux prospect is extracted from "Strategy and Business Update 2024" released on 14 May 2024, and is available to view at *www.south32.net*. The information was prepared by D Bertuch in accordance with the requirements of the JORC Code. South32 confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. South32 confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.
49. The information in this report that relates to Exploration Results for the Catabela North-East prospect is extracted from "Sierra Gorda Site Visit Presentation" dated 21 November 2024, and is available to view at *www.south32.net*. The information was prepared by M Wozga and O E Cortes Castro in accordance with the requirements of the JORC Code. South32 confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. South32 confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.
50. Refer to media release "South32 invests in American Eagle Gold" dated 11 November 2024.

SUSTAINABILITY

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DEVELOPING RESOURCES SUSTAINABLY

To us, sustainability means supporting the needs of the present without compromising the ability of future generations to meet their own needs.

In delivering our strategy, we work to understand and balance environmental, social and economic considerations, aiming to reduce adverse impacts while creating lasting stakeholder value.

Our Sustainability Policy sets out our commitment to sustainability through continuously improving our sustainability performance, optimising our positive contributions, and minimising adverse impacts. This commitment supports the delivery of our purpose and strategy and underpins the five interconnected pillars of our sustainability approach. The Policy is guided by a number of global and industry sustainability initiatives, including:

- **United Nations Sustainable Development Goals (UN SDGs):** We focus on the UN SDGs where we can have the most meaningful impact and have identified 19 priority targets that our activities seek to support;
- **United Nations Global Compact (UNGC):** We are a participant in the UNGC, the world's largest corporate sustainability initiative. As part of our commitment, we publish an annual Communication on Progress, which is available publicly[1]; and
- **International Council on Mining and Metals (ICMM):** ICMM's Mining Principles, Performance Expectations and Position Statements set good practice environmental, social and governance performance requirements for members, which are embedded in our sustainability-related governance documents.

Beyond these initiatives, our sustainability approach is guided by key global standards and frameworks that inform how we identify, manage and disclose sustainability-related risks and opportunities. These include the Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD); Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures; and Taskforce on Nature-related Financial Disclosures (TNFD).

We support global and industry efforts to harmonise sustainability standards and frameworks. In FY25, we contributed to the consultation process for the Consolidated Mining Standard Initiative which aims to unify four key responsible mining standards into a single framework. Our input was provided both directly and through our ICMM membership.

Learn more in our Sustainability Standards and Frameworks Index 2025 at www.south32.net.

Sustainability pillars	Topic themes in this report	Relevant UN SDGs
Protecting and respecting our people	Safety and health People and culture	3 Good health and well-being; 4 Quality education; 5 Gender equality; 8 Decent work and economic growth; 10 Reduced inequalities
Delivering value to society	Our economic contributions Community relationships	3 Good health and well-being; 4 Quality education; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure; 11 Sustainable cities and communities; 17 Partnerships for the goals
Operating ethically and responsibly	Human rights Ethics and business integrity Cybersecurity | Artificial intelligence Responsible value chain Closure	8 Decent work and economic growth; 16 Peace, justice and strong institutions; 17 Partnerships for the goals
Managing our environmental impact	Nature Biodiversity Water Air emissions Tailings management Waste and contamination	6 Clean water and sanitation; 9 Industry, innovation and infrastructure; 11 Sustainable cities and communities; 12 Responsible consumption and production; 13 Climate action; 15 Life on land; 17 Partnerships for the goals
Addressing climate change	Climate change	7 Affordable and clean energy; 9 Industry, innovation and infrastructure; 12 Responsible consumption and production; 13 Climate action; 17 Partnerships for the goals

1. Available at https://unglobalcompact.org/what-is-gc/participants.

Sustainability continued

Assessing topic materiality

We conduct an annual materiality assessment to identify sustainability topics that are material to our business and stakeholders. Outcomes guide our prioritisation of work and inform how we group, monitor and report on sustainability-related risks and opportunities.

In FY25, we applied a double materiality approach for the first time, considering both our impacts on the environment and society (impact materiality) and how these factors impact our company, including financial performance and position (financial materiality). Both materiality lenses were applied using definitions consistent with our internal risk management standard, enabling a coherent and integrated approach. Our approach is aligned with guidance from the GRI.

To enhance rigour and objectivity, we engaged an external consultant to facilitate the FY25 assessment. A structured five-stage approach was adopted:

1. **Desktop analysis:** We reviewed internal and external sources to identify a broad range of stakeholder perspectives, informing an initial list of potential material topics;
2. **Stakeholder engagement:** We conducted interviews with nearly 40 stakeholders, including members of our Board, Lead Team and Senior Leadership Team, and investor groups. We also surveyed more than 70 internal and external stakeholders;
3. **Prioritisation:** We analysed insights from the preceding phases across short-, medium- and long-term timeframes to assess relative importance and determine materiality outcomes, which were consolidated into a draft list of material topics;
4. **Validation:** We held a validation workshop with senior leaders to discuss and agree final materiality outcomes; and
5. **Finalisation:** We presented our list of material sustainability topics to the Sustainability Committee.

FY25 materiality assessment outcomes

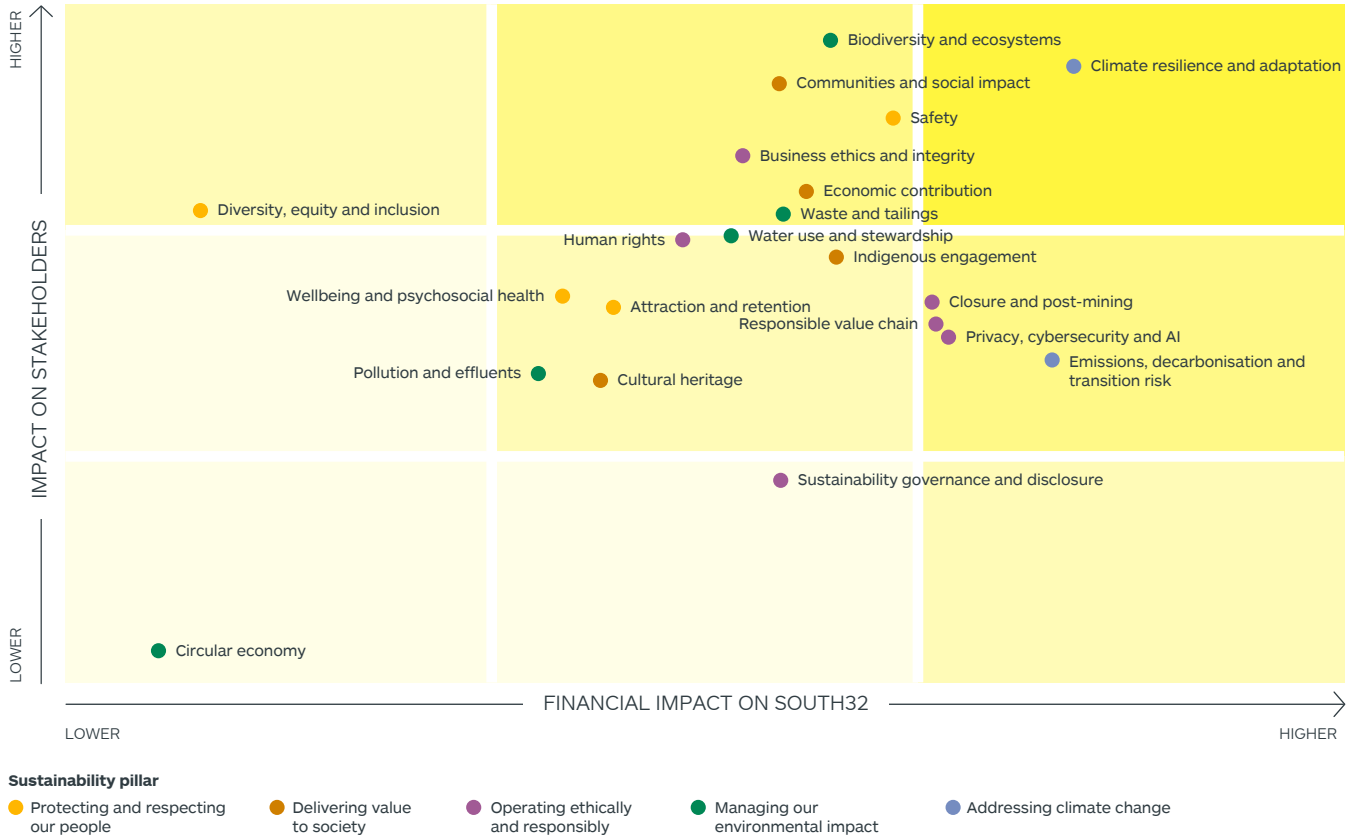
The number of material topics has increased from 16 in FY24 to 21 in FY25, reflecting a more granular assessment of key issues:

- Energy and Climate Change has been separated into two distinct topics: *Climate resilience and adaptation,* and *Emissions, decarbonisation and transition risk;*
- Health and Safety has been split into *Safety* and *Wellbeing and psychosocial health*;
- A new topic on *Sustainability governance and disclosure* has been introduced; and
- *Privacy and cybersecurity* has been expanded to include *artificial intelligence (AI).*

The assessment provided valuable insights into stakeholder perspectives on the issues that are material to our business. For example, *Biodiversity and ecosystems* was identified as a key topic, while *Climate resilience and adaptation* emerged as the most financially material issue. The assessment also highlighted growing interest in decarbonisation strategies, nature-related risks and transparency in sustainability disclosures. In some cases, stakeholder confidence in our management practices may influence the relative materiality rankings, rather than indicating a lower level of importance.

Although some topics are prioritised more highly than others for purposes of sustainability reporting, we consider all identified topics to be material to our business. As in previous years, these material topics have been grouped into thematic sections in this report to provide a consistent and structured overview of our performance and progress.

Our Sustainability Databook 2025 shows where to find information on each material topic across our annual reporting suite and other public disclosures.



Sustainability governance

Our Board is responsible for strategy and governance. With support from its standing Committees, the Board oversees the risk management and performance of the Group with respect to material sustainability risks and opportunities. The Sustainability Committee oversees our sustainability management, performance, assurance and reporting, including the identification and management of sustainability-related risks and opportunities, and the adequacy of related systems and frameworks.

Day-to-day Group management is delegated to the CEO, including responsibility for developing and implementing our strategy, annual plan and budget. Our CEO and Lead Team are responsible for developing and implementing our Sustainability Policy and a system of internal controls and audits to identify and manage sustainability-related risks and opportunities material to the achievement of our strategy. Further details on the roles, responsibilities and activities of our Board, its Committees, CEO and Lead Team are provided in the Governance section of this report on page 101.

Policies and other key governance documents

Our approach to sustainability is defined in our Sustainability Policy and other Board-approved governance documents, such as our Code of Business Conduct and Inclusion and Diversity Policy. Implementation is supported through internal standards which define performance requirements for managing sustainability topics. Specialist safety, environment and social performance teams provide support on compliance with our standards and local requirements, and ways to improve internal control effectiveness.

Beyond these governance documents, our sustainability approach is detailed in a series of 'Our Approach' documents. These outline our management approach across key sustainability topics, complementing the disclosures in this report. Topics covered include: People and Culture; Partnering with Communities; Indigenous, Traditional and Tribal Peoples Engagement; Cultural Heritage, Human Rights, Tailings Management; Biodiversity; Water; and Closure.

This year, we advanced development of our sustainability governance framework, a management system designed to systematically identify and embed material sustainability topics into our ways of working. The framework enables us to prioritise efforts and resources, and calibrate management responses in a proportionate and risk-informed manner. A key feature is the integration of sustainability considerations into business planning and risk management.

Reporting and disclosures

We are committed to transparently reporting our sustainability performance through clear, meaningful disclosures that build stakeholder trust and drive continuous improvement. We prepare our reporting in accordance with applicable GRI Standards and the recommendations and recommended disclosures of the TCFD, and in alignment with requirements for ICMM members. In addition, we pursue alignment with the Sustainability Accounting Standards Board (SASB) Standards and the UNGC Ten Principles. Our Sustainability Standards and Frameworks Index 2025 maps our disclosures against these and other standards and frameworks.

We support efforts to enhance sustainability-related financial disclosures and continue to prepare for the implementation of the Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures from FY26. We also welcome the collaboration between the International Financial Reporting Standards Foundation and TNFD, which will guide the ongoing development of our nature-related disclosures.

External assurance includes a combination of reasonable and limited assurance over our sustainability performance and reporting. Further information can be found in the FY25 Independent Assurance Report from KPMG Australia on pages 58 to 63. KPMG Australia is also our independent financial auditor.

Our sustainability-related disclosures relate to active operations, including operated joint ventures. Where appropriate, we also disclose key sustainability matters related to non-operated joint ventures and development options and exploration projects. Our reporting boundaries are outlined in our Sustainability Databook 2025.

Find the Sustainability Committee's Terms of Reference, Our Approach documents, Sustainability Databook 2025 and Sustainability Standards and Frameworks Index 2025 at www.south32.net.

Sustainability-linked performance measures

We recognise that transparent measurement and reporting of our sustainability performance is essential to building stakeholder trust. This includes setting clear key performance indicators and consistently tracking, measuring and disclosing our progress.

In 2021, we refinanced our syndicated revolving credit facility, securing US$1.4 billion of commitments from lenders to 2026 and establishing it as a Sustainability-Linked Loan (SLL)[2]. The SLL has three Key Performance Indicators (KPIs) with sustainability objectives relating to greenhouse gas emissions reduction, energy efficiency and water efficiency. Each KPI has an annual target based on an agreed trajectory through the loan tenor. Our KPI performance determines the sustainability margin adjustment which is applied annually.

Sustainability performance is also embedded in our employee reward framework. In FY25, 35% of the performance metrics in our Business Scorecard, a key input into the determination of our short-term incentive, were sustainability-related. A portion, being 20%, of the long-term incentive component of the CEO and Lead Team remuneration is linked to our response to climate change and the transition of our portfolio towards minerals and metals critical to the world's energy transition. Learn more in our Remuneration report on page 135.

2. The facility contained two 1-year extension options which were exercised in December 2023 and 2024, bringing the current facility expiry to 2028.

PROTECTING AND RESPECTING OUR PEOPLE

We are focused on managing high-consequence health and safety risks, while fostering a culture that supports safe, inclusive workplaces and attracts people who share our values and aspire to leave a positive legacy.

FY25 progress and performance highlights

- Achieved a 60% reduction in high-potential injury and illness frequency and >25% reduction in both TRIF and LTIF
- Delivered safety leadership capability workshops and coaching to more than 16,000 participants since launching in FY23
- Met five of seven of our FY25 inclusion and diversity measurable objectives
- Reached an 83% participation rate in our annual Your Voice employee survey, our highest to date
- Continued to strengthen our culture through new and continued programs that promote safe and respectful behaviours

SAFETY AND HEALTH

Nothing is more important than the health, safety and wellbeing of our people and we remain committed to improving our safety performance.

Tragically, we experienced a fatality within our business this year. José Luis Pérez was fatally injured while performing a maintenance task as a contractor at Cerro Matoso. After ascending the work area, José Luis was walking on an elevated walkway when a floor-grate gave way unexpectedly and caused him to fall from height. Our thoughts remain with José Luis's family and colleagues to whom we have extended our support, together with his employer. This includes financial assistance while insurance processes were finalised, support for his children's wellbeing and education, and onsite employee assistance services to support our workforce. Our response to this tragic incident has included:

- Conducting an investigation, led by a team of internal and external technical and safety experts;
- Site-wide inspections to identify similar design risks and gain assurance that floor grates and panels are mechanically secure;
- Updating engineering standards and structural maintenance strategies and plans; and
- Expanding the scope of asset inspections to further enhance risk controls, including appointing additional structural engineers, as necessary, to support these inspections.

In FY25, an employee from a contractor company working with South Africa Manganese lost their life in an off-site road trucking accident. The contractor company has investigated the incident and, with our support, identified opportunities to improve their subcontractor onboarding and vehicle maintenance. In response to this incident, we have:

- Made improvements to our onboarding processes and increased support for contractors to improve their subcontractor engagement practices;
- Enhanced heavy vehicle maintenance and inspection routine requirements for contractors and subcontractors; and
- Delivered updated training programs for drivers and other relevant roles, including contractors and subcontractors.

In May this year, a contractor was fatally injured in an incident at Sierra Gorda, a non-operated joint venture in which we hold a 45% interest. Together with our joint venture partner, we supported the Sierra Gorda business in its investigation of the incident and in its provision of assistance to affected relatives and colleagues.

FY25 safety performance

We use a range of metrics to monitor and assess our safety performance. This includes lagging performance indicators which focus on incidents or near misses that have occurred, and leading indicators which aim to detect and provide advanced warning of latent safety hazards. We also set annual health and safety KPIs in our Business Scorecard as detailed on page 145.

Health and safety performance[3]

Performance metric	FY25	FY24	FY23
Fatalities from health and safety incidents	**1**	0	2
Lost time injury frequency (LTIF)	**1.4**	2.0[4]	1.6
Total recordable injury frequency (TRIF)	**3.7**	5.1	5.9
High-potential injury and illness frequency	**0.2**	0.5	0.5
Total recordable illness frequency (TRILF)	**1.0**	1.3	1.3
Total significant hazard frequency	**196**	122	92
Significant hazard to significant event near miss ratio	**78**	21	15

In FY25, we recorded a 60% reduction in high-potential injury and illness frequency[5], while TRIF and LTIF both decreased by more than 25%. These year-on-year improvements reflect our sustained focus on injury and illness prevention through targeted risk reduction initiatives and disciplined operating practices. Significant hazard frequency and significant hazard to significant event near miss ratio represent how effectively we are identifying and addressing safety hazards before they cause harm. Their sustained improvement in FY25 indicates stronger hazard awareness and a more proactive reporting culture. While encouraging, we recognise that more work is needed to embed our 'safety guarantee'.

Our 'safety guarantee'

To promote hazard identification and effective safety risk management, we ask our people to reflect on whether they can guarantee their safety and that of their colleagues when executing their role and planned tasks. If the answer is no, they are expected to stop and ask what would need to be done differently to provide that guarantee. Work should only proceed when it is safe to do so. We use this 'safety guarantee' to instil a belief that everyone can go home safe and well. It also cultivates a sense of chronic unease, helping to reduce complacency and lower tolerance for health and safety risks.

3. Frequency rates are per million hours worked. Incidents are included where South32 controls the work location or controls the work activity, including those related to operations, development options and exploration projects that we own and control. Refer to our Sustainability Databook 2025 for more information on our reporting boundaries.
4. Three injuries which occurred in FY24 have been reclassified from restricted work cases to lost time cases, resulting in an increase in LTIF from 1.9 to 2.0.
5. Relates to injuries and illnesses with potential to cause significant harm, including incidents with the potential to cause impairment to ≥30% of the body or result in a fatality.

Driving continuous improvement

Our global Safety Improvement Program aims to deliver a step change in how we manage safety across our business. It focuses on shifting mindsets through leadership, empowering individuals to take ownership of their safety and that of others, reducing risk through effective controls, and strengthening systems and metrics that support safe work. A key component is our LEAD Safely Every Day (LSED) training program.

Since its launch in FY23, the LSED program has delivered safety leadership capability workshops and coaching to more than 16,000 participants, including over 95% of leadership roles and frontline employees in FY25, and a subset of contractors.

The program is locally facilitated, enabling tailoring for different locations and operating contexts. It is designed to build a common understanding of what it means to be a safety leader at South32 and embed a consistent approach to managing safety risk. By strengthening safety leadership capability and empowering people to speak up, the program supports a culture where, together, we can work to prevent serious injuries and fatalities. In FY25, we focused on maturing the program's content and delivery, informed by effectiveness reviews, and accelerating implementation at select operations, including South Africa Manganese and Cerro Matoso.

To further promote shared learning and empowerment, we launched our new CEO Safety Guarantee Awards in FY25. The initiative encourages our people to identify and implement safety improvement ideas that support our 'safety guarantee'. A safety champion is recognised each quarter, with an annual winner selected from among the quarterly recipients. This year, ideas focused on innovative ways to improve safety in high-risk and hazardous tasks, outlined in more detail on page 21.

Fatality and serious injury elimination

We continue to focus on eliminating fatalities and serious injuries. Our approach centres on managing material safety risks proactively and includes the following key actions:

- Monitoring precursors to serious incidents, with a focus on hazards and events that have the potential to result in serious injury or fatality. This enables us to better identify, prioritise and manage critical risks;
- Defining fatality-related safety risks – such as falls from height, electrical energy, vehicle interactions, crushing and entanglement – and establishing minimum critical controls for their management;
- Empowering our people to take action, including to stop work when there is an actual or potential threat to health and safety. Our Global360 risk and event management system supports proactive hazard identification, reporting and follow-up; and
- Investigating significant actual and potential events and hazards in line with our internal investigation protocol. This enables us to capture learnings and continuously strengthen controls.

In FY25, we prioritised enhancing the quality of our incident response, investigations and application of learnings across our operations. This included collecting and analysing investigation data, standardising investigation processes, and training a group of coaches to support operational teams. In some cases, this led to decisions to stop work following the identification of potential significant incidents – particularly where critical controls were found to be ineffective or there was a risk of serious harm. These actions allowed for thorough investigations, the reinforcement of safe behaviours, and implementation of additional controls before work resumed. In FY26, we aim to explore new tools, including AI-driven solutions, to further enhance the quality, consistency, and efficiency of incident investigations.

Light vehicles and mobile surface equipment (LVME)

LVME remains a priority focus area, contributing to 29% of potential significant events recorded in FY25. We continue to implement our Mobile Equipment Collision Avoidance (MECA) program. The program uses the Earth Moving Equipment Safety Round Table (EMESRT) model, which applies nine layers of different controls that progress from minimising exposure, detecting and deflecting potential threats and intervention, to avoid collision.

In FY25, we conducted MECA workshops at operations in Southern Africa and Colombia, building on those conducted across our Australian operations in FY24. These workshops assessed control effectiveness and supported the development of enhancement plans aligned with EMESRT. Other key activities in FY25 included:

- Installing and upgrading fatigue monitoring and collision avoidance systems across operations and select contractors;
- Developing light vehicle bypasses at high-risk intersections at Australia Manganese; and
- Establishing control rooms at our aluminium smelters and South Africa Manganese to enable real-time monitoring of fatigue monitoring systems and operator behaviour.

Since launching our MECA program in FY24, potential significant events and near misses involving LVME have decreased by 52%, including a 60% reduction in those resulting in high-potential injury.

Empowering safety champions at Worsley Alumina

In FY25, Worsley Alumina launched a new four-week course to equip health and safety representatives with the skills and confidence to champion our 'safety guarantee'.

Participants in the Health and Safety Representative Experience Program work closely with specialist safety and training teams to strengthen their hazard identification and risk assessment capabilities. They also develop skills for leading safety inspections and sharpen their knowledge of workplace inspection and event investigation techniques.

Upon returning to their roles, participants are better equipped to drive safety improvements within their teams and across the operation.

Find more information about our approach to security, crisis and emergency management, and how we train and equip our workforce with the right competencies for their roles, at www.south32.net.

Contractor management

Contractors make up a significant portion of our workforce. Since FY22, we have focused on enhancing how we engage and manage contractors through the development and deployment of our internal contractor management standard.

Suppliers of services are onboarded through our contractor management process, which sets requirements for supervision and contractor responsibilities, and provides a framework for ongoing performance management. In FY25, we further strengthened our approach by:

- Improving contractor performance monitoring, risk profiling, and our training and onboarding processes;
- Undertaking a comprehensive review of our contractor management standard, incorporating feedback from operational leaders and frontline teams; and
- Deploying a feedback survey inviting contractors to assess the effectiveness of our processes, highlight improvement areas and contribute to initiatives related to our 'safety guarantee'.

Transportation-related incidents are a key safety concern in the mining industry, particularly in South Africa where they accounted for more than one-third of all fatalities in the sector in 2024[6]. Road trucking activities involving the transportation of our ore by third parties remains a material safety risk at South Africa Manganese.

In FY25, we collaborated with several key transport contractors to conduct risk control workshops focused on vehicle maintenance, fatigue management, safe driving practices, and training and competency controls. We also continued working with contractors to implement real-time tracking of fleets transporting our products, enabling the monitoring of driver behaviours and fatigue. Our focus is to support our contractor companies to utilise these systems and data, along with the outcomes of the risk control workshops, to assess and improve the effectiveness of their road safety controls.

Health and hygiene management

Our activities present a range of health risks, including exposure to airborne contaminants, hazardous substances, non-ionising radiation and communicable or infectious diseases. We also recognise psychosocial risks, such as sexual harassment and other workplace-related factors, as health-related risks that require continued attention and management across our business.

Learn more about our approach to managing psychosocial risk, including sexual harassment, on page 34.

Potential occupational exposure

Our approach to material health risks focuses on identifying key health hazards and setting thresholds for occupational exposure (Occupational Exposure Limits, or OELs) that are considered safe and unlikely to result in adverse health impacts. These OELs are established in accordance with legislative requirements, are informed by independent expert guidance and the latest scientific evidence, and are reviewed periodically. We monitor and manage OEL exceedances through proactive and reactive controls:

- Proactive controls include real-time environmental monitoring, mandated minimum controls such as ventilation systems, dust control equipment and respiratory protective equipment for our people. We also manage the risk of inhalation of hazardous chemicals by implementing controls for the safe use, clear labelling and secure storage of chemical substances; and
- Reactive controls include health surveillance, biological monitoring to assess potential health effects from occupational exposure, and reporting and investigating exceedances to identify root causes and improve control effectiveness.

In FY25, as part of our regular review of our internal health standard and in anticipation of upcoming regulatory changes, we conducted a comprehensive review of our OELs. Revised limits will be implemented across our operations in FY26. In addition, risk owners, worker representatives and our Hygiene team, collaborated to review similar exposure groups at our operations with the highest potential for hazardous substance exposure. This work identified a range of projects aimed at reducing occupational exposure, which will be developed into targeted improvement programs for implementation over the next five years.

Community exposure to air emissions is monitored and managed at, and in the vicinity of, our operations. Information about how we manage air emissions is provided on page 50.

Health services

We provide a range of occupational health services to employees and contractors, including medical surveillance and health screenings. For non-occupational health concerns, employees may access services covering chronic disease management, health education and referrals for conditions unrelated to workplace activities.

We offer risk-based preventative health measures, including access to fitness facilities, vaccines, malaria and HIV/AIDS programs, and tuberculosis screening, where applicable. At our Southern African operations, HIV/AIDS management is embedded in occupational health processes and includes promotion of HIV counselling, testing and illness management. Positive diagnoses are referred for treatment and supported through our chronic illness management program.

Read more about our HIV and tuberculosis programs at www.south32.net.

CASE STUDY

Trialling our new 'Safety Companion' tool

This year we began piloting our prototype 'Safety Companion', a generative AI tool that highlights critical safety insights from our internal risk and event management system (Global360) and related internal standards and guidelines.

Accessible in multiple languages, the tool responds to simple text prompts, enabling our employees and contractors to quickly access safety insights, such as learnings from previous incidents, and identify the right controls before starting a task. Importantly, the Safety Companion is not a replacement for established safety routines; rather, it serves as an on-demand resource to reinforce correct processes and controls.

In FY25, the pilot focused on fall from height risk, with participants trialling the tool, evaluating output quality and providing feedback to inform improvements. Next steps include extending the pilot to other high-risk activities and, depending on outcomes, potentially expanding the pilot and deployment across additional operations.

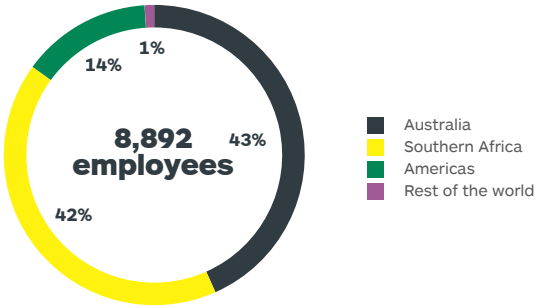
6. Sourced from the Minerals Council of South Africa's "Facts and Figures Pocketbook 2024", and the Department of Resources and Energy (Republic of South Africa) "Release of the 2024 Mine Health and Safety Statistic"'.

PEOPLE AND CULTURE

Our Approach to People and Culture outlines our focus on fostering an engaged, inclusive and diverse workforce, while shaping a positive employee experience.

Find Our Approach to People and Culture and our Inclusion and Diversity Policy at www.south32.net.

Our employees by geography[7]



Our culture

Our Board and Lead Team are focused on fostering a culture that aligns with our purpose, reflects our values and supports delivery of our strategy. To support this:

- We actively engage with employees, and a representative group of contractors, through our annual Your Voice employee survey;
- Our Board and Lead Team receive regular updates on people and culture matters, including insights from our Your Voice survey, reports on workplace misconduct, and data on turnover, recruitment and talent management;
- Our Board, Lead Team and Senior Leadership Team assess our culture periodically using our Culture Tensions Model, which provides a common language and structured approach to evaluating current and desired cultural characteristics; and
- Directors use an internal culture health check tool during site visits to connect with our people and gain insight into how our culture is reflected in daily practices across our operations.

Our Your Voice survey is conducted confidentially and captures employee sentiment across five key dimensions. Results are reviewed by senior leaders, and line leaders are given access to their team's results to support meaningful conversations and identify improvement opportunities. In FY25, we included new questions for line leaders to understand their perceptions of South32 and if they feel enabled to focus on what matters most.

FY25 Your Voice survey results summary

Response rate: 83% of our employees participated in the FY25 Your Voice survey, our highest global participation to date (FY24: 80%).

Safety Guarantee: 87% favourable response (FY24: 86%). Of note, 79% of respondents felt 'safe to speak up without fear of retaliation', a four percentage point increase from FY24.

Leadership: 79% favourable response (FY24: 78%).

Employee engagement: 81% favourable response (FY24: 80%).

Employee experience: 81% favourable response (FY24: 81%).

Workplace misconduct intolerance / leadership response: 82% favourable response (FY24: 84%).

Inclusion and diversity

Our approach to inclusion and diversity is overseen by our Board and guided by our Inclusion and Diversity Policy. Each year, we develop a Group Inclusion and Diversity Action Plan, approved by our CEO, to guide our efforts in building a more inclusive workplace. In FY25, key activities delivered through the plan included:

- Activating our employee value proposition, the 'South32 Experience', to help attract a broader and diverse talent pool;
- Continuing the rollout of our Active Bystander discussion series and deploying the Living our Code online training module;
- Developing and commencing implementation of our psychosocial risk framework at our Australian operations; and
- Embedding a new training module on our Speak Up Policy into our LEAD Safely Every Day leadership program.

We measure our inclusion and diversity progress through a set of measurable objectives which are approved annually by our Board. A subset of these measurable objectives is included in our Business Scorecard, detailed on page 145. In FY25, these objectives were updated to more accurately reflect our commitment to increasing the representation of women in leadership across all levels of our business and to building a workforce that represents the communities where we operate.

Pay equity

We conduct annual gender and ethnicity pay equity reviews and continue to invest in actions to improve pay equity across our workforce. In FY25, we engaged key internal stakeholders to help us understand the drivers of pay inequity, particularly within our recruitment and appointment processes, and identify ways to address them. In FY26, we will focus on embedding these improvement opportunities into our systems and processes.

Living wage

In FY25, we have for the first time reported the ratio of entry-level wages to the living wage in locations where we operate. This complements existing disclosures comparing entry-level wages to statutory minimum wages. These ratios, along with additional pay equity data, are provided in our Sustainability Databook 2025.

More information about talent attraction and retention, reward and benefits, and labour rights and relations can be found in Our Approach to People and Culture at www.south32.net.

[7] Includes direct employees at our non-operated joint ventures.

Sustainability continued

FY25 inclusion and diversity measurable objective performance

● Measurable objective met ● Measurable objective not met

Measurable objective scope (%)	FY25 objective	FY25	FY24
Women in our total workforce	Achieve at least 23%	● **23.1**	20.6[8]
Women on our Board	Maintain at least 40%	● **54.5**	50.0
Women in our Lead Team	Maintain at least 40%	● **50.0**	50.0
Women in leadership roles[9]	Achieve at least 24.1%	● **23.6**	N/A
Improve/maintain local workforce diversity	Achieve at least 4 of 5 targets	● **5 of 5 achieved**	-
Black People in our South African workforce[10]	Achieve at least 88.5%	**89.5**	88.4
Black People in management roles in our South African workforce[11]	Achieve at least 60%	**60.0**	51.8
Mozambique Nationals at Mozal Aluminium[12]	Achieve at least 95%	**97.8**	97.5
Local community members hired into unionised positions at Cerro Matoso[13]	Achieve at least 50%	**66.7**	43.0
Aboriginal and Torres Strait Islander Peoples in our Australian workforce[14]	Achieve at least 2%	**2.0**	1.7
Inclusion Index Score	Achieve at least 81%	● **82.1**	81.8
Group Inclusion and Diversity Action Plan	Deliver the Action Plan (100%)	● **92% delivered**	100% delivered

Workplace conduct

Our Code of Business Conduct (our Code), together with our values and leadership model, define our expectations for workplace behaviours. Our Speak Up Policy encourages reporting of unacceptable behaviour and includes protections against retaliation. Concerns can be raised through internal channels or our confidential global whistleblower hotline, EthicsPoint. Mental health and wellbeing support, including our employee assistance program, is available to those who may need it.

Bullying, harassment, discrimination and other disrespectful behaviours are serious breaches of our Code and will not be tolerated. Inappropriate conduct is addressed through formal disciplinary processes, with serious workplace conduct concerns reviewed quarterly by our Business Conduct Committee and bi-annually by the Risk and Audit Committee.

Learn more about our Code, Speak Up Policy and governance of workplace and business conduct concerns on page 41.

Through our Your Voice employee survey we ask our people to share their experience of working at South32, including instances of bullying, discrimination, harassment and sexual harassment experienced in our workplaces in the past 12 months. In FY25, we saw a reduction in people reporting that they experienced some form of workplace misconduct (9%, down one percentage point) and an increase in reporting rates (39%, up one percentage point).

While these trends are heading in the right direction, we recognise that we have more work to do. To support this, we took the following actions in FY25:

- Launched a 'Living our Code' online training for new employees and contractors, outlining our behavioural standards, zero-tolerance approach to misconduct, and reporting mechanisms;
- Continued our Active Bystander discussion series on the role of bystanders in fostering a safe and respectful workplace; and
- Introduced a Workplace Behaviour discussion series, a leader-led program which expands on the Active Bystander series. It reinforces our Speak Up Policy and covers topics including bullying, harassment, discrimination and conflicts of interest.

Psychosocial risk management

In FY25, we finalised and began implementing our psychosocial risk framework at our Australian operations. This framework standardises how we identify, assess and manage psychosocial risks, including harmful behaviours (e.g. sexual harassment, bullying, aggression) and work-related factors such as job design and organisational structure. We will continue to embed context-specific psychosocial risks into risk management processes across other locations in FY26.

Sexual harassment

In FY24, we completed a gap assessment against the Australian Human Rights Commission's Guidelines for Complying with the Positive Duty under the *Sex Discrimination Act 1984* (Cth), published in August 2023, and began addressing identified improvement areas. Further information about this work is provided on page 20 of our Sustainable Development Report 2024 at *www.south32.net*. In FY25, our continued efforts included:

- Bi-annual briefings to our Risk and Audit Committee and senior leaders on workplace conduct matters;
- Delivery of specialised training for HR Business Partners on managing sexual harassment investigations, complementing our Living our Code training, Active Bystander series and Workplace Behaviour discussion series;
- Implementation of revised procedures for reporting and investigating sexual harassment, supported by data analysis to identify high-risk areas and inform targeted controls aligned with our psychosocial risk framework; and
- Sexual harassment triage training for identified frontline employees, including medical employees, to strengthen response capability.

All reported sexual harassment events are investigated. The Sustainability Committee is informed on the number of reported sexual harassment events on a regular basis. To the extent legally permissible, cases are reported to the Risk and Audit Committee bi-annually, our Business Conduct Committee quarterly and our CEO monthly.

8. For year-on-year comparison, FY24 total women in workforce, excluding Illawarra Metallurgical Coal which was sold in August 2024, is 22.5.
9. A leader is defined as an employee occupying a Leadership Role, where a Leadership Role is a position in the organisational structure flagged as the head of an organisational unit.
10. Black People is a generic term meaning Africans, Coloureds and Indians who are Citizens of the Republic of South Africa, as defined in the *Broad-Based Black Economic Empowerment Amendment Act, 2013*. The percentage of Black People is calculated based on our workforce in South Africa only.
11. Management roles include Operations Lead Team roles, including functional roles based at an operation and Grade 13 or above roles, assigned to a South African entity.
12. 'Mozambique Nationals' is defined as all Mozal Aluminium employees who are Mozambican Nationals.
13. 'Unionised positions' is defined as all Cerro Matoso employees except the positions of Presidents, Vice Presidents, Managers, Directors, Superintendents, Department Heads, Supervisors, Interns, workers on probation and professionals with completed university degrees or postgraduate degrees.
14. Aboriginal and Torres Strait Islander Peoples is defined as employees that are located at one of South32's Australian operations or functions that have an ethnicity of 'Aboriginal' and/or 'Torres Strait Islander', as a percentage of total Australian employees.

DELIVERING VALUE TO SOCIETY

We aim to contribute meaningfully to the social and economic development of the countries and communities where we operate. We recognise that our activities can impact communities, and we're committed to open and proactive engagement to better understand and responsibly manage potential and actual impacts.

FY25 progress and performance highlights

- US$23.3 million invested towards community education, economic participation, wellbeing and natural resource resilience
- 23% of total procurement expenditure directed to local suppliers as part of efforts to strengthen local sourcing
- Maintained local employment levels above 90% across our operations in Southern Africa
- Launched our second Innovate Reconciliation Action Plan supporting Indigenous businesses and cultural heritage

OUR ECONOMIC CONTRIBUTIONS

Economic value distributed in FY25[15]

US$4.85 billion	Paid in operating costs (including to suppliers)
US$831 million	Paid in employee wages and benefits
US$487 million	Paid to governments (including royalties)
US$23.3 million	Spent on social investments[16]
US$350 million	Paid to shareholders
US$6.54 billion	**Economic value distributed to stakeholders**

Local hiring and procurement

We aim to create a workforce that reflects the diverse communities where we operate and seek to source goods and services from local businesses that meet our health, safety, environmental and social performance requirements. Our supplier contracting processes include reviews of local markets to assess local presence and capability, and we track performance against annual local procurement targets set for each operation. 23% of our FY25 procurement expenditure was with local suppliers. 2.8% of our influenceable spend[17] in Australia (A$23.8 million) was sourced from Aboriginal and Torres Strait Islander businesses, exceeding our Reconciliation Action Plan target of 2.4%.

Economic transformation in South Africa

Enterprise and Supplier Development (ESD) in South Africa is aimed at addressing historical socio-economic inequalities and promoting economic transformation. ESD consists of two components: Enterprise Development, which supports small, medium and micro enterprises (SMMEs) outside of our supply chain, and Supplier Development, which supports SMMEs that are part of our supply chain. Our ESD program provides eligible entrepreneurs with infrastructure, skills development and support, enabling them to participate more effectively in our supply chain and contribute to the broader local economy. In FY25, our ESD expenditure was US$10.5 million, exceeding our statutory target of US$3.6 million.

Local procurement and economic transformation

Measure	FY25	FY24	FY23
Local procurement (US$ million)	**1,064**	1,160	1,017
Proportion of local procurement spend (%)	**23.4**	26.1	22.6
Procurement from Aboriginal and Torres Strait Islander businesses ($A million)	**23.8**	33.8	30.4
ESD spend (US$ million)	**10.5**	9.7	14.7

CASE STUDY

Contributing socio-economic value at Hermosa

Our Hermosa project in Arizona's Santa Cruz County is located in one of the state's least economically diversified regions, where unemployment is twice the state average. Hermosa is helping grow and diversify the local economy by creating the highly skilled jobs needed to operate a next-generation mine. Our goal is for 80% of Hermosa's workforce to be from the local community, equating to more than 700 permanent direct jobs once the project is fully operational. We are laying the groundwork for these outcomes through a range of initiatives:

Workforce Development Taskforce

We are partnering with local education institutions via the established Workforce Development Taskforce to equip local residents with the skills needed for skilled trades and operational careers. For example, electricians are among the first jobs needed at Hermosa but have some of the longest training timelines. We have worked with the Santa Cruz Country Provisional College District to bring a Tucson community college's electrician certificate program to the county, launching in August 2025.

Workforce Development Executive Committee

This Committee brings together local education leaders to focus on post-secondary education, facilities development, resources and the training needs of local businesses – helping to build an "all of community" workforce ecosystem beyond Hermosa itself. We have also partnered with the Nogales-Santa Cruz County Chamber of Commerce to launch a Vendor Readiness Program, enabling local businesses to find opportunities to supply materials to Hermosa.

Centro remote operations centre

In April, we broke ground on Centro, a remote operations centre in Nogales, around 45km from Hermosa. When operational, employees will use automation to, in part, remotely monitor and operate Hermosa's equipment and facilities. Centro's office-like setting has been designed to provide inclusive, family-friendly jobs for those who have no mining experience or have historically been excluded from the industry. By locating the centre in Nogales, we are helping to distribute economic benefits more broadly across the county and contribute to increased local tax revenue.

15. Refer to the Sustainability Databook 2025 for total economic value generated, distributed and retained by country, including supporting footnotes and reporting boundaries.
16. Our contributions to community programs comprise direct investment (including Enterprise Development), in-kind support and administrative costs.
17. Influenceable spend is external categories of spend where Aboriginal and Torres Strait Islander businesses participate in the local open market.

COMMUNITY RELATIONSHIPS

Our Approach to Partnering with Communities outlines our commitment to building trusting and meaningful relationships with communities where we operate.

Find Our Approach to Partnering with Communities at www.south32.net.

Community engagement and research provides insights into actual and potential impacts of our activities. In FY25, this included:

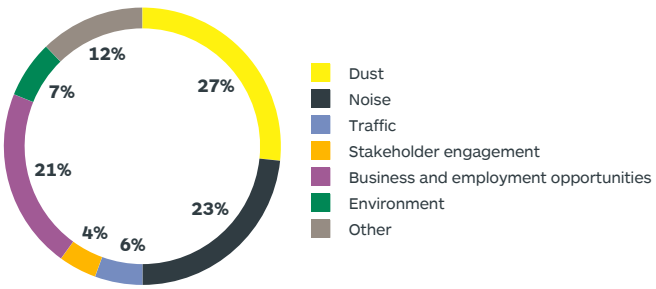
- Updating social baseline and impact assessments at our operations in Southern Africa to better understand the social, cultural and economic context of surrounding communities;
- Implementing a "Local Voices" program at Worsley Alumina, commencing with a baseline survey to understand community perceptions, followed by regular pulse surveys to monitor changes over time and inform targeted improvement;
- Holding public listening sessions and topic-specific discussions with representatives of Santa Cruz County, the City of Nogales, and the Town of Patagonia focused on a variety of stakeholder matters, including emergency services, nature-based restorative economic development and education; and
- Continuing to implement our stakeholder relationship management system which enables us to record, report and analyse engagements with communities, governments, NGOs and industry partners.

Stakeholder concerns

We aim to develop activity-specific, locally appropriate and culturally sensitive complaints and grievance mechanisms, aligned with the United Nations Protect, Respect and Remedy Framework. In FY25, we received 93 community complaints across our operations through local complaints and grievance mechanisms, 97% of which have been resolved. One open grievance remains under review, relating to the activities of a former supplier at Cerro Matoso. Amenity impacts, such as dust, noise and traffic, accounted for over half of total complaints, the majority of which related to Worsley Alumina's mining operations given the close proximity to residential areas.

Complaints related to business and employment opportunities increased at South Africa Manganese in FY25, largely driven by limited local economic opportunities and a perceived lack of transparency in the recruitment processes used by contractors. Some of these concerns were expressed through community protest activities and unrest, resulting in a cumulative total of 15 hours of community-related non-technical delays. As part of our response, we engaged with contractors and affected stakeholders to better understand the issues and identify practical ways to address them.

FY25 community complaints by type



Key stakeholder concerns by region

Insights gathered through our research and engagement activities inform operation-specific stakeholder engagement and social performance plans. These plans are regularly updated to remain responsive to community needs and reflect the unique and evolving context of each location.

Australia

- **Local economic participation:** Procurement opportunities for local businesses and employment for local people.
- **Amenity impacts:** Increased traffic, noise and dust from operational activities.
- **Environmental impacts:** Energy and water use, land clearing and rehabilitation activities, and management of tailings.
- **Social investment:** Ongoing support for communities.
- **Indigenous rights and cultural heritage:** Potential impacts, protection of sacred sites and access to Country.

Americas

- **Local economic participation:** Procurement opportunities for local businesses and employment for local people.
- **Amenity and safety impacts:** Increased traffic, noise and dust from operational activities, and road haulage on public roads.
- **Environmental and social impacts:** Including on biodiversity, air and water quality, and related community health and safety risks.
- **Social investment:** Ongoing support for communities.
- **Development updates:** Communication regarding development progress, potential impacts and engagement opportunities.

Southern Africa

- **Local economic participation:** Procurement opportunities for local businesses and employment for local people.
- **Amenity and safety impacts:** Increased traffic, noise and dust from operational activities, and road haulage on public roads.
- **Social and security risks**: Socio-political instability, unlawful activities, and broader community safety concerns.
- **Environmental impacts:** Water and energy use, and management of waste and contamination risk.
- **Regional economic benefits:** Ongoing economic contributions to support community wellbeing and regional development.

Embedding continuous improvement in social performance

Our internal social performance standard outlines requirements and expectations for managing social impacts and investments, human rights and cultural heritage risks, and stakeholder engagement.

In FY25, we introduced a Group-wide maturity assessment process to support more effective implementation of the standard. Using a three-tier scale – foundation, good, or leading practice – each of our operations undertook a self-assessment, which was then reviewed and calibrated in collaboration with our social performance team.

This structured approach provided clearer insights into performance strengths and areas for improvement. Based on the results, each operation has developed a maturity improvement plan, with implementation and ongoing evaluation continuing into FY26.

Social investment and economic development

Our operations maintain three-year social investment and economic development plans, reviewed annually so they continue to reflect stakeholder and community interests and priorities. We assess the impact of our social investments using an impact measurement framework, which supports data collection and analysis to measure outcomes over the short-, medium- and long-term. This evidence base informs future investment decisions, enhances program design, and enables transparent performance reporting. Social investment and economic development is also linked to reward outcomes through our Business Scorecard, detailed on page 145.

FY25 social investments by focus area

Education and leadership **US$5.3M**

Enabled expanded access to STEM education for more than 1,800 students, with a strong focus on encouraging the participation of women and girls, and supported nearly 300 students to complete their studies and graduate in FY25:

- Introduced 98 students to coding and robotics through Hillside Aluminium's partnership with ORT South Africa's Let Kidz Code program, with over 70% of participants choosing STEM subjects in their senior years;
- Supported bursaries for 184 girls attending technical institutes in Mozambique, and a further 13 bursaries for students enrolled at Eduardo Mondlane University – part of an ongoing initiative that has helped women's enrolment in technical education at the institution increase from 15% in 2019 to 29% in 2025;
- 71 scholarships awarded to support tertiary education and job skills development, including 20 for Aboriginal and Torres Strait Islander students through our partnership with MADALAH Ltd; and
- Supported improved school attendance for girls in South Africa through the distribution of 9,600 menstrual hygiene packs to over 2,500 students.

Good health and social wellbeing **US$4.3M**

- Supported over 1,400 Indigenous, Traditional and Tribal Peoples across a range of programs to strengthen cultural identity, preserve traditional knowledge, foster community connection, and support employment and education outcomes.
- Improved access to health services in South Africa through healthcare initiatives and infrastructure projects, including:
  - Donating paediatric cot beds to Queen Nandi Hospital in KwaZulu-Natal, near Hillside Aluminium;
  - Supporting the conversion of Sicelo Clinic in Meyerton, near the Metalloys smelter, from a temporary clinic into a fully operational healthcare centre; and
  - Completing the first phase of upgrades to the Dithakong Community Health Centre in the Northern Cape, near South Africa Manganese.
- Helped improve community safety perceptions and experiences through:
  - A community road safety program supported by Mozal Aluminium, focused on reducing traffic-related incidents by raising awareness of risks linked to industrial transport and promoting safer behaviour; and
  - Our support for the Pat Giles Centre for Non-Violence in Western Australia, enabling the expansion of therapeutic programs for children in refuge, creation of more welcoming spaces, and strengthening of service delivery capacity.

Economic participation **US$7.9M**

- Contributed to local economic participation and enterprise growth through support for SMMEs in Southern Africa:
  - 152 SMMEs funded through loans and grants;
  - 82 SMMEs utilised business development centres operated by Hillside Aluminium and South Africa Manganese; and
  - 96 SMMEs in Mozambique accessed business support services supported by Mozal Aluminium.
- Supported the creation of 68 jobs for Aboriginal and Torres Strait Islander Peoples through initiatives that build skills and promote sustainable employment pathways, including:
  - Danju – Jobs Together, led by the Leschenault Catchment Council, which trains and mentors local Noongar people in on-Country conservation and landcare. Participants gain paid work experience through environmental rehabilitation projects at Worsley Alumina; and
  - GEBIE, a not-for-profit Aboriginal Corporation, providing case management and employment support to jobseekers. Its GEBIE GANG Youth Project promotes youth wellbeing, cultural connection, and work readiness through targeted activities.

Natural resource resilience **US$2.6M**

- Supported land rehabilitation and biodiversity conservation:
  - More than 100 hectares of land rehabilitated and six invasive weed species managed through environmental programs supported by our Australian operations; and
  - Continued protection of 10 target species through our partnership with the Australian Wildlife Conservancy.
- Improved agricultural productivity and capacity:
  - Through funding from Cerro Matoso, 16 agricultural projects, including the establishment of three community cocoa farms, are benefiting more than 450 families; and
  - In the McKinlay River catchment near Cannington, efforts to control infestations of nationally recognised weed species are helping to improve native vegetation, soil health, and water quality.
- Supported programs that aim to enhance access to safe drinking water:
  - Water supply projects at South Africa Manganese and Hillside Aluminium are increasing the availability of, and community access to, potable water; and
  - In partnership with the local Community Action Board, Cerro Matoso supported the construction of a water treatment plant that will provide safe drinking water to over 200 households in El Almendro, Colombia.

Sustainability continued

Indigenous, Traditional and Tribal Peoples

Our Approach documents related to Indigenous, Traditional and Tribal Peoples Engagement and Cultural Heritage outline our focus on building strong partnerships that support cultural wellbeing and create opportunities through employment, procurement, social investment and training.

Find Our Approach to Indigenous, Traditional and Tribal Peoples Engagement and Our Approach to Cultural Heritage at www.south32.net.

Valuing reconciliation in Australia

In July 2024, we launched our second Innovate Reconciliation Action Plan (RAP), reaffirming our commitment to reconciliation and support for the Uluru Statement from the Heart. Our updated RAP builds on previous progress through strengthened partnerships, targeted programs and support for Indigenous businesses and cultural heritage. In FY25, we advanced these efforts by:

- **Strengthening relationships:** Partnered with the Gnaala Karla Booja Aboriginal Corporation (GKB) at Worsley Alumina to enhance cultural heritage management, and continued our collaboration with the Anindilyakwa Land Council at Australia Manganese to support education, economic development and wellbeing;
- **Promoting employment:** Progressed initiatives to support our measurable objective to increase Aboriginal and Torres Strait Islander representation in our Australian workforce, including launching a 'new to industry' program at Australia Manganese to support the entry of Anindilyakwa people into operational roles;
- **Elevating Indigenous voices:** Established and maintained forums and networks across our business, including inclusion and diversity networks and RAP working groups;
- **Growing Indigenous procurement:** Began developing a three-year Indigenous procurement strategy for launch in FY26;
- **Building cultural competency:** Delivered cultural awareness training at Australia Manganese and Cannington, focused on deepening understanding of Aboriginal and Torres Strait Islander history, culture and local community engagement; and
- **Supporting community partnerships:** Contributed to community organisations, land councils and local governments, accounting for 38% of FY25 social investment in Australia.

Cultural heritage

In FY25, we completed a preliminary evaluation of our governance and risk management practices against the updated ICMM Indigenous Peoples and Mining Position Statement, with further integration planned for FY26. We also carried out a cultural heritage risk review at Worsley Alumina to assess the effectiveness of existing controls. This identified opportunities to strengthen controls including improvements to employee and contractor training, which we plan to implement in FY26.

In FY25, our engagement with Indigenous, Traditional and Tribal Peoples focused on strengthening relationships, preserving cultural knowledge and supporting long-term partnerships. Key activities included:

- **Cerro Matoso, Colombia:** We delivered training for over 80 employees, external affairs representatives and journalists on Indigenous Peoples' rights and responsibilities, and began a multi-year project to support the Zenú community in cultural strengthening and environmental sustainability;
- **Hermosa project, Arizona, United States:** We engaged with 12 Native American Tribes and hosted eight site tours to support ongoing dialogue on opportunities, cultural interests and project development;
- **Roosevelt project, Alaska, US:** We launched an ethnographic project with Tribal leaders and knowledge keepers to document cultural meaning, traditions and knowledge through social mapping and videography. The digitised materials will be returned to communities to support cultural preservation and intergenerational knowledge sharing;
- **Worsley Alumina, Australia:** In addition to our Noongar Standard Heritage Agreement with the GKB, we continued to fund a Heritage Officer position to support the GKB in conducting heritage surveys; and
- **Cannington, Australia:** We continued to work with Traditional Owners at Cannington to document cultural values at Cowie Station and integrate them into land management planning.

OPERATING ETHICALLY AND RESPONSIBLY

We are committed to respecting human rights, upholding high standards of integrity and accountability, and applying responsible business practices across our value chain and in the way we plan for and implement closure.

FY25 progress and performance highlights

- Supported our people and communities through periods of civil unrest in Mozambique and developed new tools to support decision-making in conflict and post-conflict environments
- Achieved certification against the Aluminium Stewardship Initiative's Performance Standard and Chain of Custody Standard at Worsley Alumina
- Completed cyber risk management reviews for all our operations and assessed our alignment to national and international responsible AI frameworks
- Progressed closure planning and multi-stakeholder engagement at Cannington and Australia Manganese

HUMAN RIGHTS

Our Approach to Human Rights outlines our commitment to respecting all internationally recognised human rights as set out in the International Bill of Rights[18] and the International Labour Organization Declaration on Fundamental Principles and Rights at Work. It also describes our management approach to upholding these rights across our business.

Find Our Approach to Human Rights at www.south32.net.

Identifying and managing human rights risks

In FY24, an externally facilitated assessment identified our salient human rights issues which represent rights most at risk of severe negative impacts from our activities and business relationships. In FY25, we worked to further embed these issues into our risk management system. This included updating our Human Rights Risk Self-Assessment tool and guidance, aligning more closely with UN Guiding Principles on Business and Human Rights.

Our salient human rights issues

- **Safe and respectful workplaces**
- **Labour rights in the value chain**
- **Environmental impacts**
- **Impacts of security services on human rights**
- **Land rights and Indigenous, Traditional and Tribal Peoples' rights**
- **Community wellbeing and engagement, including access to remedy**

Our Approach to Human Rights

Applicable to Directors, workforce, third parties acting on our behalf	Embedded in our Policies, Code and internal standards	Governed by our Board, Sustainability Committee and Lead Team	Guided by global standards and initiatives	Strengthened through partnerships and collaborations

Our management approach to upholding human rights across our business

Due diligence and risk management	Engagement and collaboration with stakeholders and at-risk groups	Training and access to internal and external expertise	Mechanisms to raise concerns, complaints and grievances	Monitoring of effectiveness and continuous improvement	Reporting and transparency

18. Comprising the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.

Human rights due diligence

Human Rights Impact Assessments (HRIAs) are mandated at least every five years in countries with high human rights risk, including our operations in Southern Africa and Colombia, and may be triggered by material changes in the human rights landscape. No HRIAs were due for completion in FY25. In interim years for higher-risk countries, and annually in lower-risk countries, Human Rights Risk Self-Assessments are conducted to evaluate risks, existing controls and changes in local context. Outcomes are embedded into business planning to support timely action and published in our Sustainability Databook 2025.

Complaints and grievances

We provide accessible and safe channels for stakeholders to raise human rights concerns, and support and encourage the work of civil society organisations in raising human rights issues. Where we have caused or contributed to harm, we cooperate in remediation through legitimate processes and engagement with civil society organisations when required.

Our community complaints and grievance process is aligned with the Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework. Human rights-related reports made to our confidential EthicsPoint reporting hotline are managed under our business conduct reporting procedures outlined on page 41.

Strengthening capability and collaboration

Our employees and contractors are required to complete our mandatory online Code of Business Conduct (our Code) training. Our human rights training includes an introductory module, as well as targeted modules on modern slavery, security and human rights, which are assigned based on role and available to all employees. In FY25, operational and functional representatives participated in Human Rights Due Diligence training delivered by the ICMM. This aims to build participants' capacity to conduct human rights due diligence and integrate human rights considerations into their respective operations and locations.

We continue to participate in external initiatives, including the United Nations Global Compact Network Australia's Modern Slavery Community of Practice, Human Rights Resources and Energy Collective, the Sustainable Shipping Initiative and Mission to Seafarers.

Our approach to managing modern slavery risks is detailed in our Modern Slavery Statement 2025, available at *www.south32.net*.

CASE STUDY

Responding to civil unrest in Mozambique

Impacts of security services on human rights was one of the salient human rights issues identified in our external saliency assessment. We are committed to respecting all internationally recognised human rights[19], which includes the right to liberty and security of person, and continue to review and enhance our security approach to adapt to the distinct social and political contexts in which we operate. This includes how we respond to civil unrest, protecting the safety and the wellbeing of our workers and host communities, alongside the continuity of our operations.

This became particularly relevant towards the end of 2024, when Mozambique experienced significant and prolonged civil unrest following the country's general elections. Widespread protests took place across the country, presenting increased safety and security risks for our people, assets and communities in Mozambique, as well as creating operational challenges for Mozal Aluminium.

In response to the unrest, evacuation and response plans were activated to maintain the safety and security of our people. Some of the measures implemented included:

- Alternative working arrangements, including remote working;
- Daily monitoring of transport routes to enable safe transit to and from the operation;
- Provision of safe accommodation, either on-site or at nearby secure facilities;
- Installation of additional landlines for personal communications, and provision of on-site catering and recreational facilities for workers residing on-site or nearby;
- Regular engagement with workers about the evolving situation through a variety of communication channels; and
- Continued engagement with local communities during the periods of unrest.

As a result of this quick and effective response there were no safety or security incidents at Mozal Aluminium over the period of unrest, and no complaints received through the operation's grievance mechanism relating specifically to our response to the unrest.

We also sought the support of external human rights experts to develop guidance and tools to support decision-making in conflict and post-conflict environments, review our due diligence processes and undertake heightened due diligence in FY26.

Insights and identified improvement opportunities from these activities will be incorporated into our security and human rights processes at Mozal Aluminium, and other operations as relevant, and will inform our approach to managing human rights risks relating to civil unrest going forward.

19. As set out in the International Bill of Rights (comprising the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights) and the International Labour Organization Declaration on Fundamental Principles and Rights at Work.

ETHICS AND BUSINESS INTEGRITY

Business conduct

Our Code outlines the standards of behaviour expected of our employees, contractors, executive management, Directors, suppliers and joint venture partners operating on our behalf. It includes our Speak Up Policy, which explains how to raise concerns, protections for reporters, and the process for handling reports. We do not tolerate any form of retaliation against anyone for reporting a business conduct concern or cooperating with a related internal investigation. Training on our Code is mandatory for all new employees and select contractors, with regular refresher training provided.

Anyone can report concerns, including anonymously if preferred, via our independently operated EthicsPoint hotline. Reports are confidentially assessed initially by our Business Integrity team, with cases allocated to relevant business areas based on the nature, urgency and severity. Oversight is provided by our Business Conduct Committee, which convenes quarterly, and material matters are reported bi-annually to our Risk and Audit Committee.

Anti-Bribery and Corruption

Our Business Integrity team, independent from our operations, oversees our global Anti-Bribery and Corruption (ABC), anti-money laundering and sanctions compliance programs. These programs set mandatory controls to manage legal and reputational risks, focusing on higher-risk activities such as due diligence on third-party representatives, suppliers and transactional activities. Our ABC program includes:

- Risk assessments, monitoring and internal control effectiveness testing, with updated anti-corruption risk assessments completed in FY25 for Hillside Aluminium and Cerro Matoso; and
- Mandatory ABC compliance training for employees identified as being at higher risk of exposure to bribery and corruption risks, completed on joining South32, with refresher training provided. This is supplemented with targeted face-to-face training and awareness sessions led by our Business Integrity team.

Business Integrity pre-approval is required for gifts, entertainment and hospitality above modest value, social investments and sponsorships, attending a paid political activity, and any other thing of value to a government official. In FY25, we made enhancements to our Integrity and Compliance Approval System to strengthen functionality and support better reporting, enabling continued ABC compliance in a changing technology landscape. We also enhanced our sanctions monitoring tool, including expanding its scope to cover raw material suppliers and vendors.

Learn more and find our Code, Speak Up Policy and Anti-Bribery and Corruption Policy at www.south32.net.

CYBERSECURITY AND AI

Cybersecurity

Our approach to managing cybersecurity risk includes:

- Monitoring of critical cybersecurity controls by risk and control owners and through a dedicated stewardship program;
- Annual reviews by external auditors of our cybersecurity risk management system and information security controls;
- Reporting cybersecurity risk to the Risk and Audit Committee bi-annually, with monthly updates to our Lead Team and Board;
- Mandatory cybersecurity awareness training for employees and select contractors; and
- Management of third-party cyber risk through a dedicated reporting platform and contractual agreements that include cybersecurity and privacy clauses.

Material breaches are managed under our internal cyber incident response plan. No significant cybersecurity breaches, either within our technology environment or via third parties, have occurred in the past three years. In FY25, cyber risk management reviews were completed for all our operations, leading to revisions to our cyber incident response plan, email fraud detection enhancements, training updates and identity security improvements. In FY26, we intend to strengthen our cyber resilience through further testing of response plans, aligning data security controls with evolving jurisdictional requirements, and further developing third-party risk management practices.

Artificial intelligence (AI)

We recognise the potential for safe, well-governed AI to enhance the safety and productivity of our business. Our approach is guided by four strategic pillars:

- **Safety:** Supporting safety risk management through learning from past events and investigations;
- **Value generation:** Improving production throughput, yields, and blending, and delivering sustainability co-benefits such as reduced energy and water use;
- **Exploration:** Delivering exploration and orebody insights more quickly and efficiently; and
- **Productivity enablers:** Using generative AI to boost efficiency through quicker, easier access to information and insights.

We take a risk-based approach to AI, supported by governance and internal controls to enable its responsible development and deployment. In FY25, we assessed our alignment with several national and international responsible AI frameworks[20] and continue to strengthen our approach to meet emerging standards.

Using AI to enhance our assessment of physical climate change risks in our value chain

In FY25, our Marketing team conducted an assessment of physical climate risks across selected elements of our value chain, focusing on freight routes and discharge ports used for transporting select commodities and raw materials. Generative AI tools supported a desktop analysis of the likelihood and potential impact of various climate hazards, including changes in temperature and rainfall, storms, floods, drought, fire and sea level rise.

The assessment identified several climate-related risks, including vessel exposure to hazards while in transit, restricted access to discharge ports due to adverse conditions, and draft limitations from low river levels caused by drought. As part of our response, we have developed human-led response plans and embedded them in our commercial strategy. Additionally, an out-of-cycle material risk review and a joint freight-port workshop were held to identify opportunities to further strengthen value chain resilience.

Looking ahead, we plan to expand the assessment to other parts of the value chain, including inland logistics, continuing to leverage AI-supported analysis to enhance our climate resilience.

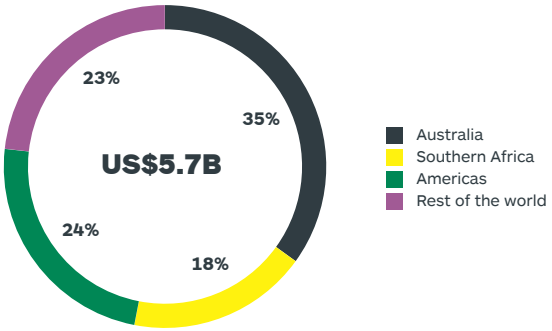
20. Including the European Union's AI Act, the Australian Government's Voluntary AI Safety Standard, the Australian Institute of Company Directors' governance principles, and frameworks developed by Alphinity Investment Management and the Commonwealth Scientific and Industrial Research Organisation (CSIRO).

RESPONSIBLE VALUE CHAIN

Managing supply chain risks

We rely on a diverse supply chain of over 5,700[21] suppliers across 50 countries to provide the non-traded goods and services essential to our operations. We seek to work with suppliers whose values and standards of conduct align with ours, with our expectations outlined in our Code of Business Conduct and our Supplier Minimum Requirements, available at *www.south32.net*.

Supplier spend by geography[22]



We manage supply chain risks, including those related to safety, supply security, business integrity, human rights (including modern slavery) and financial stability, through a range of coordinated and integrated activities:

- **Onboarding due diligence:** Our Business Integrity team and subject matter experts assess suppliers based on their risk profile and work scope, setting evaluation criteria and controls;
- **Continuous monitoring:** We work with third-party auditors to assess labour rights risks among existing suppliers;
- **Collaborative remediation:** Where issues are identified, we engage directly with suppliers to support remediation and improve practices;
- **Process and system improvements:** We continue to make enhancements throughout the supplier lifecycle to strengthen compliance and improve visibility of supplier performance;
- **Risk insights:** We use third-party risk assessment tools to increase visibility of social and environmental supply chain risks; and
- **Training:** We provide mandatory modern slavery training for select roles across our business to build awareness and capability in identifying and addressing these risks.

In FY25, we advanced development of a new third-party risk management framework that provides a structured approach to identifying and managing supplier-related risks throughout the supplier lifecycle. Designed for use by sourcing leads and those responsible for supplier oversight, this framework complements our internal supply standard and associated procedures, and will be implemented in FY26.

To further strengthen management of human rights risks within our mineral supply chain, we are aligning our due diligence practices for operating in, or sourcing from, conflict-affected or high-risk areas with OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. This work supports the alignment of our practices with international expectations.

Labour rights in the value chain

Our supplier risk evaluation process enables us to identify and assess modern slavery risks among suppliers of non-traded goods and services. This process applies throughout the lifecycle of a supplier's engagement with us, and includes risk mapping, mandatory risk assessments during onboarding, risk-based evaluations through desktop reviews and external audits of select suppliers.

We do not own ships or employ seafarers, but rely on maritime transport for delivery of supplies and our commodities. In FY25, we continued to enhance our approach to managing risks and improving welfare in our maritime supply chain through:

- **Enhanced due diligence:** We continued our modern slavery risk due diligence program, including vetting, audits and inspections in compliance with the Maritime Labour Convention;
- **Human rights initiatives:** We contributed to the Mission to Seafarers and its Seafarers Happiness Index, with the vessels we charter scoring above the global average;
- **SEAFAIRER roundtable:** We participated in discussions led by the Institute for Human Rights and Business, focused on advancing seafarers' rights and welfare in freight contracts; and
- **Sea Cargo Charter:** We joined this initiative and submitted our first climate alignment score in April 2025, publicly available in the Sea Cargo Charter Annual Report.

Learn more about how we are managing modern slavery risks in our Modern Slavery Statement 2025 available at www.south32.net.

Responsible production

We are guided by standards set by bodies such as the ICMM, Minerals Council of Australia, Aluminium Stewardship Initiative, the International Manganese, Lead, Zinc and Aluminium Institutes, Australian Aluminium Council and National Alliance for Advanced Transportation Batteries. Our approach to product stewardship focuses on best practices for the handling, transportation and use of our commodities. We provide safety data sheets to customers to guide safe shipping, storage, handling and use of our products. We also conduct internal and external audits to evaluate the effectiveness of our product stewardship controls.

We monitor customer sustainability priorities and regulatory changes to identify risks and opportunities, and manage customer relationships through ongoing engagement. Credentials from independent associations can help validate environmental and social practices and build stakeholder confidence. We continue to see customer interest in these and maintain our participation in the:

- **Aluminium Stewardship Initiative (ASI):**
  - Worsley Alumina achieved ASI Performance Standard V3 (2022) and Chain of Custody Standard V2 (2022) in FY25;
  - Mozal Aluminium attained ASI Performance Standard V2 (2017) in 2023; and
  - Mineração Rio do Norte obtained ASI Performance Standard V3 (2022) and Chain of Custody Standard V2 (2022) in 2024.
- **London Metals Exchange (LME):** Hillside Aluminium and Mozal Aluminium remain listed on the LME and met electronic Certificate of Analysis requirements in FY25. Brazil Aluminium continues to work towards qualifying for LME listing.

Learn more about our certifications in our Sustainability Standards and Frameworks Index 2025 at www.south32.net.

21. This number represents the active vendors we procured non-traded good and services from in FY25 and excludes purchasing activities related to traded goods and services, purchasing cards and non-order invoices, which reflect low-value or once-off transactions, internal payments or regulatory payments.
22. Spend data does not include spend associated with (a) traded goods and services that are not used for operating costs (logistics and bulk raw materials are included in total spend); (b) purchasing/credit cards which can only be used for low-value transactions (under US$2,000 per month), time-sensitive land tenement payment or regulatory permit or license applications and renewals; and (c) non-order invoice payments which are typically limited to regulatory payments, internal payments (including to internal companies and joint arrangement partners), donations, employee benefits, non-employee reimbursements, legal settlements, or payments to doctors, hospitals or for medical treatments.

CASE STUDY

Supporting local industrial growth through aluminium beneficiation in South Africa[23]

South Africa's aluminium industry has a long-standing history, with over 70 years of semi-fabrication and 45 years of primary production. Hillside Aluminium has a vital role to play in sustaining and advancing this legacy.

Hillside Aluminium (Hillside) is an important contributor to South Africa's economy[24] and a significant employer in the province of KwaZulu-Natal, where the unemployment rate is around 30%[25]:

- Hillside employs over 2,500 employees and contractors and supports an estimated 29,000 indirect employment opportunities. 90% of Hillside's employees are Black People[26] and just under a third are women.
- Over the last three years, Hillside has paid US$195 million in wages and salaries, US$139 million in government payments and contributed more than US$22 million to a range of local community programs and initiatives.

Strengthening South Africa's aluminium value chain relies on the continued modernisation of semi-fabrication capacity and access to locally produced aluminium, particularly in liquid form. Hillside is South Africa's only producer of primary aluminium. Each year, the smelter supplies both liquid metal and solid aluminium (around a quarter of production) to domestic customers, including two organisations operating out of a neighbouring casthouse:

- **Hulamin:** As the largest aluminium semi-fabricator in sub-Saharan Africa, Hulamin employs over 1,500 people and generates more than half of its revenue from domestic sales. Hulamin owns and operates the casthouse, where it produces aluminium slab. Since 2013, Hillside has supported the operation of this facility by supplying competitively priced liquid metal.
- **Bingelela Alloys:** Led by a local Black economic empowerment group, with majority ownership held by Black women, Bingelela Alloys is South Africa's only domestic producer of rim alloy for the automotive sector. In 2022, Hillside supported Bingelela's growth through a US$2.5 million loan from its Enterprise and Supplier Development program. In FY25, Hillside provided a further US$6 million in concessional financing to support the procurement of new furnaces, enabling the return of leased furnaces to Hulamin.

A further increase in domestic sales is anticipated, supported by potential future sales to AluSouth – a prospective market entrant aiming to revive a dormant aluminium rod facility at the casthouse. The facility is expected to produce aluminium rod for use in transmission and distribution line construction, helping to reduce reliance on higher-cost imports, contribute to Eskom's planned grid expansion, and supporting local job creation. With an estimated establishment cost of US$20 million, funding is being sought from government and commercial partners. Hillside plans to contribute more than US$4 million in concessional financing to support the initiative.

By supplying primary aluminium to domestic manufacturers, enabling the development of semi-fabrication facilities, and supporting Black- and women-owned enterprises, Hillside is making an important contribution to South Africa's ongoing industrial development.[23]

23. Aluminium beneficiation refers to the process of adding value to raw aluminium or aluminium-bearing materials through local processing, manufacturing, or fabrication, rather than exporting them in raw or semi-processed form.
24. Economic and indirect employment information is drawn from a third-party assessment of the socio-economic contribution of Hillside Aluminium to South Africa, undertaken in FY25. Hillside's estimated direct GDP contribution in 2024 was ZAR2.9 billion. For every ZAR1.00 increase in Hillside's local spend, it is estimated that ZAR0.43 is added to South Africa's GDP.
25. As reported in the Quarterly Labour Force Survey by Statistics South Africa for Q2 2024, available at *www.statssa.gov.za*.
26. Generic term meaning Africans, Coloureds and Indians who are citizens of South Africa, defined in the *Broad-Based Black Economic Empowerment Amendment Act, 2013*.

CLOSURE

Our Approach to Closure outlines our focus on progressive rehabilitation and effective closure planning to support the smooth transition of lands we operate on to the next users.

Find Our Approach to Closure at www.south32.net and learn more about our closure provisioning on page 201.

Closure planning and best practice

We maintain closure plans for our operations and projects under our operational control. These plans incorporate progressive rehabilitation to reduce the impact on disturbed areas and support the eventual relinquishment of landholdings. The extent of progressive rehabilitation varies depending on the specific characteristics and context of each operation.

Closure planning is prioritised from early stages of project development and throughout an operation's lifecycle. Our FY25 initiatives to progress closure readiness and align with industry good practice, included:

- Developing a closure readiness guideline outlining actions to support effective closure planning and execution outcomes, in alignment with ICMM's Closure Maturity Framework;
- Conducting closure maturity assessments at select operations using ICMM's Closure Maturity Framework to understand the maturity of progressive rehabilitation and closure planning activities and identify areas for improvement; and
- Reviewing conceptual closure plans as part of our three-year review cycle. These plans outline (at a high level) how an operation will eventually be closed, are typically prepared by a third-party and are updated as additional studies and technical work are completed.

Our operations nearing closure

Cannington and Australia Manganese are approaching the end of their operational life within the next decade. In FY25, we advanced closure engineering studies at both operations, as well as baseline social impact and opportunity assessments to help shape future communication and engagement strategies with our workforce, communities, Traditional Owners and government. At Australia Manganese, the pre-feasibility study progressed with a focus on evaluating post-mining landforms. The first phase of the study, expected to conclude in FY26, will inform detailed closure designs and guide further engagement on long-term land use and rehabilitation.

At Cannington, we advanced our pre-feasibility study through a review of regulatory expectations and existing site data, followed by an options assessment to shape our closure strategy. Further site investigations planned for FY26 will support the development of safe and stable post-mining landforms and provide greater definition around closure execution costs.

In FY25, we also commenced technical closure reviews for our aluminium smelters, focused on updating closure risks and closure plans to inform the development of future work plans.

Stakeholder engagement

Mine closure is not only a technical challenge but also a social and economic transition that requires multi-stakeholder engagements. Activities in FY25 included:

- Forming a community consultative committee at Cannington, comprising representatives from the operation, local shires, landholders and community. Bi-annual meetings will be held to discuss operational matters and closure planning; and
- Continuing our participation in a steering committee at Australia Manganese, which includes representatives from the operation, Anindilyakwa Land Council, Northern Territory Government and Australian Government (National Indigenous Australians Agency). The committee provides a forum to discuss project management, governance, closure aspirations and lessons learned from other mine closures in the region.

Mozal Aluminium update

In FY25, we continued our engagement with key stakeholders to secure sufficient and affordable electricity supply to enable Mozal Aluminium (Mozal) to operate beyond March 2026, when the current agreement expires. As of August 2025, these engagements have not provided confidence that Mozal will secure sufficient and affordable electricity beyond that date and we expect that the smelter will be placed on care and maintenance at the end of the current agreement[27].

Planning for care and maintenance is underway, covering employee and community engagement, contract management and site maintenance. The planning phase is expected to conclude in January 2026, culminating in a comprehensive care and maintenance plan. In 2026, we intend to advance closure planning with a focus on risk and opportunity assessments, socio-economic and environmental assessments, engineering design and execution planning. Alternatives to closure, such as divestment or repurposing, will also be explored.

27. Refer to market release "Mozal Aluminium Update" dated 14 August 2025 for further details.

MANAGING OUR ENVIRONMENTAL IMPACT

Our mining, processing, refining and smelting activities can affect the natural environment through land clearing, water use and discharge, waste generation, and other operational activities. As temporary stewards of the lands and waters upon which we operate, we recognise the importance of managing these impacts responsibly.

FY25 progress and performance highlights

- Undertook progressive rehabilitation across 221 hectares of land and set aside almost 3,800 hectares for conservation
- Progressed biodiversity and water management plans across our operations, applying our mitigation hierarchy
- Sustained operational water efficiency at 83%
- Achieved alignment with the Global Industry Standard on Tailings Management for all operated tailings storage facilities
- Progressed air quality and water management programs at our Hermosa project to help mitigate environmental impacts

NATURE

We define nature as all life on Earth, together with the geology, water, climate and other inanimate components that make up our planet.

We rely on environmental assets and ecosystem services, while our activities can impact the atmosphere, biodiversity, land and water. Since FY23, we have been strengthening our understanding of our nature-related impacts and dependencies through several key initiatives:

- Participating in Taskforce on Nature-related Financial Disclosures (TNFD) studies on adoption barriers and applying TNFD's LEAP framework (Locate, Evaluate, Assess and Prepare);
- Developing a new internal guideline on no net loss or net gain of biodiversity, designed to support the assessment and calculation of biodiversity values. The guideline is initially being applied at Australia Manganese, Worsley Alumina and our Hermosa project; and
- Collaborating with an external consultant to assess nature-related impacts and dependencies across our business.

Nature-related impacts and dependencies

Guided by the TNFD's recommendations and LEAP approach, we have assessed our business activities and relationships to identify our most significant nature-related impacts and dependencies[28]. Our analysis considers non-operated joint ventures, including the Mineração Rio do Norte (MRN) bauxite mine, Alumar alumina refinery and co-located aluminium smelter in Brazil[29], and Sierra Gorda copper mine in Chile – helping to inform engagement with joint venture partners on nature-related risks and opportunities.

Key nature-related impacts

Climate change

Mining, processing, refining, and smelting activities contribute to the accumulation of greenhouse gases in the atmosphere, influencing global temperature trends and climatic variability. Primarily due to their high energy demands, our highest-emitting operations are Hillside Aluminium, Mozal Aluminium and Worsley Alumina's refinery, with only Mozal Aluminium currently having a renewable electricity supply contract.

Learn more about our approach to addressing climate change in our Climate Change Action Plan 2025 at www.south32.net.

Land and freshwater use change

Activities such as land clearing and subsequent rehabilitation and restoration processes, may affect species, habitats and landscape connectivity, as well as soil quality, sediment stability, and surface or groundwater discharge and drainage patterns.

Land-use and freshwater-use change impacts are most pronounced at our operations that use shallow and active mining methods, such as Worsley Alumina and Australia Manganese. These methods are also used by MRN. Management responses include progressive rehabilitation, ecological restoration and threatened species management, supported by context-specific approaches. At Worsley Alumina, this includes maintaining designated protected areas and no clearing of old-growth forest[30].

Resource use or replenishment

All of our operations require access to water resources for key activities, including dust suppression and tailings management, as well as for key processes such as mineral processing, refining and smelting. Water extraction can impact freshwater ecosystems, as well as surface and groundwater resources that are often shared with other water users. These impacts are more pronounced in areas exposed to water stress, such as South Africa Manganese and the Hermosa project, and in regions experiencing a drying climate such as Worsley Alumina.

Water management practices focus on reducing demand through efficiency, reuse and recycling initiatives, and reducing reliance on freshwater resources. For example – we have constructed a desalination plant at Hillside Aluminium and Sierra Gorda uses seawater for most operational needs, avoiding use of freshwater. Where we have operations in locations with high precipitation, such as Australia Manganese, or abundant groundwater, like our Hermosa project, we implement dewatering programs to manage excess water and maintain safe, efficient site access.

We also seek to address shared water challenges in the catchments where we operate and set contextual water objectives for operations with material water-related risks.

28. While the terms and categories used align with the TNFD framework, the impacts and dependencies described are not the result of an impact materiality assessment as defined by the LEAP approach. Rather, they illustrate the types of nature-related issues relevant to our business and operating context.
29. Alumar alumina refinery and MRN bauxite mine are referred to collectively as Brazil Alumina and the Alumar smelter as Brazil Aluminium.
30. As defined under the Western Australian Government Forest Management Plan 2024-2033, 'old-growth forests are those that have not been subject to major disturbance by timber harvesting, grazing, mining, or introduced diseases, and that remain dominated by larger, older trees'.

Sustainability continued

Pollution or pollution removal

Our operations that have tailings storage facilities or waste rock stockpiles carry a risk of surface water pollution, particularly during seasonal flooding events. In addition, air emissions, vibration, noise and the generation of dust or particulate matter from mining, refining and smelting activities may disrupt ecosystem services and affect surrounding communities.

We apply the Source Pathway Receptor method (detailed on page 50) to assess potential pollution sources and impacts, and inform management responses. In addition, we are progressing studies on waste reduction, reuse, and reprocessing initiatives to reduce environmental impacts and promote sustainable resource use.

All South32-operated tailings storage facilities align with the Global Industry Standard on Tailings Management. At our Hermosa project, we have established one of the first new lined, dry stack tailings storage facilities in the United States.

Invasive species introduction or removal

Mining activities, such as clearing, transport, and rehabilitation and restoration practices, can increase the risk of introducing and spreading invasive species, potentially impacting local ecosystems. The potential significance of these impacts varies depending on the operating context.

For example, Australia Manganese is located on Groote Eylandt – an island off the coast of Australia that remains free of invasive species such as the cane toad. To help maintain this status, Australia Manganese participates in an archipelago-wide biosecurity management program aimed at keeping Groote Eylandt cane toad free and managing invasive animals and weeds.

Key nature-related dependencies

Environmental assets:

Naturally occurring living and non-living components of the Earth that make up the biophysical environment.

- **Land:** Access to land is critical for our mining, processing, rehabilitation activities and biodiversity offset programs.
- **Mineral and energy resources:** The development of mineral and energy resources is central to our purpose. We also rely on natural inputs, such as raw materials for refining and smelting, to support operational continuity.
- **Renewable energy resources:** Solar electricity forms part of the energy mix at Cannington, and Mozal Aluminium currently uses hydroelectricity to meet most of its needs. Renewable sources are also used at Sierra Gorda and Brazil Aluminium.
- **Water resources:** Water is essential to our mining, processing, refining and smelting activities. The Trombetas and Amazon rivers support the transport of bauxite from MRN to Alumar.
- **Atmospheric and climate systems:** These systems regulate temperature, precipitation, wind and other climatic conditions that our operations rely on for safe, stable and predictable performance, such as dependable water sources, uninterrupted power supply and reliable transport networks.

Ecosystem services:

Contributions made by ecosystems that benefit economic and other human activity.

- **Provisioning services:** Includes water supply services, such as water flow regulation and purification to maintain water quality, and genetic material services, which support progressive rehabilitation and restoration (e.g. native seed sourcing).
- **Regulating and maintenance services:** These services include climate regulation, soil and sediment retention, storm mitigation, flood control and water flow services. For example, landscapes sequester and store carbon, vegetation stabilises soil to reduce erosion, and natural features help buffer the effects of extreme weather events.

  Our rehabilitation and restoration activities also depend on ecological services such as pollination, nursery population and habitat maintenance. In addition, vegetation contributes to filtering air- and water-borne pollutants and reducing noise.

Learn more about we manage nature-related impacts and dependencies on pages 45 to 52 of this report and 'Our Approach' documents available at www.south32.net.

Value chain analysis

Key observations from our value chain analysis include:

- **Upstream:** Chemical inputs, energy use and water supply contribute significantly to nature-related pressures in our upstream value chain. These mainly stem from land-use change, greenhouse gas emissions and water withdrawals, particularly within the aluminium and manganese value chains.
- **Downstream:** Aluminium, zinc and lead generate relatively moderate nature-related impacts during extraction, with their most significant nature-related pressures occurring during manufacturing, use and disposal. Copper and manganese impacts are more evenly distributed across their life cycles.

  The use phase of our products, more than manufacturing or end-of-life phases, was identified as the most dependent on regulating and maintenance ecosystem services and the largest contributor to downstream nature-related impacts.

Policy engagement

We recognise that the global decline in nature poses growing risks to people, ecosystems, businesses and economies. The international community has responded through initiatives such as the United Nations Convention on Biological Diversity and the Kunming-Montreal Global Biodiversity Framework, which call for urgent action to halt and reverse biodiversity loss and set nature on a path to recovery.

Addressing this global challenge requires coordinated action across governments, businesses, investors and communities. One way to contribute to this collective effort is by engaging with governments on the development of public policy that:

- Drives improved environmental and sustainable development outcomes aligned with global goals and frameworks;
- Enables efficient decision-making and enhances coherence across regulatory frameworks;
- Promotes transparency, accountability and long-term regulatory stability; and
- Incentivises investment in research and capability building to help businesses reduce environmental impacts and contribute to nature-positive outcomes.

These positions guide our direct advocacy on nature-related matters, as well as our contributions to advocacy of industry associations that we belong to. Learn more about Our Approach to Industry Associations at *www.south32.net*.

BIODIVERSITY

Our Approach to Biodiversity outlines our focus on minimising impacts to biodiversity and ecosystem services throughout the mining lifecycle.

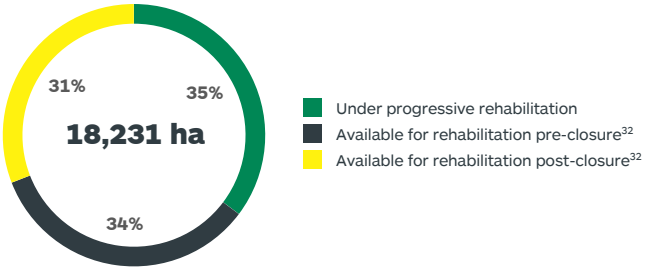
Aligned with ICMM's Nature Position Statement, which reflects a shared ambition among members to contribute to a nature positive future, Our Approach to Biodiversity includes an aim to achieve no net loss or a net gain of biodiversity by the completion of closure[31].

Find Our Approach to Biodiversity at www.south32.net.

Land stewardship

We own, lease and manage more than 550,000 hectares (ha) of land for operational and strategic purposes. Around 3% of this land (18,231 ha) has been disturbed as a result of our activities and around 1% (6,876 ha) has been set aside for conservation.

Total disturbed landholdings composition



FY25 activities
175ha of land disturbed through our activities during the year
221ha of land commenced progressive rehabilitation during the year
3,795ha of land set aside for conservation during the year

Progressive rehabilitation

The extent of land under progressive rehabilitation will vary depending on each of our operation's characteristics and context:

- Shallow mining methods at Worsley Alumina and Australia Manganese allow for controlled removal of topsoil, ore extraction and revegetation after mining. Just over half of the total land disturbed at Worsley Alumina is under progressive rehabilitation, while approximately 30% of disturbed land is under progressive rehabilitation at Australia Manganese.
- The surface footprint of our open-cut mines, Cerro Matoso and Mamatwan mine, remain relatively stable during active mining, with little opportunity for any additional rehabilitation.
- At Cannington and Wessels (which are underground mines) and our aluminium smelters there is limited to no disturbed land available for progressive rehabilitation at this stage of their operational lifecycle.

We embed progressive rehabilitation into our life-of-operation planning. Rehabilitation activities typically begin once mining is complete and generally include backfilling, landform recontouring, re-spreading overburden and topsoil – often sourced directly from adjacent new mining areas – and revegetating with local native species. Scientific monitoring programs are also implemented, based on agreed and licence-defined success and completion criteria.

We seek to engage communities, including Indigenous, Traditional and Tribal Peoples, to support rehabilitation activities, including seed harvesting and storage and the use of methods that promote successful rehabilitation.

Managing biodiversity-related impacts and risks

We manage impacts and risks by implementing biodiversity management plans and applying the mitigation hierarchy – avoid, minimise, rehabilitate/restore and offset. In FY25, this included:

- Australia Manganese:
  - Progressing threatened and invasive species management programs and the Biodiversity Offset Management Plan for the Eastern Leases development;
  - Commencing a desktop appraisal of rehabilitation areas to verify site conditions, improve data quality and inform our rehabilitation approach;
  - Using site data to study habitat creation and recolonisation, and conducting low-intensity fire trials with the Anindilyakwa Land Council and Sea Rangers in mature rehabilitation areas, recognising the role of traditional burning in supporting native flora regeneration and wildfire risk reduction; and
  - Undertaking a feral cat survey to determine population density across the Western Leases and adjacent areas, providing the basis for an informed management response.
- Worsley Alumina, Boddington bauxite mine:
  - Refining our mine plan to further avoid and minimise biodiversity and cultural heritage impacts and setting aside additional land for conservation activities;
  - Restoring habitats in rehabilitation areas by reintroducing natural features to encourage the return of native species, and installing artificial habitats in designated offset areas to support shelter and breeding;
  - Conducting targeted surveys for threatened and migratory species, and implementing mitigation measures such as establishing protective buffers around identified breeding sites to avoid disturbance and safeguard habitats;
  - Advancing progressive rehabilitation planning to support compliance with environmental approvals for the Worsley Mine Development following the receipt of primary State and Federal environmental approvals[33]; and
  - Reviewing the mine closure plan, with a focus on post-mining native vegetation restoration and habitat creation.

Local and regional partnerships

We continue to contribute to biodiversity conservation outcomes through local and regional partnerships. This includes:

- Multi-year PhD-led programs at Worsley Alumina in partnership with Curtin University, using soil and air environmental DNA sampling to improve detection of native and invasive species;
- Partnering with the Western Australian Department of Biodiversity, Conservation and Attractions to deploy motion-activated cameras in areas near Worsley Alumina where forest harvest, controlled burns and baiting occurs to assess animal abundance and species presence or absence; and
- Supporting the Australian Wildlife Conservancy's Mt Gibson Wildlife Sanctuary by funding science-based monitoring, feral animal control and mammal reintroduction efforts.

31. For all new operations and significant expansions, no net loss or net gain shall be measured against a pre-operation or pre-expansion baseline respectively. For existing operations, this shall be measured against a 2020 or earlier baseline.
32. Land available for rehabilitation (both pre- and post-closure) refers to the proportion of disturbed land not yet under progressive rehabilitation. Post-closure land includes areas currently occupied by infrastructure and therefore are not yet available for rehabilitation.
33. Ministerial Statement No. 1237 and EPBC 2019/8437. Information on the applications and approvals can be found at *www.south32.net*.

Sustainability continued

WATER

Water is a vital shared resource with high social, cultural, spiritual, environmental and economic value. It is also a critical input for our operations. Our Approach to Water outlines our focus on sustainably managing water resources and addressing water-related risks and opportunities in catchments where we operate.

Find Our Approach to Water at www.south32.net.

Our FY25 operational water account

Our operational water sources include groundwater, surface water, seawater and water sourced from third parties. We aim to recover and reuse or recycle water to reduce overall withdrawals. Water that is not consumed in processes, retained in product or entrained in waste is either discharged into the environment or supplied to third parties pursuant to regulatory requirements. We monitor water inflows, uses, losses and outflows within a defined operational boundary to support operational decision-making and inform water management.

In FY25, total water withdrawal increased by 21% year-on-year. Groundwater withdrawal rose by 74%, mostly due to dewatering activities associated with Tropical Cyclone Megan at Australia Manganese. This was partially offset by a combined reduction of surface water withdrawals and third-party purchases. Water consumption increased by approximately 9%, mainly as a result of higher entrainment in waste. Operational water efficiency, which is measured as the percentage of task water reused and recycled within our reporting boundary, remained steady at 83%[34].

WATER INPUTS/WITHDRAWAL (ML)

98,490

↑ 21% from FY24

Withdrawal source	ML
Groundwater	**61,234**
Surface water	**35,440**
Third-party water	**1,816**
Seawater	**0**

- **76%** of water withdrawn is classified as freshwater
- **4%** of water withdrawn is from areas exposed to baseline water stress

WATER TO TASKS (ML)

281,057

↓ 3% from FY24

OPERATIONAL WATER EFFICIENCY

83%

↑ 1 percentage point from FY24

REUSED/RECYCLED WATER (ML)

234,585

↓ 2% from FY24

WATER OUTPUTS/DISCHARGE (ML)

78,887

↑ 7% from FY24

Discharge destination and water consumption	ML
Groundwater	**675**
Surface water	**5,875**
Third-party water	**227**
Seawater	**274**
Consumption	**71,836**

- **50%** consumed through entrainment in waste and product
- **34%** consumed through natural evaporation
- **16%** consumed through task loss and forced evaporation

Definitions:

Water inputs/withdrawal: Water drawn from the environment (surface water, groundwater or seawater) or purchased from third parties, for use in a task or activity.

Reused/recycled water: Water that has been used in an operational task and is recovered and used again in an operational task, either without (reuse) or with (recycle) treatment.

Water outputs/discharge: Water that is released from the operational water system through discharge back to the water environment or piping to third parties, and/or through other outputs, including water consumed (removed by evaporation, entrainment in product, waste or other losses) in an operational task or activity.

Operational water efficiency: Percentage of water used for operational activities which is reused/recycled water.

Water to tasks: The total flow of water to a task. A task is a set of operational activities that use water.

Find more water-related data in our Sustainability Databook 2025 at www.south32.net.

Managing water-related risks

Water-related risks – including scarcity, flooding, variable water quality, and social impacts such as reduced water availability – can affect both our operations and the communities in which we operate. At the same time, there are opportunities to improve water efficiency and strengthen community relationships through water-related partnerships. To support effective water management planning, we conduct water risk and opportunity screening assessments at our operations and projects every three years. These assessments help identify potential exposures and opportunities to improve water efficiency. A key input to this process is our annual review of exposure to baseline water stress using the World Resources Institute's Aqueduct Tool (v4.0).

We set context-specific water objectives for operations where material water-related risks are identified. We implement water-related projects and initiatives to manage risks and improve efficiency across our operations. At operations in locations with high precipitation, such as Australia Manganese, or abundant groundwater, like our Hermosa project, we implement dewatering programs to manage excess water and maintain safe, efficient site access.

Our FY25 review confirmed that South Africa Manganese and our Hermosa project remain exposed to baseline water stress due to their location in arid regions. While Worsley Alumina's refinery was not identified as exposed to water stress, it continues to manage material water-related risks to support long-term operational resilience.

34. In FY25, a review of the calculated reused/recycled water as well as task water was undertaken at Worsley Alumina's refinery resulting in a restatement of prior years data, including operational water efficiency. Further detail is available in our Sustainability Databook 2025 at *www.south32.net*.

FY25 water-related projects and initiatives

In FY25, we continued progressing our joint initiative between our tailings and environment teams to enhance our Group-wide water management approach. As part of this work, we developed standardised tools and processes, including integrated water management and water balance guidance, to support improved integration of tailings, water storage, stormwater, and surface and groundwater management across our operations.

At Worsley Alumina's bauxite mine, we enhanced the integration of catchment-level conditions and the needs of other groundwater users and ecosystems into our water management approach. This included expanding groundwater and vegetation monitoring programs and prioritising progressive rehabilitation in groundwater-sensitive areas.

Other key initiatives progressed in FY25 include:

- **South Africa Manganese -** Completed a water recycling project at the Wessels mine focused on improving maintenance routines and upgrading reticulation infrastructure;
- **Cerro Matoso -** Advanced a water recirculation project aimed at preserving and reusing operational water through the integration of reservoirs, recirculation infrastructure and dust control sprinklers;
- **Hillside Aluminium -** Commenced a project to install infrastructure to treat non-potable municipal water, helping to increase the availability of potable water for domestic use; and
- **Hermosa project -** Enhanced water monitoring, including launching a well protection program to monitor potential impacts from our groundwater management activities.

Learn more about our approach to water management at Hermosa at www.south32.net.

Water-related objectives and targets

In line with our ICMM membership obligations, we set context-specific water objectives for operations where material water-related risks are identified[35].

South Africa Manganese

Risk: Growing water scarcity, increasing competition for water resources and ageing regional distribution infrastructure presents water supply risk to the Wessels and Mamatwan mines and town of Hotazel.

Objective: Identify a sustainable community project that will give access to clean water and support the local municipality's water access plans, with an expectation to have this project implemented by the end of FY26.

Update: In FY24, we identified a community water access project aimed at improving access to clean water for residents of Magobing and Magojaneng villages in the Joe Morolong municipality, Northern Cape, South Africa.

The project plans to install solar-powered pumps to extract groundwater from existing boreholes. In FY25, we completed the engineering designs for the solar infrastructure and progressed internal business integrity pre-clearance processes. The appointment of local contractors for the installation phase is expected to proceed in FY26, as planned.

Worsley Alumina

Risk: Insufficient water in the refinery's catchment lake could result in water supply disruptions to the refinery.

Objective: Strengthen long-term water security by entering into commercial arrangements with third-party providers to ensure a reliable water supply over a period of at least five years.

Update: In FY25, we reassessed Worsley Alumina's original contextual water objective (set as a target in 2019) in light of updated data and changes in the refinery's risk profile. Key considerations included:

- Operational efficiency: Updated data confirmed that the refinery has achieved optimised water efficiency, recording a 93% efficiency rate in FY25; and
- Water security: While located in a region with a drying climate, the refinery is not located in an area presently identified as being exposed to baseline water stress. It currently has a low reliance on third-party water sources, but may require third-party supply during periods when ground and surface water sources are insufficient to meet operational needs.

As a result of this review, we have updated Worsley Alumina's objective to focus on maintaining water security, more accurately reflecting its current material water-related risk. We will continue to focus on identifying projects with the potential to reduce our impact and dependency on water resources and enhance operational efficiency.

Australia Manganese

The impact of extreme rainfall associated with Tropical Cyclone Megan in FY24 required the development of adaptive water management practices to support the sustainable discharge of excess water and enable the operation's recovery plan.

With water holding levels still significantly above pre-Tropical Cyclone Megan levels, we will establish a contextual water objective in FY26 to support the mitigation of a new material risk: the potential for inadequate water management to impact our mine plan and production forecasts.

Water Efficiency Target

In FY22, we established a Water Efficiency Target (WET) for facilities identified as exposed to baseline water stress at that time – Worsley Alumina's refinery, our two mines at South Africa Manganese, and Mozal Aluminium – to collectively achieve a 10% improvement in water use efficiency by FY27, compared to an FY21 baseline[36]. Progress against the WET is one of the sustainbility-related measures in our FY25 Business Scorecard, with more information provided on page 145.

The WET is one of three KPIs under our Sustainability-Linked Loan (SLL). Each KPI has an annual target based on an agreed trajectory through the loan tenor. Our performance against these targets determines the annual sustainability margin adjustment applied under the loan. We report water inputs, outputs, reuse and recycling using the Minerals Council of Australia's Water Accounting Framework (WAF). In FY25, as part of a broader review of water efficiency opportunities, we assessed how the WAF was being applied at Worsley Alumina to ensure alignment with its definitions and reporting requirements. This review resulted in a restatement of Worsley Alumina's water data in our Sustainability Databook 2025. Consequently, performance against the WET SLL target for FY25 has not been evaluated. We are engaging with our SLL lenders to assess potential adjustments to the WET SLL baseline or future-year targets.

35. In 2019 and 2022, we established contextual water targets for operations identified as experiencing material water-related risks at that time. Mozal Aluminium and Hillside Aluminium achieved their targets in FY22 and FY23 respectively. To distinguish these from quantitative sustainability-related targets (now governed by disclosure standards such as IFRS/AASB S1 and S2) and from our quantitative WET, we have renamed our contextual water targets as contextual water objectives.

36. FY21 baseline was restated in FY24 following water accounting updates at Mozal Aluminium and has been adjusted to reflect the sale of Illawarra Metallurgical Coal in August 2024. In line with guidance from the WRI, Mozal Aluminium will remain included in the WET notwithstanding that the operation is no longer identified as exposed to baseline water stress.

AIR EMISSIONS

Our activities generate non-greenhouse gas (GHG) air emissions which may affect ambient air quality if not effectively managed.

We adhere to national and global regulatory requirements for assessing ambient air quality, including the Australian National Environment Protection Council's National Environment Protection Measures. Our membership in industry associations, such as the ICMM, provides access to valuable guidance and research that supports effective air emissions management.

We identify air emissions sources and assess potential impacts using the Source Pathway Receptor method. This enables us to focus on our most material air emissions, which include manganese dust and hydrogen fluoride associated with aluminium smelting.

Source pathway receptor method

Source
Locating where the air emissions originate, for example from mobile equipment, furnaces, boilers and material handling and processing.

Pathway
Assessing how the air emissions travel through the environment, including via atmospheric dispersion, dry and wet deposition, direct inhalation, and indirect exposure pathways.

Receptor
Assess who or what could be affected, such as workers, communities or the environment.

We convene an internal working group comprising cross-functional representatives to guide our approach to mitigating community health risks associated with air emissions, particularly manganese dust. Led by our Health and Hygiene team, this group identifies health risks, sets exposure limits based on legislation, research and best practices, monitors ongoing developments, and enhances risk management strategies so that community exposure remains within safe and acceptable limits.

Monitoring and mitigation measures

Our air quality monitoring programs include both real-time and compliance monitoring capabilities. For example, at Australia Manganese E-Samplers have been installed along the peripheries of nearby communities to enable continuous ambient air quality monitoring and real-time responses to exceedances of particulate matter trigger levels. We also use high-volume air samplers to monitor fugitive dust. When compliance monitoring detects a dust exceedance, we investigate the root cause and contributing factors, and implement corrective actions to prevent recurrence.

Data from these monitoring programs is integrated into our global environmental data management platform, EQuIS, which supports performance analysis, trend identification, and more informed decision-making to enhance air quality protection.

Our operations implement a hierarchy of controls that support compliance with internal and regulatory requirements. Depending on the activity and location, these controls include dust and air quality training, air pollution control systems, dust suppression techniques, enclosed material handling, and progressive rehabilitation and blast management. We engage local communities to inform our air emissions management approach and to understand whether controls are being effectively applied.

Partnering with others

In FY25, we continued our participation in ICMM's Innovation for Cleaner, Safer Vehicles program, which aims to support the development of GHG emission-free surface mining vehicles and reduce the operational impacts of diesel particulate matter and vehicle interactions. We also contributed to the Electric Mine Consortium through to its successful conclusion in September 2024, following four years of collaboration, shared learning and field trials. Our commitment to the consortium's objectives continues through ongoing battery-electric vehicle trials at our Cannington operation.

We recognise the transportation of our products can generate air emissions beyond our operational boundaries. In FY25, we worked with logistics service providers to manage potential impacts along transport routes and at transfer points, such as ports. This included embedding programs to monitor and drive continuous improvement in air emissions management systems. We also completed work on a train-washing system at Cannington to support the suppression of potential fugitive air emissions during the transportation of our product.

Managing future air emissions at Hermosa

Our Hermosa project is being designed as our first 'next generation mine', using automation and technology to help reduce environmental impact. This includes developing an air emissions management program which supports the health and safety of our people, communities and ecosystems.

Hermosa's approach to managing air emissions focuses on developing and integrating robust controls into all phases of its operations, including:

- **Underground mining and crushing:** Dust will be suppressed using water sprays and natural moisture underground;
- **Above-ground processing:** Ore will be transported through an enclosed conveyor system and stored in enclosed bins before undergoing milling and processing. Water sprays and dust collectors will be used to suppress dust during processing; and
- **Transportation:** Concentrate and ore will be transported in sealed containers, while tailings bound for the dry-stack tailings storage facility will be controlled by watering, compaction and non-toxic dust suppressants.

To support continuous air quality monitoring, monitors have been installed around neighbouring communities to establish a baseline for air quality and collect meteorological data to better understand weather patterns and dust exposure trends across the region.

TAILINGS MANAGEMENT

The safe design, operation and management of Tailings Storage Facilities (TSFs) is critical to protecting our people, the environment and communities. Our Approach to Tailings Management outlines our focus on the safe and responsible management of the TSFs that we operate.

Learn more about Our Approach to Tailings Management at www.south32.net.

Global Industry Standard on Tailings Management

The Global Industry Standard on Tailings Management (GISTM) aims to strengthen TSF management practices in the mining industry by integrating social, environmental, local economic and technical considerations over the TSF lifecycle. We are committed to maintaining alignment with the GISTM for all operated TSFs.

As of August 2025, all South32-operated TSFs aligned with the GISTM in accordance with ICMM expectations. Public disclosure information for these TSFs, in alignment with the requirements of the GISTM[37], is available at *www.south32.net*, as well as our TSF listing in accordance with the Church of England disclosure requirements[38], and alignment to the ICMM Conformance Protocols for all TSFs.

FY25 activities and progress

Key activities in FY25 to further strengthen our approach to tailings management included:

- Conducting stewardship reviews for TSFs at Cannington, Worsley Alumina and two non-operated joint ventures, Sierra Gorda and MRN. These reviews assessed the effectiveness of critical controls for preventing catastrophic failures of TSFs and water dams at the operations, concluding that the risk is well controlled. Findings included opportunities to strengthen our water management practices, which will remain a focus area for FY26;
- Activating the first of two state-of-the-art dry-stack TSFs at Hermosa's Taylor deposit. Established as part of our voluntary remediation program completed in 2020, the TSF has been primarily used to manage material from the decline and shaft construction in FY25;
- Progressing TSF closure studies at Australia Manganese and Cannington, focusing on understanding the available options for the safe closure of our facilities; and
- Assessing opportunities to unlock value through tailings reprocessing, re-mining for mineral recovery, and reuse:
  - We tested fine tailings at Australia Manganese to identify recoverable minerals and effective processing methods. We are also exploring alternative approaches for re-mining sand tailings, continuing technology trials aimed at improving recovery rates for the finest sand fractions, and investigating the potential use of tailings to fill old mine voids;
  - We completed phase one of a feasibility study at Cannington to explore metal recovery, construction material production and the fabrication of technosoil from tailings. The use of historical tailings for paste backfill is also being investigated; and
  - We progressed studies for mining, reprocessing and/or treatment of bauxite residue at Worsley Alumina, with a number of potential options being evaluated. Learn more about how Worsley Alumina is reusing bauxite residue to raise their TSF embankments at *www.south32.net.*

CASE STUDY

Excess water management at Cannington

In January 2024, Cannington was impacted by a one-in-2,000-year rainfall event, receiving approximately 630mm over four days that far exceeded its annual average of 369mm. This unprecedented downfall brought tailings and water storage facilities to capacity, making the continued safety of our TSFs a critical focus ahead of the approaching wet season.

A multi-disciplinary team comprising tailings, engineering, environment and operations representatives was mobilised in late FY24 to implement immediate and long-term water management solutions in preparation for the FY25 wet season.

To address the excess water and maintain TSF stability, the team applied a combination of targeted measures, including:

- Deployment of 28 evaporators across TSFs and dams to accelerate water volume reduction;
- Use of water trucks for dust suppression and gradual removal of surface water;
- Installation of sensors for more accurate water level monitoring; and
- Establishment of a reverse-osmosis plant to treat excess water for operational use, reducing reliance on the borefield by around 33% on a monthly average.

The coordinated response helped maintain TSF stability and reduced environmental impact, while demonstrating the value of preparedness and cross-functional teamwork in managing extreme weather events.

37. GISTM Principle 15.1: Publicly disclose and provide access to information about the tailings facility to support public accountability. Our disclosure is available at *www.south32.net.*
38. In response to the Church of England Pensions Board and the Council on Ethics Swedish National Pension Funds request. Each year our TSF disclosure is revised and published.

WASTE AND CONTAMINATION

We recognise that poorly managed waste can affect water quality and ecosystems, and pose health and safety risks. The safe management of waste generated from our operations is essential to operating responsibly.

Most of the waste we generate comes from tailings and processing activities. Additional waste streams include waste rock, process water and other by-products that may contain hazardous substances or exhibit dangerous physical properties. Key aspects of our approach to waste management include:

- **Record keeping:** Our operations are required to maintain waste registers that document the type, volume, characteristics and storage locations of waste generated, as well as how it is disposed of or recycled both on- and off-site;
- **Waste mitigation hierarchy:** We aim to prioritise waste prevention, followed by minimisation, reuse, recycling, recovery and disposal. Disposal is to be carried out in approved facilities in line with operational procedures and relevant regulations;
- **Risk identification and controls:** Waste registers support risk identification and the implementation of safe systems for waste handling, segregation, storage, transport and disposal; and
- **Verification:** Our operations are required to implement measures that verify waste management practices comply with regulatory requirements and internal standards.

If not properly managed, water discharges and runoff from tailings, as well as spills, leaks or the leaching of chemical elements, can lead to environmental contamination. To manage these risks we apply the Source Pathway Receptor method (detailed on page 50) to identify contamination risks and develop controls. Operations with contamination risks are required to maintain registers that document the location and status of known contamination.

Key waste management activities in FY25 included:

- Refining our waste definitions to align with global sustainability reporting standards, resulting in data enhancements in our Sustainability Databook 2025;
- Advancing studies at South Africa Manganese on options for concentrate recovery, with the aim of reducing temporary mineral waste and improving water recovery and concentrate yields. Further study phases are planned in FY26;
- Decommissioning PFAS-based fire suppressants at Worsley Alumina as part of our program to assess the potential presence of PFAS in materials used at our operations, and
- Continuing our tyre recycling program at Cannington.

PFAS and Acid Rock Drainage

Per- and polyfluoroalkyl substances (PFAS) are synthetic chemicals used in some industrial and commercial applications. Acid Rock Drainage (ARD) is acidic water rich in heavy metals which can form when encapsulated rock and soil are exposed to air and water. ARD has the potential to occur at Cannington, Cerro Matoso and Hermosa.

Our operations are required to specifically manage risks related to PFAS and ARD. Risk assessments must outline potential exposure pathways to the environment and communities and whether any risks require active management or remediation. Each operation applies a risk-based approach tailored to its geological and environmental context. Controls may include engineered cover systems, stormwater diversion infrastructure, dry-stack tailings storage facilities and targeted water treatment solutions.

We continue to monitor regulatory requirements related to ARD and key contaminants (including PFAS), supporting our operations to implement management plans that align with local laws and environmental standards where applicable.

ADDRESSING CLIMATE CHANGE

We have set a target[39] to halve our net operational GHG emissions[40] by FY35 from FY21 levels and have a long-term goal[41] to achieve net zero emissions across all scopes (i.e. Scopes 1, 2 and 3) by 2050. In addition to meeting these commitments, we are focused on managing climate-related risks and opportunities to protect value and support continued resilience.

Our Climate Change Action Plan 2025

Our Climate Change Action Plan (CCAP) sets out our approach to addressing risks and opportunities presented by climate change, and is central to the development and execution of our strategy. Our inaugural CCAP was put to a non-binding advisory vote at our 2022 Annual General Meeting, receiving strong shareholder support, with 89.6% of votes cast in favour.

Our CCAP 2025 is an update of our approach based on a refresh of our climate-related risks and opportunities (CRROs) and insights from implementing our inaugural CCAP. It outlines how we are continuing to position our portfolio for the energy transition and reaffirms our commitment to reducing our operational (Scope 1 and 2) emissions, supporting value chain (Scope 3) emissions reduction and enhancing our management of physical climate risks.

Our CCAP 2025 will be the subject of a non-binding advisory shareholder vote at our 2025 AGM.

Find our Climate Change Action Plan 2025 at www.south32.net and an overview on page 54 of this report.

Our climate-related disclosures

Our climate-related disclosures are outlined in our CCAP 2025, Climate-related Risk and Reporting Methodology 2025 (CRRM), and the Climate Change tabs of our Sustainability Databook 2025, which are all available at *www.south32.net*.

Task Force on Climate-related Financial Disclosures

We consider our climate-related financial disclosures to be consistent with the recommendations and recommended disclosures of the Task Force on Climate-related Financial Disclosures (TCFD). This TCFD index outlines each recommended disclosure and indicates where it is addressed in our reporting. As the primary explanation of our approach to addressing climate change, most TCFD-aligned disclosures are included in our CCAP 2025, placing them in the broader context of our actions and activities and supporting the non-binding advisory shareholder vote on the CCAP. Certain more detailed TCFD-aligned disclosures are contained in the CRRM and Sustainability Databook. As some climate-related financial information is presented in these documents, this Annual Report should be read in conjunction with our climate-related disclosures as detailed in this index.

Governance

Describe the Board's oversight of CRROs.

Annual Report 2025	Pages: 105, 115-123
CCAP 2025	Pages: 29-30
CRRM 2025	Pages: 4-6

Describe management's role in assessing and managing CRROs.

Annual Report 2025	Pages: 29, 64-73
CCAP 2025	Pages: 29-30
CRRM 2025	Pages: 4-6

Strategy

Describe the CRROs the organisation has identified over the short-, medium- and long- term.

Annual Report 2025	Pages: 55-57, 67, 171-174
CCAP 2025	Pages: 6, 10-11, 22-23, 30
CRRM 2025	Pages: 4-6

Describe the impact of CRROs on the organisation's businesses, strategy and financial planning.

Annual Report 2025	Pages: 55-57, 171-202
CCAP 2025	Pages: 8-26, 30
CRRM 2025	Pages: 7-10

Describe the resilience of the organisations strategy, taking into consideration different climate-related scenarios

CCAP 2025	Pages: 10, 12, 21-24
CRRM 2025	Pages: 4-6

Risk management

Describe the organisation's processes for identifying and assessing climate-related risks.

Annual Report 2025	Pages: 55-57, 64-73
CCAP 2025	Pages: 22-24, 30
CRRM 2025	Pages: 4-6

Describe the organisation's processes for managing climate-related risks.

Annual Report 2025	Pages: 55-57, 64-73
CCAP 2025	Pages: 22-24, 30
CRRM 2025	Pages: 4-6

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Annual Report 2025	Pages: 64-73, 171-174
CCAP 2025	Pages: 29-30
CRRM 2025	Pages: 4-6

Metrics and targets

Disclose the metrics used by the organisation to assess CRROs in line with its strategy and risk management process.

Annual Report 2025	Pages: 55-57, 149-153
CCAP 2025	Pages: 8-13, 18, 21-24, 29-30
Sustainability Databook 2025	Climate Change tabs
CRRM 2025	Pages: 7-10

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.

CCAP 2025	Pages: 13, 18
Sustainability Databook 2025	Climate Change tabs

Describe the targets used by the organisation to manage CRROs, and performance against targets.

Annual Report 2025	Pages: 67, 149-153
CCAP 2025	Pages: 13, 18, 29
CRRM 2025	Pages: 4-6, 8-10

39. An intended outcome in relation to which we have identified one or more pathways for delivery of that outcome, subject to certain assumptions or conditions.
40. The term 'emissions' in this Addressing Climate Change section of our Annual Report 2025 (pages 53 to 57) refers to GHG emissions.
41. An aspiration to deliver an outcome for which we have not identified a pathway for delivery, but for which efforts will be pursued towards achieving that outcome, subject to certain assumptions or conditions.

OUR CLIMATE CHANGE ACTION PLAN AT A GLANCE

Addressing risks and opportunities that climate change presents is central to our strategy.

Taking climate action

Contribute to the transition to a low-carbon, climate-resilient economy:

Position our portfolio for the energy transition

- Produce minerals and metals critical to the world's energy transition
- Advance our pipeline of base metals development options
- Explore for our next generation of base metal mines
- Continue to assess our portfolio resilience, using two future climate scenarios

Reduce our operational emissions to mitigate transition risk and protect value

- Halve our net operational emissions by FY35 from FY21 levels and pursue net zero operational emissions by 2050
- Focus on our highest-emitting operations:
  - Hillside Aluminium and Mozal Aluminium: Pursue multi-stakeholder collaboration to establish or maintain an affordable, low-carbon electricity solution
  - Worsley Alumina: Progress fuel switching as an interim step, while advancing our steam electrification study with support from the Australian Renewable Energy Agency (ARENA)
- Invest in technology innovation and collaborate with others to study, develop and scale solutions

Support emissions reduction across our value chain

- Contribute to the reduction of Scope 3 emissions to reach our net zero goal
- Engage 80% of our key suppliers and customers to align ambitions, support data improvements and knowledge sharing, and identify strategic collaborations
- Support the International Maritime Organization's goal of net-zero GHG emissions from international shipping by or around 2050

Strengthen our physical climate resilience

- Present-day resilience:
  - Enhance extreme weather decision-support tools
  - Strengthen our climate-informed insurance approach
- Future resilience:
  - Embed adaptation into key business processes
  - Support climate-resilience in communities

Our strategy

We **optimise** our business by working safely, minimising our impact, consistently delivering stable and predictable performance, and continually improving our competitiveness.

We **unlock** the full value of our business through our people, innovation, projects and technology.

We **identify** and pursue opportunities to sustainably reshape our business for the future, and create enduring social, environmental and economic value.

Supporting a just transition

Address social- and nature-related risks and opportunities arising from our response to climate change and continue embedding our just transition guiding principles

Key enablers

Government engagement

Help shape effective climate policies and enabling conditions for delivery of our CCAP

Governance and reporting

Maintain robust climate governance and transparent reporting to ensure accountability and drive continuous improvement

Climate risk management

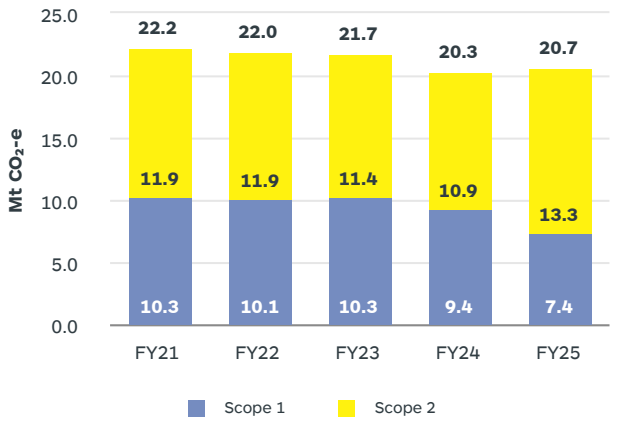
Continue to embed climate-related risks and opportunities into our Group risk management framework

Operational GHG emissions

Today, over 90% of our operational emissions are generated within our aluminium value chain, mostly from coal-fired electricity use at our aluminium smelters, and coal-and gas-generated steam and electricity use at Worsley Alumina.

In FY25, our conversion of two boilers from coal to gas at Worsley Alumina (completed in FY24) contributed to a 12% reduction in Worsley Alumina's Scope 1 emissions and a 4.2% reduction in total Scope 1 emissions[42], both relative to FY21 levels. However, in FY25 drought conditions in the Zambezi basin resulted in an undersupply of hydroelectric power to Mozal Aluminium, requiring an increase in supply of predominantly coal-fired electricity from Eskom. This, together with an increase in the Eskom supplier-specific emission factor, led to an approximate 22% year-on-year increase in total Scope 2 emissions and a 2% year-on-year increase in total operational emissions (total operations basis)[43].

Operational emissions (total operations)[43]



Our FY35 target covers 100% of our operational emissions and is a net reduction target. Learn about our pathways to achieving the target in our CCAP 2025.

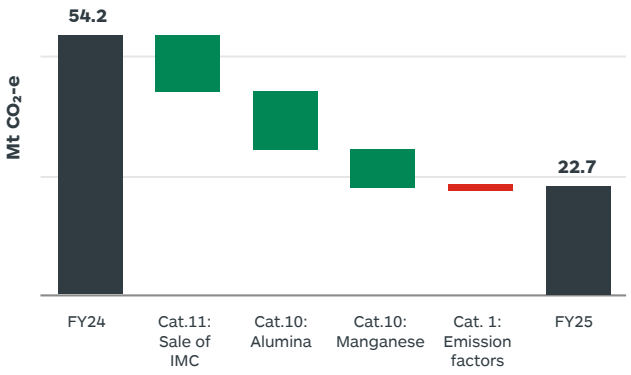
Scope 3 GHG emissions

The Scope 3 component of our goal to achieve net zero emissions by 2050 recognises our responsibility to contribute to the reduction of emissions in our value chain. In FY25, Scope 3 emissions totalled 22.7 Mt CO_2-e, 58% lower than FY24 levels. This decrease was primarily due to portfolio changes and improvements in calculation methodology, including:

- The sale of Illawarra Metallurgical Coal (IMC) in August 2024, which resulted in a 11.7 Mt CO_2-e reduction for Use of sold products (Category 11);
- Improved tracking of alumina sales and updated emission factors from the global average factor to country- or asset-specific emission factors (Category 10); and
- Lower sales volumes at Australia Manganese, alongside the adoption of the latest global average emission intensity for processing of manganese ore (Category 10).

In addition, we have upgraded spend-based emission factors with product-specific global average emission factors for several emissions-intensive purchased goods (Category 1).

Scope 3 emissions FY24 to FY25 (total operations)[43]



Find more information about our FY25 emissions performance on pages 13 to 20 of our CCAP 2025. Our emissions inventory is detailed in our Sustainability Databook 2025, with the calculation methodology outlined in our Climate-related Risk and Reporting Methodology 2025, both available at *www.south32.net*.

Climate-related risks and opportunities

We use a range of tools to assess how climate-related risks and opportunities could affect our operations and strategy. These include transition risk scenario analysis to evaluate portfolio resilience under different climate futures, including under a 1.5°C scenario, and physical climate risk scenario analysis to assess potential physical climate impacts on regions and our operations. Further details on how we use transition risk scenario analysis to identify portfolio risks and opportunities and evaluate portfolio resilience are provided on pages 21 to 24 of our CCAP 2025.

We identify climate-related risks and opportunities at a Group-wide strategic level and at a tactical level for operations, projects and functions. Risk assessments consider current and emerging regulatory requirements and draw on climate intelligence across both physical and transition risks. By integrating climate-related risks into our broader risk management framework, we are able to assess their relative significance alongside other business risks and develop appropriate responses.

- **Group-level transition risks:** The table on page 56 consolidates key insights from our Group-wide transition risk workshops held in FY25, mapped against the four key transition risk themes identified by the TCFD. For each risk theme, we outline relevant risks and opportunities, along with illustrative examples of our management responses.
- **Group-level physical risks:** The table on page 57 consolidates operation-level findings and broader hazard analysis to identify seven physical climate change risk themes across our business. We describe each risk theme and the potential impact on our business, and provide illustrative examples of the management responses in place to manage each risk (noting this list is not exhaustive).

To demonstrate how these transition and physical risks may align with our broader risk management framework, we have mapped them against the Group's strategic risks.

Learn more about our climate risk management processes, including time horizons and climate scenario analysis, in our Climate-related Risk and Reporting Methodology 2025, available at www.south32.net.

42. Analysis is on a total operations basis. In FY25, total Scope 1 emissions were 28.7% (2.9Mt CO_2-e) lower than in FY21, primarily due to divestments.
43. To support transparency and year-on-year comparability, we report two operational emissions data sets: Total operations, which includes divested operations, and continuing operations, which reflects emissions from our current operations. This enables tracking against our adjusted target baseline, where applicable.

Sustainability continued

Group-level transition risks

Time horizon: **Short-term:** 0-2 years; **Medium-term:** 2-5 years; **Long-term:** 5+ years

Identified transition risks and time horizons	Management response (non-exhaustive)
Market risks arise from shifting supply and demand dynamics driven by climate-related concerns or preferences *Related strategic risk: global economic uncertainty and liquidity*	
Renewable energy additions and associated infrastructure is expected to increase demand for certain commodities	– Producing minerals and metals critical to the world's energy transition is core to our strategy – Market and scenario analysis support portfolio resilience testing and guide planning and investment decisions – Product placement strategies maintain optionality, including geographical diversification of customers – Industry association memberships and subject matter experts assist in monitoring changing market conditions – A dedicated energy and carbon team manages low-carbon energy and carbon credit sourcing
Preferences for low-carbon products may affect demand and prices for carbon-intensive commodities	
Increased demand for upstream and downstream GHG emissions transparency	
Long-term agreements or partnerships provide stability but can hinder our ability to adapt in evolving markets	
Demand for low-carbon raw materials (including energy) may lead to sourcing challenges and higher prices	
Policy and legal risks result from changes in laws, regulations, or litigation related to climate change *Related strategic risk: political risks, actions by government and/or authorities*	
Emissions limiting regulations, like carbon taxes or emission trading systems, may lead to additional or higher carbon costs	– Industry associations and internal and external subject matter experts to assist in monitoring the policy, legislative or regulatory landscape – Climate-related policy positions and advocacy priorities – Robust climate-related reporting processes, including internal and external legal review and external assurance – Tracking and reporting of progress against our FY35 emissions reduction target and other commitments – Annual review of carbon regulatory mechanisms and refresh of carbon pricing assumptions
Stricter regulations may delay or hinder issue of environmental permits for mine developments and expansion projects	
Failure to identify or respond to evolving regulatory requirements may lead to additional compliance costs or penalties	
Climate-related litigation may result in significant financial liabilities, operational disruptions and heightened reputational risk	
Misleading climate disclosures or failure to deliver on commitments presents exposure to greenwashing claims	
Reputational risks relate to how stakeholders perceive a company's climate strategy and environmental performance *Related strategic risk: evolving societal expectations*	
Evolving investor and lender expectations regarding climate-related issues may affect access to capital and financing, and could pose reputational risks	– Proactive engagement with investors, lenders, civil society, customers, suppliers and communities – Local economic development and social investment plans aligned to community priorities – Annual disclosures on our sustainability performance and update our CCAP every three years – Workforce planning, development and training, and engagement to monitor employee sentiment – Liquidity access via a revolving credit facility that includes measures directly linked to sustainability performance
Climate-related company or sector stigmatisation may undermine stakeholder trust, hinder regulatory approvals and adversely impact talent attraction and retention	
Evolving expectations for climate action to address social-related risks and issues may result in higher compliance and engagements costs or constrain operational flexibility	
Technology risks arise from disruptive climate-related technological changes that may render existing processes or products obsolete *Related strategic risk: predictable operational performance*	
Rapid change in energy transition technologies may render existing systems noncompetitive, particularly if others adapt more quickly	– Our Group-wide approach to innovation, Innovate32, enabling investment and delivery of innovation – Industry collaborations, strategic partnerships and knowledge-sharing initiatives – Continuous monitoring of emerging technologies – Implementation of investment controls, including for decarbonisation projects – Integration of decarbonisation considerations into life of mine planning – Assessment of the energy transition's potential impact on workforce skill requirements at exposed operations
Limited availability or high complexity of energy transition technologies may lead to unsuccessful investments hindering the achievement of climate commitments, or safety or production incidents	
Prohibitive costs may limit access to energy transition technologies, impacting the achievement of climate commitments	
Evolving workforce skill demands may slow down the implementation of new low-carbon energy systems	

Learn more about our response to transition and physical climate-related risks and opportunities in our Climate Change Action Plan 2025, available at www.south32.net.

Group-level physical risks and examples of how we are responding

Temperature Rainfall Drought Storms Flood risk Fire weather Sea level rise

Time horizon **Short-term:** 0-2 years **Medium-term:** 2-5 years **Long-term:** 5+ years

Risk theme	Climate hazards/triggers	Time horizons
Containment breach or failure of a tailings storage facility (TSF) *Related strategic risk: Predictable operational performance*		

Potential impact: Loss of life and/or serious injury, environmental damage, reputational harm, regulatory and legal consequences, financial impacts

Examples of how we are responding:

- Designing and managing tailings storage facilities in accordance with international guidelines and industry standards, e.g. GISTM
- Embedding climate change considerations into TSF and site closure planning, including measures to address extreme weather events
- Maintaining sufficient water storage capacity, installing spillways where required, and implementing wet season readiness plans

Water security
Related strategic risk: Climate change and environment

Potential impact: Increased competition for water resources, reduced water availability for production and increased operational costs.

Examples of how we are responding:

- Baseline water stress assessments, regular risk and opportunity screening
- Water balance accounting and planning, setting contextual water objectives
- Operation-level climate change risk assessments

Damage to coastal infrastructure
Related strategic risk: Predictable operational performance

Potential impact: Disruption to export and import activities, delays in fulfilling contractual obligations, higher repair and maintenance costs.

Examples of how we are responding:

- Structural integrity management
- Daily weather monitoring and extreme weather port preparation procedures
- Detailed emergency response procedures and incident management teams

Damage to critical mining and production infrastructure
Related strategic risk: Predictable operational performance

Potential impact: Operational inefficiencies and extended downtime, increased repair and replacement costs and higher insurance premiums.

Examples of how we are responding:

- Structural integrity management and wet season preparedness strategies
- Engineering change management processes to ensure modifications to assets are properly assessed for safety and compliance
- Asset management framework that prescribes controls and procedures specific to each critical asset

Workforce health, safety, and productivity
Related strategic risk: Keeping our people safe and well

Potential impact: Increased risk of heat-related illnesses and safety incidents, and higher health-related absenteeism.

Examples of how we are responding:

- Adequate personal protection equipment, shelter, access to water, first-aid and acclimatisation processes
- Controls for communicable diseases
- Lightning detection and notification systems, and response plans

Disruption to transport routes and supply chains
Related strategic risk: Supply chain security

Potential impact: Supply chain disruptions, raw material shortages and delays in critical spare parts and product delivery.

Examples of how we are responding:

- Regular climate risk assessments across key supply chain elements and considering weather and extreme events in sales planning
- Planning for disruptions to key transport and supply routes, including business continuity measures and inventory controls
- Collaborating with vessel owners on adverse weather responses and vessel safety vetting

Safe and climate-resilient closure
Related strategic risk: Maintain/enhance the value of our resources and reserves

Potential impact: Increased rework, additional closure costs, longer relinquishment timelines, increased stakeholder focus and reputational risk.

Examples of how we are responding:

- Closure plans are updated triennially, incorporating the latest climate change projections
- Closure cost estimates are refreshed biannually

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INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF SOUTH32 LIMITED

Report on selected Sustainability Information Subject to Assurance presented in the South32 Limited 2025 Reports (being the Sustainability section of the Annual Report (AR), the Sustainability Databook (Databook), the Climate Change Action Plan 2025 (CCAP), Climate-related Risk and Reporting Methodology 2025 (Methodology) and the Sustainability Standards and Frameworks Index (Index)) for the year ended 30 June 2025.

Conclusion

a) Reasonable assurance opinion: Scope 1 and 2 Greenhouse Gas (GHG) Emissions

In our opinion, the reported Scope 1 and 2 (location-based) GHG Emissions of 24.7 Mt CO_2-e and reported Scope 1 and 2 (market-based) GHG Emissions of 20.7 Mt CO_2-e disclosed in South32 Limited's 2025 Reports for the year ended 30 June 2025 have been prepared by South32 Limited, in all material respects, in accordance with the Reporting Criteria.

b) Limited assurance conclusion: Sustainability Information

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Sustainability Information Subject to Assurance presented in South32 Limited's 2025 Reports for the year ended 30 June 2025 are not prepared, in all material respects, in accordance with the Reporting Criteria.

Information Subject to Assurance

We have performed reasonable and limited assurance engagements on the following Information Subject to Assurance, which has been prepared by South32 Limited in accordance with the Reporting Criteria and presented in South32 Limited's 2025 Reports for the year ended 30 June 2025:

- South32 Limited's assertion that it has incorporated the requirements of the ICMM 10 Principles, the relevant ICMM Performance Expectations (PEs) and the mandatory requirements set out in the ICMM Position Statements, into its own policies, strategies and standards;
- South32 Limited's disclosure regarding the approach it has adopted to identify and prioritise its material sustainability risks and opportunities and how it has addressed the GRI Principles of completeness and materiality as set out in the Sustainability section of the AR;
- South32 Limited's assertion regarding the existence and status of implementation of systems and approaches used the manage the following material sustainability areas:
  - Greenhouse Gas (GHG) Emissions;
  - Safety and Health [pages 30 to 32 in the AR];
  - Social Investment [pages 35 and 37 in the AR, limited to the amount spent on social investment];
  - Biodiversity [page 47 in the AR];
  - Water [pages 48 to 49 in the AR];
  - Climate Change [pages 53 to 57 in the AR, tab TCFD Index of the Index, and the entire CCAP];
  - Prioritisation processes for selecting operations for third party PE assurance and alignment with PEs for Cannington, Hillside Aluminium, and South Africa Manganese as set out on tab ICMM Principles and PEs of the Index;

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Information Subject to Assurance continued

- The following performance information:

Performance Information	Level of Assurance	Performance Result	Criteria used as the basis of reporting (the Reporting Criteria)
GHG Emissions			
Total gross Scope 1 and Scope 2 (Location-Based) GHG Emissions (operational control basis)	Reasonable	24.7 Mt CO_2-e	World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD)'s GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition (2015); GHG Protocol: Scope 2 Guidance; and Basis of Preparation (BoP) as described and presented within the Climate-related Risk and Reporting Methodology 2025 available on South32 Limited's website at https://www.south32.net/investors-media/investor-centre/annual-reporting-suite (South32 Limited's website).
Total gross Scope 1 and Scope 2 (Market-Based) GHG Emissions (operational control basis)	Reasonable	20.7 Mt CO_2-e	
Total Scope 3 GHG Emissions	Limited	22.7 Mt CO_2-e	WRI and WBSCD's GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2013) and Technical Guidance for Calculating Scope 3 Emissions (version 1.0); and BoP as described and presented within the Climate-related Risk and Reporting Methodology 2025 available on South32 Limited's website.
Total energy (managed basis)	Limited	159 PJ	Basis of Preparation (BoP) as described and presented within the Climate-related Risk and Reporting Methodology 2025 available on South32 Limited's website.
Operational GHG emissions intensity (operational control basis)	Limited	24.3 tCO_2-e /t Cu-eq	
Safety and Health			
Headcount - Employees	Limited	8,892	Terms and definitions presented within the Databook – Safety and Health tab available on South32 Limited's website.
Headcount - Contractors		9,437	
Total hours worked		36.6 mil of hours	
Total fatalities		1	
Total recordable injuries		134	
Total recordable occupational illness		37	
Total lost time injury frequency (LTIF)		1.4	
Total recordable injury frequency (TRIF)		3.7	
Total high potential injuries and illnesses (HPII)		6	
Total high potential injuries and illnesses frequency (HPIIF)		0.2	
Total recordable illness frequency (TRILF)		1.0	

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Information Subject to Assurance continued

- The following performance information continued:

Performance Information	Level of Assurance	Performance Result	Criteria used as the basis of reporting (the Reporting Criteria)
Social investment			
Social investment spent	Limited	USD 23.3 mil	Terms and definitions presented within the Databook – Social investment tab available on South32 Limited's website.
Biodiversity			
Total South32 landholdings – land owned, leased or managed	Limited	555,202 ha	Terms and definitions presented within the Databook – Biodiversity tab available on South32 Limited's website.
Land classified as disturbed		11,769 ha	
Land under progressive rehabilitation		6,462 ha	
Land set aside for conservation		6,876 ha	
Water			
Operational water inputs / withdrawal	Limited	98,490 ML	Minerals Council of Australia's Water Accounting Framework and Terms and definitions presented within the Databook – Water tab available on South32 Limited's website.
Operational water outputs / discharge		78,887 ML	
Operational water consumption		71,836 ML	
Recycling and reuse		234,585 ML	
Water to tasks		281,057 ML	
Other managed water inputs / withdrawal		48,986ML	
Other managed water outputs / discharge		45,656 ML	
Other managed water consumption		789 ML	

Our conclusion on the Information Subject to Assurance does not extend to any other information that accompanies or contains the Information Subject to Assurance and our assurance report (hereafter referred to "other information"). We have read the other information, but we have not performed any procedures with respect to the other information.

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Basis for opinion and conclusion

We conducted our work in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and ISAE 3410 *Assurance Engagements on Greenhouse Gas Statements* issued by the International Auditing and Assurance Standards Board (IAASB), and Australian Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements* issued by the Australian Auditing and Assurance Standards Board (AUASB) (Standards). Our responsibilities under these Standards are further described in the "Our responsibilities" section of our report. We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In accordance with the Standards we have:

- Used our professional judgement to assess the risk of material misstatement and plan and perform the engagement to obtain reasonable assurance that the GHG emissions are free from material misstatement, whether due to fraud or error;
- Used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Information Subject to Assurance, whether due to fraud or error;
- Considered relevant South32 internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- Ensured that the engagement team possesses the appropriate knowledge, skills and professional competencies.

Restriction on use or distribution

This report has been prepared for the Directors of South32 Limited to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the subject matter information and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of South32 Limited or for any other purpose other than that for which it was prepared. Our conclusion is not modified in respect of this matter.

Summary of procedures performed as the basis of our opinion and conclusion

We exercised professional judgement and maintained professional scepticism throughout the engagement. We designed and performed our procedures to obtain evidence that is sufficient and appropriate to provide a basis for our reasonable assurance opinion and limited assurance conclusion.

Reasonable assurance opinion

The nature, timing and extent of the procedures selected depended on our judgement, including an assessment of the risks of material misstatement of the Information Subject to Reasonable Assurance, whether due to fraud or error. We identified and assessed the risks of material misstatement through understanding the Information Subject to Reasonable Assurance and the engagement circumstances. We also obtained an understanding of the internal control relevant to the Information Subject to Reasonable Assurance in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls. In carrying out our engagement, the procedures we performed primarily consisted of:

- Analytical procedures over the total Scope 1 and Scope 2 GHG Emissions;
- Substantive testing of the total Scope 1 and 2 GHG Emissions, on a sample basis at operational level, which included testing a selection of four operations being Mozal Aluminium, Cerro Matoso, Hillside Aluminium and Worsley Alumina;
- Inquiries and walkthroughs with corporate and operational level personnel to assess the key systems, processes and internal controls to capture, collate, calculate and report the total Scope 1 and 2 GHG Emissions at an operational level, and how this information is reported and captured at corporate level;
- Assessing the suitability and application of a sample of emissions factors applied in calculating the total Scope 1 and 2 GHG Emissions; and
- Testing the mathematical accuracy of a sample of calculations underlying the total Scope 1 and 2 GHG Emissions.

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Limited assurance conclusion

Our procedures depended on our understanding of the Information Subject to Limited Assurance and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- Enquiries with senior management and relevant staff at corporate and four operating sites covering Worsley Alumina, Hillside Aluminium, South Africa Manganese and Cannington, to assess the key systems, processes and internal controls to capture, collate, calculate and report the Information Subject to Assurance;
- Assessment of the suitability and application of the Reporting Criteria in respect of the Information Subject to Assurance;
- Analytical procedures over the Information Subject to Assurance;
- Testing the Scope 3 GHG Emissions to source documentation on a sample basis;
- Substantive testing of the Information Subject to Assurance, on a sample basis, at corporate and operational level, covering Worsley Alumina, Hillside Aluminium, South Africa Manganese and Cannington;
- Testing the mathematical accuracy of a sample of calculations underlying the Information Subject to Assurance;
- Corroborative inquiries with relevant management to understand progress described in the CCAP in relation to the four focus area of climate action, being positioning the portfolio for the energy transition, reducing operational emissions, supporting emissions reduction across the value chain and strengthening physical climate resilience, and testing the information disclosed in the CCAP to source documentation on a sample basis;
- Reconciling the Information Subject to Assurance to underlying information, on a sample basis;
- Assessing South32 Limited's incorporation of the requirements of the ICMM 10 principles for sustainable development, and the mandatory requirements set out in the ICMM Position Statements, into its own policies, strategies and standards, and disclosure of the prioritization process for selecting operations for third party PE assurance and disclosure of alignment with PEs for Cannington, Hillside Aluminium, and South Africa Manganese;
- Assessing South32 Limited's disclosure alignment with the GRI Standards and TCFD recommended disclosures;
- Reviewing South32 Limited's disclosure regarding the approach it has adopted to identify and prioritise its material sustainable development risks and opportunities and comparing it to our overall knowledge of South32 Limited and the context we gathered by conducting print and social media searches to assess the completeness of South32 Limited's own materiality assessment;
- Reviewing the Climate-related Risk and Reporting Methodology 2025 and the Information Subject to Assurance in its entirety to ensure it is consistent with our overall knowledge of South32 Limited and our observation of its operations.

Inherent limitation

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, or error may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

Greenhouse gas quantification is subject to inherent uncertainty due to the nature of the information and the uncertainties inherent in: (i) the methods used for determining or estimating the appropriate amounts, (ii) information used to determine emission factors and (iii) the values needed to combine emissions of different gases..

Reasonable assurance is a high level of assurance, but is not a guarantee that it will always detect a material misstatement when it exists. Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of the Directors of South32.

KPMG

South32's responsibilities for the Information Subject to Assurance

Management of South32 Limited are responsible for:

- Determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the Information Subject to Assurance;
- Ensuring that those criteria are relevant and appropriate to South32 Limited and the intended users;
- Establishing and maintaining systems, processes and internal controls that enable the preparation and presentation of the Information Subject to Assurance that is free from material misstatement, whether due to fraud or error;
- Preparing the sustainability information in accordance with the applicable criteria;
- Determination of South32's GRI Standards disclosures in accordance with the GRI Standards and guidelines;
- Ensuring the basis of preparation in accordance with which the Sustainability Information has been determined and compiled is clearly and unambiguously set out in the Sustainability sections of South32 Limited 2025 Report;
- Informing us of any known and/or contentious issues relating to the Information Subject to Assurance; and
- Maintaining integrity of the website.

Our responsibilities

We are responsible for:

- Planning and performing the engagement to obtain reasonable and limited assurance about whether the Information Subject to Assurance is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Directors of South32 Limited.

Our independence and quality management

We have complied with our independence and other relevant ethical requirements of the Code of Ethics for Professional Accountants (including Independence Standards) issued by the Australian Professional and Ethical Standards Board (APESB). Our firm applies Auditing Standard ASQM1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, issued by the AUASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG

KPMG

Julia Bilyanska

Julia Bilyanska
Partner

Perth, Australia
28 August 2025

Risk management

MANAGING RISKS TO ACHIEVE OUR PURPOSE

Risk management is integral to achieving our objectives, delivering our purpose, and guiding our strategic direction. By identifying and managing risks we seek to safeguard our business, support our people and communities, and meet regulatory obligations and stakeholder expectations. This disciplined approach allows us to make better decisions, allocate resources efficiently, and consistently execute our strategy.

Our approach to risk management is governed by our risk management framework and delivered through our system of risk management. Our internal risk management standard outlines the minimum mandatory requirements for the management of risks that can materially impact our ability to achieve our purpose, strategy and business plans. Our system of risk management is aligned to the principles of the International Standard for Risk Management AS/NZS ISO 31000:2018. Our risks are regularly assessed and managed at both a group-wide strategic level and at a tactical level for operations, projects and functions.

Risk taxonomy

Our risks are organised within a structured taxonomy designed to enhance visibility, support clear communication and enable effective risk management across all levels of the organisation. Material risks are grouped into risk families based on shared characteristics or scope, and these families are then aligned to our strategic risks. This structure recognises the collective potential of these risks to impact the achievement of our strategic objectives.

Risk appetite and strategic risks

Risk appetite statements for each of our strategic risks are approved annually by our Board. They define the level of risk we are willing to take in pursuit of our purpose, strategy and objectives.

In FY25, we managed 12 strategic risks which are outlined in subsequent pages with their respective risk appetite and key risk indicators (KRIs) informing management response.

We monitor strategic risks, KRIs and management responses over the course of the year informed by external and internal events, with formal evaluation and reporting to the Board twice per year.

Material risks

Material risks, which can materially impact our ability to deliver our business plans and processes, are managed and reported on through our real-time risk management tool, Global360. This software connects data relating to the management of our risks, events, hazards and assurance actions. Beyond helping us manage our material risks, data captured in this platform contributes towards the monitoring and management of our strategic risks and provides insight into trends that could inform a review of our business plans or a change in strategic direction.

Our Risk and Audit Committee and Sustainability Committee receive periodic reviews on material risk performance which assist our Board to carry out its role of overseeing our risk management and assurance practices.

Risk governance

We apply the three lines operating model to our system of risk management, which determines how our structures, processes, and organisational roles work together to facilitate strong risk management and assurance:

- The first line is responsible for designing, implementing and executing processes and controls in order to manage our risks;
- The second line assists the first line in managing risk by establishing group-level requirements, providing support and advice on the management of risks, and monitoring and reporting across risk families; and
- The third line, our Group Assurance function, provides independent and objective assurance over the Group's system of risk management and control.

Risk trend and strategic alignment

↑ The inherent risk impact or likelihood has increased over the past 12 months without considering internal control or management responses.

— The inherent risk impact or likelihood has not changed significantly over the past 12 months without considering internal control or management responses.

↓ The inherent risk impact or likelihood has decreased over the past 12 months without considering internal control or management responses.

The management of this risk is aligned to our strategy to optimise our business by working safely, minimising our impact, consistently delivering stable and predictable performance, and continually improving our competitiveness.

The management of this risk is aligned to our strategy to unlock the full value of our business through our people, innovation, projects and technology.

The management of this risk is aligned to our strategy to identify and pursue opportunities to sustainably reshape our business for the future, and create social, environmental and economic value.

OUR RISKS AT A GLANCE DURING FY25

—	Keeping our people safe and well
—	Portfolio reshaping
↑	Climate change and environment
—	Maintain, realise or enhance the value of our mineral resources and ore reserves
↑	Cybersecurity and privacy
—	Predictable operational performance
—	Delivery of our project portfolio
↑	Supply chain security
—	Shaping our culture and managing diverse talent
—	Evolving societal expectations
↑	Political risks, actions by governments and/or authorities
↑	Global economic uncertainty and liquidity

Risk management continued

KEEPING OUR PEOPLE SAFE AND WELL

Keeping our people safe and well underpins the culture we aspire to and sets our expectations of each other. A safe and healthy working environment is fundamental to living our values, so we strive to build inclusion and diversity in our workplace where everyone is valued and can participate to achieve their full potential. In everything we do, we focus on the health, safety and wellbeing of our people, contractors and communities.

Risk exposure trend FY25

Mr José Luis Pérez was fatally injured in an incident at Cerro Matoso in September 2024. Key learnings from the incident have been shared across our organisation, improvement actions are underway, and we have observed encouraging trends in our key safety metrics throughout the year. Our operations have maintained or enhanced leadership presence in the field, coupled with an increased identification of hazards.

Risk appetite

Aligned to our purpose and values, we will not take actions that compromise the health, safety and wellbeing of our people, contractors and communities.

Our response includes:

- We strive to continuously improve our work environment by making it safer, healthier and more productive for our people. We are implementing our multi-year Group-wide Safety Improvement Program designed with the aim of enhancing our safety culture and by changing mindsets and behaviours, achieving a step change in our safety performance;
- We have a system of risk management and comprehensive internal health and safety policies, standards and systems with associated performance requirements designed to prevent and mitigate potential exposure to health and safety risks;
- We engage, develop and train our people to make sure the work we do is well designed and executed;
- We investigate actual and potential significant events that could have led to severe injury or higher outcomes, put controls in place and share the learnings across our organisation;
- We have progressed the deployment of our new global psychosocial risk framework which standardises the way that we identify, assess and mitigate psychosocial risks across our business;
- We do not tolerate any form of inappropriate conduct including bullying, harassment, discrimination or victimisation; and
- In line with the three lines operating model, we have assurance functions independent of our operating activities that provide assurance against our own comprehensive internal standards.

PORTFOLIO RESHAPING

Our objective is to improve our return on invested capital and create shareholder value by increasing our exposure to high-quality operations in commodities with a strong and sustainable outlook, in jurisdictions where we believe we can operate in line with our values and Code of Business Conduct. Changing global sentiment presents a threat to the sustainability of our portfolio mix.

Risk exposure trend FY25

Consistent with the prior year, a constructive outlook for future-facing commodities continues to drive competition for development and operating assets in developed and/or low-risk jurisdictions, with a scarcity of actionable opportunities.

Risk appetite

We accept that in actively transforming our portfolio, we need to take risk to capture opportunities. We will seek to do so in jurisdictions and commodities where we believe we can operate or invest in line with our values and Code of Business Conduct.

Our response includes:

- We are actively reshaping our portfolio towards minerals and metals critical to the world's energy transition;
- We take more risk on early-stage exploration projects, including jurisdictional risk as well as through joint ventures and earn-ins, but commensurate with the commercial exposure;
- We will be flexible on opportunistic acquisitions including non-controlling and non-operating shareholdings in incorporated or unincorporated joint ventures;
- We seek opportunities to transform our portfolio to maintain competitiveness; and
- We regularly review commodity prices and exchange rates, to develop long-term views for our portfolio commodities and foreign exchange rates for the jurisdictions where we operate.

Learn more about how we are reshaping our portfolio in Our strategy in action on page 18.

CLIMATE CHANGE AND ENVIRONMENT

Climate change creates the potential for physical risks to our business, our people and the infrastructure, communities, environment and value chain on which we rely. The political, social and economic responses to the challenges posed by climate change and the transition to a low-carbon economy also pose transition risks to our business performance (i.e. demand for some of our commodities, cost and profit margins, social licence, regulatory exposure, and affordability of secure low-carbon energy and decarbonisation technology). Opportunities also exist, in improving operational efficiency and supporting business continuity, to create a resilient and high-performing organisation.

We recognise that our operations, people and communities are dependent on a number of environmental assets and ecosystem services. For example, our operations are dependent on access to water for our mining, processing, refining and smelting activities. Water scarcity, increased competition for water resources or increased costs to access water can impact our operations, supply chains and communities. Our operations also have the potential to impact nature, including biodiversity, air quality and land and water resources. This may result in increased costs to mitigate or address such impacts, prevent or delay project approvals, and could cause reputational damage.

Increased international recognition that the private sector has a role to play in protecting and restoring nature has led to the development of nature-related risk management and disclosure frameworks to assess, report and act on nature-related impacts, dependencies, risks and opportunities. In response, we have been working to improve our understanding of key nature-related impacts and dependencies of our operations and value chains.

Risk exposure trend FY25

Through FY25, climate change and environment-related risks continued to evolve, with increased scrutiny and impacts. Australia and the European Union have enacted mandatory climate reporting legislation. Carbon border tariffs were added to multiple countries' agendas. Geopolitical and economic tensions are causing political uncertainty, which is undermining climate change investment.

Risk appetite

We recognise the critical role our industry plays in enabling the transition to a low-carbon world and in supporting efforts to limit biodiversity loss. Responding to climate change is a complex challenge that requires balancing multiple factors, including the need to produce minerals and metals essential for the energy transition, economic viability, and ensuring a just transition for affected communities. We acknowledge our exposure to physical climate risks and other environmental impacts, and that we may need to take considered risks to reduce our environmental footprint and build resilience. We seek opportunities to transform our portfolio in ways that maintain competitiveness in a low-carbon world, consistent with our purpose and values.

Our response includes:

- Our approach to managing the energy transition and physical risks of climate change is outlined in the Addressing Climate Change section of our Annual Report 2025 and in our Climate Change Action Plan 2025 at *www.south32.net*;
- Our sustainability approach, inclusive of our climate and environmental performance requirements, is guided by the ICMM Mining Principles, United Nations Global Compact (UNGC) Ten Principles and United Nations Sustainable Development Goals, and is outlined in our Sustainability Policy and Annual Report 2025;
- We seek to manage water resources using a holistic approach to promote better water use and effective catchment management, and to contribute to improved water security and sanitation;
- We establish contextual water targets or objectives for operations exposed to water-related material risks to protect and reduce risks to other beneficial users, including other water users, and the health of the watershed;
- Our approach to biodiversity conservation addresses biodiversity impacts with a focus on minimising our operational impacts through application of the biodiversity mitigation hierarchy and collaborating with others to contribute towards biodiversity conservation and restoration;
- We aim to achieve a minimum of no net loss or net gain of biodiversity by completion of closure for all new and existing projects through the application of the biodiversity mitigation hierarchy of avoidance, minimisation, rehabilitation and offsetting;
- We integrate land management and rehabilitation processes into our business planning and give consideration to cumulative impacts when developing management controls to minimise impacts on surrounding ecosystems;
- We apply the mitigation hierarchy to prevent pollution, manage releases and reduce waste, remediate impacts and address risks to human health and the environment;
- We engage regularly with investors, governments, industry partners, membership-based sustainability organisations, environmental, social and governance (ESG) proxy advisers and ESG activist groups to identify and monitor emerging environmental, nature and climate change risks, opportunities and trends;
- We are transparent in our disclosure of environment and climate-related opportunities and threats in our annual reporting, in accordance with applicable GRI Standards and the recommendations and recommended disclosures of the TCFD, and in alignment with requirements for ICMM members; and
- We established a baseline and projected nature-related impacts and dependencies for our direct operations, non-operated joint ventures, and upstream value chain in FY23 and FY24.

Risk management continued

MAINTAIN, REALISE OR ENHANCE THE VALUE OF OUR MINERAL RESOURCES AND ORE RESERVES

We intend to realise the potential of the resources and reserves we are entrusted to develop. We work to continually optimise our operations and projects through sound technical and economic understanding of our resources and reserves.

Risk exposure trend FY25

Factors across FY25 influencing value at risk within our life of operations plans include production complexity, extreme weather events and commodity market uncertainty for specific operations. However, our approved development path activities remain on track from FY24.

Risk appetite

We are not willing to take risks that inhibit our ability to realise the potential of the resources and reserves we are entrusted to develop.

Our response includes:

- We have capital prioritisation, capital allocation and planning processes which prioritise the highest-value options across our portfolio;
- We apply an annual planning process, that considers the impact of ESG-related matters on our Ore Reserves, with plans structured to maximise value throughout the life of our operations;
- Drill plans and budgets are approved as part of our annual planning cycle and compliance to those plans is tracked monthly and reported quarterly. Where there is material deviation to plan, actions are taken to get us back on track;
- We apply a rigorous project development process that includes independent peer review of project risks and approval tollgates;
- We leverage enhanced understanding of our resources through the annual planning cycle to define and assess additional opportunities to add value to our business;
- We report Mineral Resources and Ore Reserves in accordance with the JORC Code as required in Chapter 5 of the ASX Listing Rules; and
- We have an internal closure standard which requires that our full life of operations value incorporates closure and rehabilitation liabilities.

Learn more about resources and reserves on page 233.

CYBERSECURITY AND PRIVACY

Across the countries we operate in, there are increasing cyber threats targeting critical infrastructure, supply chains and data. As the mining sector increasingly depends on interconnected systems, automation, and data-driven operations, strong cybersecurity and privacy risk management is essential. Protecting personal information, production systems and company data requires these considerations to be embedded throughout the design, development and support of our technologies. Our cybersecurity tools, processes and risk management practices are designed to safeguard our people, systems and information to enable safe and reliable operations.

Risk exposure trend FY25

The cyber threat environment continues to evolve, both in sophistication and volume of attacks. The mining and resources sector, together with critical infrastructure and operational technology environments, is increasingly targeted by cyber threats. The most common and costly threats are ransomware, data theft extortion (business and personal), business email compromise and third-party compromise. Significant compromise due to these threats can lead to material safety, production, and financial and data loss impacts. The increasing influence of nation-state threat groups and the continued unstable geopolitical landscape throughout the world contribute to our increasing cybersecurity and privacy risk exposure.

Risk appetite

We are not willing to take risks that compromises our resilience or result in a loss of data or disruptions to our operations due to the theft, disclosure or corruption of information and systems. We have a low appetite for cyber threats that could materially impact confidentiality, integrity, availability of data, or the personal identifiable information of individuals.

Our response includes:

- We actively manage cybersecurity, privacy and loss of critical systems risks through our system of risk management;
- We have developed our cybersecurity strategy and risk controls aligned to the National Institute of Standards and Technology cybersecurity and privacy framework;
- We have developed standards and procedures, and implemented tools to proactively manage our cybersecurity and privacy controls;
- We build collective security awareness through training and exercises to reduce exposure and minimise the impact of disruptive cybersecurity events;
- We assess, monitor and respond to third-party risks to protect South32 systems, data and identities; and
- We use cyber threat intelligence services to enable informed cyber risk management activities for functions and operations.

Learn more about how we manage cybersecurity and privacy on page 41.

PREDICTABLE OPERATIONAL PERFORMANCE

External volatility and challenges can impact predictable performance. Loss of predictable operational performance will prevent us from reliably delivering on our strategic objectives. We build resilience and predictability into our business by sustaining our ability to keep our people safe and well, meeting our regulatory and social obligations, effectively managing and improving our assets, leveraging technology and innovation, planning for and proactively managing major events and natural catastrophes, managing cost inflation and consistently delivering quality products to our customers.

Risk exposure trend FY25

The trend in risk exposure has remained constant through FY25. However, exposure remains elevated due to external factors such as extreme weather and global economic uncertainties (e.g. tariffs), social and labour unrest, and internal factors such as safety incidents and equipment performance.

Risk appetite

We are not willing to take risks that compromise the safe, stable and predictable performance of our operations.

Our response includes:

- We have embedded, and regularly verify and improve, our safety and risk management systems across our business, including robust assurance processes with our three lines model;
- We have an asset management system in place at each operation. We regularly review our asset health and asset integrity, and we invest in our operations to sustain and improve production capacity that generates reliable cash flow to deliver on our strategic objectives;
- We have integrated operating and planning systems to manage long- and short-term planning, and we regularly verify and improve our operating practices;
- We actively manage risks to our resources and reserves, mine and operational planning including reconciliation of Ore Reserves to production, plan and spatial compliance and management of geotechnical risks;
- We manage product delivery and supply chain risks including effective sales and operational planning processes, monitoring of raw material supply and management of target inventory operating windows;
- We have business continuity, disaster response plans and insurance coverage in place with trigger action response processes to facilitate a rapid response to major events (e.g. tailings dam failures, extreme weather) and safely restore our operations, with the aim of protecting the health and safety of our people and the communities in which we operate; and
- We have a clearly defined approach to innovation, improvement and technology; including specific programs focused on unlocking the full potential of our operations and adoption of critical technology capabilities including artificial intelligence, automation and new process technologies.

Learn more about our operational performance in Our strategy in action on page 18.

DELIVERY OF OUR PROJECT PORTFOLIO

Delivery of our project portfolio, both brownfield and greenfield, forms a critical component of our strategy. Delivery of projects safely, on schedule and within budget allows us to optimise and unlock the value of our business, improve reliability, develop our assets, extend the life of our operations, realise our external commitments and grow volumes into structurally attractive markets.

Risk exposure trend FY25

The conditions that challenged project development have persisted through FY25. Rising cost of capital, high input costs and contractors leveraging their position to negotiate more favourable terms, drove higher pricing. Complex and evolving regulatory approval processes and permitting delays extended project cycles. These external pressures influenced investment decisions and intensified capital discipline.

Risk appetite

Aligned to our strategy of unlocking value in our business, we will not take actions that compromise the planning and execution of our major projects. However, we accept there may be greater levels of risk to pursue opportunities to extend the life of existing operations through brownfield projects and in executing decarbonisation projects for our assets.

Our response includes:

- Our internal investment framework defines a tollgate process with a mature and an independent peer review mechanism to inform key investment decisions;
- Investment decisions are underpinned by robust capital prioritisation. We allocate capital to projects to deliver on our medium- and long-term plan to maximise capital effectiveness and returns;
- We maintain a life of operation planning process. By evaluating the embedded project options in our operations, we look to optimise value throughout the life of our operations;
- Our project management framework supports disciplined project development and delivery;
- Our joint venture agreements include mechanisms such as technical committees and independent reviews to influence project, schedule and cost outcomes;
- We apply a standardised valuation methodology with consistent key macroeconomic assumptions; and
- We regularly review construction and engineering cost inputs, which inform our project budgets.

Learn more about our project execution in Our strategy in action on page 18.

Risk management continued

SUPPLY CHAIN SECURITY

Optimal and sustainable management of supply chain risk positions our business to operate safely and reliably, at the lowest possible cost and in a manner that meets or exceeds the expectations of our stakeholders.

The inability to procure critical goods and services, such as raw materials, energy, water, equipment and spare parts, consumables, technology, corporate services, labour and logistics, has the potential to impact business performance and our strategic objectives.

The procurement of critical goods and services must be undertaken in a manner that aligns to our purpose and values, meets stakeholder expectations and adheres to the policies and regulations where we operate. This includes sustainable sourcing and supporting local communities.

The security of our supply chain is heavily impacted by jurisdictional unrest, geopolitical tensions, climate change, and a shift from globalism towards protectionism.

Risk exposure trend FY25

Supply chain risk is trending up primarily due to geopolitical tension, trade wars and climate change.

Geopolitical uncertainty is an increasingly prominent feature in the international landscape.

Risk appetite

Aligned to our strategy of optimising our business, we are not willing to take undue risks that compromise the security of our supply chain. However, we accept that we have a strong reliance on certain critical suppliers, particularly to provide energy, logistics and raw materials to our operations, and we have limited ability to reduce this reliance.

Our response includes:

- We understand, assess and regularly monitor the risks in our supply chains through an integrated system that considers the value impact of critical goods and services. This includes risks relating to potential shortages, critical suppliers and categories, vendor liquidity, logistics, climate change and decarbonisation, and modern slavery;
- Internal and external data is integrated so we have a good understanding of existing and emerging risks and can take action to mitigate them;
- We use our understanding of risk to deploy controls to support predictable operations. This includes working closely with our vendors and operations to match availability with demand; understanding options for alternative sources of supply and implementing multi-source supply where required; optimising inventory levels; flexing commercial terms and maintaining up-to-date business continuity plans. We regularly optimise our approach between ‘just in case’ and ‘just in time’ as supply chain risk ebbs and flows;
- We build strong strategic partnerships with key suppliers and customers on a long-term, mutually beneficial basis;
- We have a clearly defined transformation strategy and Enterprise Supplier Development program in South Africa aimed at building and growing small, medium and micro enterprises;
- We have Reconciliation Action Plan targets to develop and support Aboriginal and Torres Strait Islander enterprises in Australia;
- We have local procurement initiatives designed to increase opportunities for local suppliers;
- We actively review and manage payment terms to support small and local businesses in all jurisdictions in which we operate; and
- We utilise an established process to assess and mitigate potential modern slavery risks.

SHAPING OUR CULTURE AND MANAGING DIVERSE TALENT

We must actively shape and embed our culture to attract, develop, support and retain our talented people to deliver a safe and sustainable business. To align with the evolving needs of our people, business and broader stakeholders, we regularly monitor our culture and seek feedback to enhance the employee experience.

Risk exposure trend FY25

— The inherent risk trend has remained steady through FY25, with no material changes to talent markets in which we operate, internal attrition of key talent, or organisational culture expectations in the external environment.

Risk appetite

People underpin everything we do and we are not willing to take risks that could negatively impact our culture and the way our people connect to our purpose. However, we recognise our size and the competitive labour market in which we operate and therefore accept there is risk in building our talent and succession pipeline.

Our response includes:

- Our Code of Business Conduct sets out our expected standards of workplace behaviours which inform our culture. Formal training and assessment routines are in place to educate, reinforce, and assess our people's understanding. Anyone can report a business conduct concern, anonymously, by using our confidential and independently administered reporting hotline;
- We measure and discuss culture using a Culture Tensions framing model. This process acts as a health check and allows us to assess positive or negative change and test whether we are making progress towards our preferred culture that balances relationships with performance and systems and processes with innovation and empowerment;
- We measure our employee experience, including at onboarding, annually through our 'Your Voice' employee survey, and at exit. The Your Voice survey responses are shared with line leaders to enable team-based conversations to improve the local employee experience;
- We have an Inclusion and Diversity Policy and an internal inclusion and diversity standard, which sets out our commitments, strategy, requirements, measurable objectives and approach to performance reporting;
- We have a Leadership Model which strengthens alignment to our preferred culture and behaviours, and is integrated across our people systems and processes;
- We have a performance and goals process which supports our reward philosophy, and recognises and rewards aligned leadership behaviours and performance;
- We design our reward elements in accordance with our global reward framework taking into consideration local labour market practices, which enables us to attract appropriate skills and experience, engage employees and improve performance;
- We routinely review our key talent and critical role successors globally, creating individualised plans to further their development and address talent pipeline risks as appropriate. This includes targeted retention programs for key talent and/or team members occupying critical roles;
- We support employees who undertake further education and training related to their current or future career at South32; and
- We have an internal flexible work procedure which empowers our leaders to engage with their teams to determine the ways of working that balance individual, team and business requirements.

EVOLVING SOCIETAL EXPECTATIONS

The expectations of resources companies by employees, governments, investors, lenders, host communities including Indigenous, Traditional and Tribal Peoples (ITTPs), customers, non-governmental organisations and civil society continue to evolve. To keep pace with these expectations and understand the potential impact to our business performance, reputation and delivery of our strategic objectives, we maintain an active stakeholder engagement program and undertake external monitoring on a wide range of financial and ESG matters, and policy developments. We regularly engage with our stakeholders to understand and respond to their views. We use this information to inform how we operate and how we partner with stakeholders, including our host communities, to maintain our licence to operate and create enduring social, environmental and economic value in a way that is consistent with our purpose, strategy and values.

Risk exposure trend FY25

There have been no significant changes in material sustainability topics between reporting years. While some stakeholders' expectations increased over the past two-three years on topics such as nature, there was a softening of expectations in FY25 relating to the velocity of sustainable action from some stakeholders, namely regulators and policymakers.

Risk appetite

We accept that we may be required to take considered risks inherent to mining and mineral processing, and in pursuit of our strategy, acknowledging these may not always align with all societal expectations.

Our response includes:

- Our purpose and strategy expressly balance economic outcomes with social and environmental outcomes, now and into the future. In the decisions we take, we look to minimise impact, respect human rights and aim to create enduring social, environmental and economic value for our stakeholders, in a way that aligns with our purpose, strategy and values;
- We undertake internal and external stakeholder engagement with investors, employees, customers, communities (including ITTPs) industry associations and other global forums on a wide range of financial and ESG matters, to understand stakeholder perceptions and areas of interest and concern, to inform decision-making;
- Through our Sustainability Governance Framework and annual Sustainability Materiality Assessment (Materiality Assessment) we use a range of publicly available information, internal data, and stakeholder survey results to inform our decision-making, and the proportionality of our response;
- We work to build strong, positive and meaningful relationships with local communities. We regularly complete and review community perception surveys, human rights impact assessments, social baseline studies, and social impact and opportunity assessments to improve our understanding of the communities in which we operate;
- We review and amend our social investment program annually to align with community and stakeholder priorities. We measure the outputs and outcomes of our social investments as it informs future investment decisions and improves social investment project design;
- We develop economic development plans at all of our operations which contribute to local and regional economic development through employment, procurement and business development. These plans include targets informed by local context, including women and people with diverse backgrounds; and
- We transparently report on our performance through annual reporting processes and participate in sustainability reporting transparency initiatives and ESG rating agency reviews that assess and score our performance.

Learn more about how we are delivering value to society, on page 35 and 36. Details of the external standards and initiatives that guide us are outlined on page 27.

POLITICAL RISKS, ACTIONS BY GOVERNMENTS AND/OR AUTHORITIES

Changes in legislation, regulation, policy and geopolitical activity have the potential to impact our strategic objectives and the way we work. This includes broader policy decisions and regulatory changes, related but not limited to changes to royalty and taxation policy, nationalisation of mineral resources, supply chains, renegotiation or nullification of contracts, leases, permits or agreements, climate change and emissions reduction requirements, and environmental and social performance requirements. We aim to effectively manage this uncertainty through engagement with key stakeholders and industry associations, monitoring of political activity, policy, legislative and regulatory changes, and by having access to specialised knowledge.

Risk exposure trend FY25

Ongoing conflict in Ukraine, wars in the Middle East and Sudan and an escalated global trade war following President Trump's re-election have all materially escalated geopolitical risk in FY25. Uncertainty is being driven by increased protectionism, national security considerations, civil unrest, geopolitical competition, shifts in the global world order and the role of international organisations. At the same time, fiscal pressure in many jurisdictions has seen governments intensify their focus on tax law reform.

Risk appetite

We have a low appetite for activities that are likely to result in non-compliance with applicable legal or regulatory requirements. We maintain programs that seek to comply with those requirements. However, there can be no guarantee that such programs will always be effective to identify or prevent breaches of the law. Further, we operate in certain complex environments and jurisdictions which are subject to legislative, regulatory or government policy changes that may adversely impact our business. Therefore, there will always be residual risk in relation to compliance with legal and regulatory requirements, and changes to those requirements that may adversely impact our business.

Our response includes:

- We have specialised knowledge through in-house expertise or the use of external experts, including tax management capability, tax advice and external affairs advice;
- We monitor political activity, policy, and legislative and regulatory changes in the jurisdictions where we operate, and we also engage with relevant authorities, to understand and mitigate potential impacts on our business performance;
- We engage with key stakeholders in all jurisdictions where we operate, in accordance with our stakeholder engagement plans;
- We work through selected industry associations to influence how the industry is positioned; and
- We produce an annual Tax Transparency and Payments to Governments Report, which shows how we meet our regulatory tax obligations.

Learn more about our approach to tax in our Tax Transparency and Payments to Government Report at www.south32.net.

GLOBAL ECONOMIC UNCERTAINTY AND LIQUIDITY

We prioritise an investment grade credit rating and a disciplined approach to allocating capital which aims to keep our balance sheet strong, providing us with financial flexibility regardless of market conditions. By creating competition for capital and investing selectively in our existing operations, growth options and external opportunities, or by making returns to shareholders, we aim to maximise total shareholder returns over time.

Risk exposure trend FY25

Market volatility associated with major countries changing their international trade policy in the second half of FY25 has created medium-term uncertainty. We continue to monitor our forecast liquidity, our funds from operations continue to support an investment grade credit rating and we maintain access to a range of funding sources.

Risk appetite

We are not willing to take risks that may limit our ability to maintain a minimum liquidity balance and/or access to funding on acceptable terms. We recognise our preferred commodity basket and our operating costs have the potential for price and exchange rate volatility outside of our control, and while we accept that as a resource company we are exposed to this inherent risk, we will act to reduce its impact by understanding its effect on our business.

Our response includes:

- We have a diverse portfolio of operations, commodities and end markets which strengthens our resilience to the disruption of any one commodity, geography or operation;
- We prioritise a strong balance sheet and an investment grade credit rating, with the aim of remaining resilient through economic cycles;
- We test our financial strength across a range of scenarios, including a depressed demand and pricing environment. We also maintain a minimum liquidity buffer and access to a diverse range of funding sources;
- We adjust our capital allocation plans according to market conditions;
- We maintain strong relationships with high-quality financial institutions, customers and suppliers from all around the world;
- We mostly sell our products with reference to floating, market-based prices, which are broadly correlated with floating global currency markets and the input costs we are exposed to; and
- We regularly review commodity prices and exchange rates, which inform our operational plans.

Learn more about our capital management framework in Our strategy on page 18.

Financial and operating performance summary

STRONG PERFORMANCE, CONTINUED PORTFOLIO TRANSFORMATION

Strong operating performance during the year enabled us to capitalise on improved commodity prices, while we increased our production of commodities critical to the global energy transition.

US$1,928M

Underlying EBITDA

US$666M

Underlying earnings

26.3%

Operating margin

FINANCIAL HIGHLIGHTS

US$M	FY25	FY24	% Change
Revenue from continuing operations[1,2]	**5,780**	*4,923*	17%
Operating profit/(loss) from continuing operations[1,2]	**554**	*(519)*	N/A
Profit/(loss) after tax	**210**	(205)	N/A
Profit/(loss) after tax attributable to members[3]	**213**	(203)	N/A
Basic earnings/(loss) per share (US cents)[4]	**4.7**	(4.5)	N/A
Ordinary dividends per share (US cents)[5]	**6.0**	3.5	71%
Ordinary shares on issue (million)	**4,504**	4,529	(0.6%)
Other financial measures[6]			
Underlying revenue	**7,610**	8,296	(8%)
Underlying EBITDA	**1,928**	1,802	7%
Underlying EBITDA margin	**26.3%**	22.8%	3.5%
Underlying EBIT	**1,211**	886	37%
Underlying EBIT margin	**16.5%**	11.1%	5.4%
Underlying earnings attributable to members[3]	**666**	380	75%
Basic Underlying earnings per share (US cents)[4]	**14.8**	8.4	76%
ROIC	**8.7%**	*4.8%*	3.9%

1. On 29 August 2024, South32 sold its shareholding in Illawarra Metallurgical Coal to an entity owned by Golden Energy and Resources Pte Ltd and M Resources Pty Ltd. Refer to market release "Completion of Illawarra Metallurgical Coal Sale" dated 29 August 2024. As a result of the transaction, Illawarra Metallurgical Coal was classified as a discontinued operation in the FY25 and FY24 results. Our Group underlying financial measures include the financial contribution from Illawarra Metallurgical Coal prior to its sale.
2. On 7 July 2025, South32 entered into a binding agreement for the sale of Cerro Matoso to an entity owned by CoreX Holding B.V. Refer to market release "Agreement to divest Cerro Matoso" dated 7 July 2025. As a result of the binding agreement, Cerro Matoso was classified as a discontinued operation in the FY25 and FY24 restated results, and held for sale as at 30 June 2025. Cerro Matoso remains part of the Group until completion, expected in late H1 FY26, subject to the satisfaction or waiver of certain conditions. Our Group underlying financial measures include the financial contribution from Cerro Matoso.
3. Members are equity holders of South32 Limited. Amounts reported as attributable to members are stated net of amounts attributable to non-controlling interests.
4. Basic earnings per share is calculated as Profit/(loss) after tax attributable to members divided by the weighted average number of shares for the period. Basic Underlying earnings per share is calculated as Underlying earnings attributable to members divided by the weighted average number of shares for the period. The weighted average number of shares for FY25 is 4,510 million (FY24: 4,519 million).
5. FY25 ordinary dividends per share is calculated as H1 FY25 ordinary dividend announced (US$154M) divided by the number of shares on issue at 31 December 2024 (4,517 million) plus H2 FY25 ordinary dividend announced (US$117M) divided by the number of shares on issue at 30 June 2025 (4,504 million).
6. The underlying information reflects the Group's interest in material equity accounted joint ventures and is presented on a proportional consolidation basis. Our Group underlying financial measures reflect continuing and discontinued operations. Financial measures listed in this table and subsequently repeated throughout this report are defined in the Glossary of terms and abbreviations starting on page 260.

USE OF NON-IFRS MEASURES

The Group uses both International Financial Reporting Standards (IFRS) financial measures and non-IFRS financial measures such as underlying measures of earnings, effective tax rate (ETR), return on invested capital (ROIC), cash flow and net cash/(debt), to assess the Group's performance.

The definitions of individual non-IFRS financial measures used in this report are set out in the Glossary of terms and abbreviations starting on page 260.

A reconciliation of the Group's underlying financial results to the statutory information included in the Group's consolidated financial statements is included in note 4(b)(i) to the financial statements on page 182.

The Directors believe that the non-IFRS financials measures are relevant to understanding the underlying financial and operating performance of the Group and its operations. These non-IFRS financial measures provide useful information, but should not be considered as an indication of, or an alternative to, profit/(loss) after tax as an indicator of actual operating performance or as an alternative to cash flow as a measure of liquidity.

In discussing the operating results of the Group, the focus is on Underlying earnings attributable to members and ROIC. Underlying earnings attributable to members is the key measure that is used by the Group to assess our performance, make decisions on the allocation of resources and assess senior management's performance. In addition, the performance of each of the Group's operations and operational management is assessed based on Underlying EBIT and Underlying EBITDA.

Management uses these measures because financing structures and tax regimes differ across the Group's operations and substantial components of tax and interest charges are levied at a Group level rather than an operational level.

The underlying information reflects the Group's interest in material equity accounted joint ventures and is presented on a proportional consolidation basis.

In order to calculate Underlying EBITDA, Underlying EBIT and Underlying earnings attributable to members, the following items are adjusted as applicable each period, irrespective of materiality:

- Exchange rate gains/losses on restatement of monetary items;
- Impairment losses/reversals;
- Gains/losses on disposal and/or consolidation of interests in operations;
- Gains/losses on non-trading derivative instruments, contingent consideration and other investments measured at fair value through profit or loss;
- Major corporate restructures;
- Joint venture adjustments;
- Exchange rate variations on net cash/(debt);
- Tax effect of earnings adjustments; and
- Exchange rate variations on tax balances.

In addition, items that do not reflect the underlying operations of the Group, and are individually, or in combination with other related earnings adjustments, significant to the financial statements, are excluded to determine Underlying earnings.

Non-IFRS measures

Non-IFRS measures referenced throughout the Annual Report are listed below. The definition of each of these measures can be found in the Glossary starting on page 260.

- Underlying earnings
- Underlying earnings attributable to members
- Underlying revenue
- Underlying EBIT
- Underlying EBITDA
- Underlying depreciation and amortisation
- Underlying net finance incomes/(costs)
- Underlying income tax and royalty-related expense
- Underlying tax expense
- Underlying royalty-related tax expense
- Underlying ETR
- Adjusted Underlying EBITDA

Financial and operating performance summary continued

BUSINESS PERFORMANCE

Aluminium value chain

Alumina

Alumina production was largely unchanged year-on-year at 5.1Mt in FY25. Worsley Alumina production decreased 1% due to constrained bauxite supply ahead of receiving primary environmental approvals for the Worsley Mine Development Project (Project)[7], while Brazil Alumina production increased by 4% as improved plant availability more than offset wet weather impacts in H2 FY25.

Alumina production is expected to be 5.1Mt in FY26 and increase by 3% to 5.3Mt in FY27 as Worsley Alumina benefits from improved bauxite supply delivered by the Project. The development of new mining areas under the Project is expected to sustain production at Worsley Alumina to at least FY36[8].

Underlying EBITDA increased by US$714M to US$1,078M in FY25, for an operating margin of 40%, as a 45% increase in our average realised price of alumina, more than offset higher caustic soda costs at Worsley Alumina.

Aluminium

Aluminium production increased by 6% to 1,211kt in FY25, as Hillside Aluminium continued to test its maximum technical capacity, Mozal Aluminium completed its recovery plan, despite the impacts of civil unrest in Mozambique, and Brazil Aluminium continued to ramp-up.

Hillside Aluminium production is expected to be 720kt[9] across both FY26 and FY27, as the smelter continues its strong operating performance. Brazil Aluminium production is expected to increase by 16% to 160kt in FY26 and a further 3% to 165kt in FY27 as the smelter ramps-up all three potlines.

As announced on 14 August 2025[10], we have taken the decision to limit investment in Mozal Aluminium due to the increased uncertainty regarding future electricity supply. Without access to sufficient and affordable electricity, we expect that Mozal Aluminium will be placed on care and maintenance in March 2026, when the current agreement expires. Production is expected to be 240kt[9] in FY26 reflecting fewer pots in operation as we stop pot relining and operations continuing only to March 2026.

Underlying EBITDA increased by US$66M to US$187M in FY25, for an operating margin of 6%, as a 6% increase in sales volumes, higher average aluminium prices, and lower smelter raw material input prices (coke and pitch), more than offset higher alumina prices.

Base metals

Copper

Sierra Gorda payable copper equivalent production[11] increased by 20% to 88.1kt in FY25, as the operation realised higher planned copper grades and improved molybdenum recoveries. Payable copper equivalent production[11] is expected to be *85.7*kt in FY26 and to increase by 5% to 90.2kt in FY27 with higher planned copper grades.

Underlying EBITDA increased by US$207M to US$482M in FY25, for an operating margin of 58%, due to higher sales volumes, improved metals prices and lower labour costs.

Sierra Gorda continued to invest in studies and exploration to grow future copper production, including a feasibility study for the fourth grinding line expansion, which has the potential to increase plant throughput by ~20% to ~58Mtpa (100% basis). The feasibility study for the fourth grinding line is expected to be completed in late H1 FY26.

We expanded our pipeline of copper exploration options in highly prospective regions. Our strategic alliance with Noronex Limited to explore for copper in the Kalahari copper belt in Namibia was expanded to include tenements in Botswana, and we acquired a 19.9% interest in American Eagle Gold Corp., which holds an option to acquire a 100% interest in the Nakinilerak copper exploration prospect in British Columbia, Canada.

We also invested US$35M in greenfield exploration programs in FY25, as we work to discover our next generation of base metals mines.

7. Refer to market release "Worsley Mine Development Project Receives Federal Approval" dated 12 February 2025.
8. Subject to receipt of any necessary secondary approvals. The information in this report that refers to Production Target and forecast financial information for Worsley Alumina is based on Proved (87%) and Probable (13%) Ore Reserves. The Ore Reserves underpinning the Production Target have been prepared by G Burnham and reported in accordance with the requirements of the JORC Code and on is available on pages 233 to 256. South32 confirms that all material assumptions underpinning the Production Target and forecast financial information derived from the Production Target continues to apply and have not materially changed.
9. Production guidance for Hillside Aluminium and Mozal Aluminium does not assume any load-shedding impact on production.
10. Refer to market release "Mozal Aluminium Update" dated 14 August 2025.
11. Payable copper equivalent production (kt) was calculated by aggregating revenues from copper, molybdenum, gold and silver, and dividing the total Revenue by the price of copper. FY24 realised prices for copper (US$3.86/lb), molybdenum (US$20.60/lb), gold (US$2,129/oz) and silver (US$24.8/oz) have been used for FY24 and FY25. FY25 realised prices for copper (US$4.18/lb), molybdenum (US$21.12/lb), gold (US$2,877/oz) and silver (US$31.7/oz) have been used for FY26e and FY27e.

Zinc

Cannington payable zinc equivalent production[12] decreased by 20% to 241.9kt in FY25, as the operation managed increased underground activity and complexity, while average metals grades also declined in accordance with the mine plan.

We have completed the previously announced review of the Cannington mine plan in response to increased underground complexity. To manage the challenging underground conditions and deliver reliable mining rates, we have lowered expected mining volumes to an average of ~1.8Mtpa[13] over FY26 to FY31. Processing rates are also revised lower and work is underway to optimise the cost base, including contractor and equipment requirements, in line with lower planned volumes.

The underground Ore Reserve of 10Mt[13] supports a reserve life of six years at Cannington. We are progressing options to extend the mine life, targeting further growth from the underground Mineral Resource of 53Mt[14]. In addition, we are advancing study work on a potential open pit development to unlock value from the Mineral Resource of 25Mt[14] and capitalise on higher silver prices.

Payable zinc equivalent production[12] is expected to be *200.6*kt in FY26 (ore processed 1,850kdmt, zinc 40.0kt, lead 87.0kt, silver 8,200koz) and 204.7kt in FY27 (ore processed 1,750kdmt, zinc 43.0kt, lead 80.0kt, silver 8,700koz).

Underlying EBITDA decreased by US$8M to US$281M in FY25, for an operating margin of 43%, as higher average realised metals prices were more than offset by lower sales volumes and additional mining costs to support the increased underground activity.

We invested US$517M[15] at Hermosa in FY25, as we progressed construction of our large-scale, long-life Taylor zinc-lead-silver project and an exploration decline for the Clark battery-grade manganese deposit. At Taylor, we continued sinking the ventilation shaft and commenced sinking the main shaft in Q4 FY25. Construction activity for the process plant also commenced in Q4 FY25.

We expect to increase our investment at Hermosa by US$233M to US$750M[16] in FY26 reflecting a planned increase in construction activity at Taylor for the shafts and surface infrastructure.

We directed US$35M to capitalised exploration at Hermosa in FY25 as we continued to test the potential for a continuous copper system connecting the Peake copper deposit[17] and Taylor Deeps.

Nickel

Cerro Matoso payable nickel production decreased by 9% to 37.1kt in FY25 due to lower planned nickel grades.

Underlying EBITDA decreased by US$26M to US$84M in FY25, for an operating margin of 17%, as cost efficiencies, lower price-linked royalties and a weaker Colombian peso, were more than offset by lower sales volumes and average realised nickel prices.

On 7 July 2025, we announced the divestment of Cerro Matoso for nominal upfront consideration and future cash payments of up to US$100M[18]. The transaction followed a strategic review in response to structural changes in the nickel market. Completion of the transaction is expected in late H1 FY26, subject to the satisfaction or waiver of certain conditions. The transaction will further streamline our portfolio towards higher-margin businesses in minerals and metals critical to the world's energy transition.

12. Payable zinc equivalent (kt) was calculated by aggregating revenues from payable silver, lead and zinc, and dividing the total Revenue by the price of zinc. FY24 realised prices for zinc (US$2,230/t), lead (US$2,002/t) and silver (US$24.8/oz) have been used for FY24 and FY25. FY25 realised prices for zinc (US$2,648/t), lead (US$1,883/t) and silver (US$31.9/oz) have been used for FY26e and FY27e.
13. The information in this report that refers to Production Target and forecast financial information for Cannington is based on Proved (84%) and Probable (16%) Ore Reserves. The Ore Reserves underpinning the Production Target have been prepared by T Bailey in accordance with the requirement of the JORC Code and is available on pages 233 to 256. South32 confirms that all material assumptions underpinning the Production Target and forecast financial information derived from the Production Target continues to apply and have not materially changed.
14. The Total Underground Mineral Resource of 53Mt includes 39Mt of Measured, 11Mt of Indicated and 2.6Mt of Inferred Resource. The Total Open pit Mineral Resource of 25Mt includes 19Mt of Measured, 4.5Mt of Indicated and 1.2Mt of Inferred Mineral Resources. The information in this report that relates to the Mineral Resource and Ore Reserve estimate for Cannington mine is available on pages 233 to 256 and prepared by S Bowman in accordance with the requirements of the JORC Code. South32 confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.
15. Hermosa growth capital expenditure excludes lease payments of US$19M for self generated power assets directly attributable to construction of infrastructure at the Taylor deposit. These self generated power costs were included in our capital cost estimate provided in market release "Final Investment Approval to Develop Hermosa's Taylor Deposit" dated 15 February 2024.
16. Hermosa growth capital expenditure guidance excludes expected lease payments of ~US$50M for self generated power assets directly attributable to construction of infrastructure at the Taylor deposit. These self generated power costs were included in our capital cost estimate provided in market release "Final Investment Approval to Develop Hermosa's Taylor Deposit" dated 15 February 2024.
17. Exploration Results: The information in this report that relates to the Exploration Results for the Peake deposit is extracted from the market release "2025 Half Year Results Presentation" dated 13 February 2025. The information was prepared by R Wilson, Competent Person, in accordance with the requirements of the JORC Code. South32 confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. South32 confirms that the form and context in which the Competent Person's findings are presented have not been materially changed from the original market announcements.
18. Refer to market release "Agreement to divest Cerro Matoso" dated 7 July 2025.

Financial and operating performance summary continued

Manganese

Australia Manganese

Australia Manganese successfully completed its operational recovery plan following the impacts of Tropical Cyclone Megan in Q3 FY24, with export shipments resuming in Q4 FY25. Production is expected to be 3,200kwmt across both FY26 and FY27 as the operation delivers normalised production rates.

Underlying EBITDA was a loss of US$105M in FY25, due to the impacts of Tropical Cyclone Megan. In addition, we incurred idle capacity and other remediation costs of US$133M (South32 share) that were excluded from Underlying EBITDA as an earnings adjustment.

South Africa Manganese

South Africa Manganese production was largely unchanged at 2,151kwmt in FY25, as the operation continued to deliver strong mining performance and benefitted from improved access to in-land rail logistics. Production is expected to be 2,000kwmt across both FY26 and FY27, subject to our continued use of higher cost trucking in response to market conditions.

Underlying EBITDA decreased by US$19M to US$46M in FY25, for an operating margin of 13%, as higher average realised manganese prices and lower in-land logistics costs, were more than offset by a stronger South African rand and additional planned maintenance.

In June 2025, Samancor Manganese Proprietary Limited completed the divestment of the Metalloys manganese alloy smelter[19], which had been on care and maintenance since FY20.

19. Refer to media release "Completion of Metalloys manganese alloy smelter divestment" dated 3 June 2025.

FINANCIAL PERFORMANCE

Profit and Loss

The Group's profit after tax attributable to members increased by US$416M to US$213M in FY25, notwithstanding impairments for Cerro Matoso (-US$118M) and Mozal Aluminium (-US$372M). Underlying earnings attributable to members increased by US$286M to US$666M in FY25 as we delivered strong operating results and capitalised on higher commodity prices. A reconciliation of profit/(loss) to Underlying earnings attributable to members is set out on page 80.

Underlying revenue decreased by US$686M (or 8%) to US$7,610M in FY25, as higher average commodity prices (+US$968M) and sales volumes (+US$75M) were more than offset by lower revenue from Illawarra Metallurgical Coal (IMC) (-US$1,317M) following its sale in August 2024 and Australia Manganese (-US$394M) due to the impacts of Tropical Cyclone Megan. A reconciliation of Underlying revenue to statutory revenue is included in Note 4 Segment information to the financial statements on page 176.

Underlying EBITDA increased by US$126M (or 7%) to US$1,928M and our Group operating margin improved to 26.3% (FY24: 22.8%), as higher Underlying EBITDA from our aluminium value chain (+US$780M) and base metals operations (+US$173M), more than offset lower contributions from steel-making commodities following the sale of IMC (-US$472M) and the temporary suspension of operations at Australia Manganese (-US$287M).

The Group's cost base[20] decreased by US$579M to US$5,439M in FY25 as we completed the sale of IMC and continued our focus on cost management to mitigate inflationary pressures.

Underlying EBIT increased by US$325M (or 37%) to US$1,211M in FY25, as Underlying depreciation and amortisation decreased by US$199M to US$717M due to the sale of IMC and the temporary suspension of operations at Australia Manganese.

Cash Flow

Group free cash flow from operations, excluding equity accounted investments (EAIs), increased by US$272M to US$192M in FY25 (FY24: US$80M outflow), as improved profitability, and lower safe and reliable capital expenditure following the sale of IMC, more than offset our investment in growth capital at Hermosa.

Separately, we received distributions[21] of US$176M from our Sierra Gorda EAI in FY25 (FY24:US$27M) as the operation increased annual production volumes[22] by 20% and realised higher average metals prices. We provided net funding[21] of US$110M (FY24: US$26M net distributions) to our manganese EAIs in FY25, primarily to support the operational recovery plan at Australia Manganese.

Group capital expenditure, excluding EAIs, exploration and intangibles, decreased by US$125M to US$917M as our investment in growth capital at Hermosa (+US$145M) was more than offset by lower safe and reliable capital expenditure (-US$250M) following the sale of IMC.

Capital expenditure for our manganese EAI, excluding exploration and intangibles, increased by US$51M to US$159M in FY25 as we completed the operational recovery plan at Australia Manganese.

Capital expenditure for our Sierra Gorda EAI, excluding exploration and intangibles, increased by US$9M to US$216M in FY25, as the operation invested in deferred stripping and additional tailings storage infrastructure, and progressed the feasibility study for the fourth grinding line project.

We returned US$350M to shareholders during FY25, with US$294M[23] in fully-franked ordinary dividends and US$56M via our on-market share buy-back[24].

Balance Sheet

Group net cash increased by US$885M to US$123M (FY24: US$762M net debt), as improved profitability, and the sale of IMC (+US$938M[25]), more than offset our investment in growth capital at Hermosa (-US$517M) and returns to shareholders (-US$350M).

Dividends and Capital Management

Our unchanged capital management framework supports investment in our business and rewards shareholders as our financial performance improves. Consistent with our policy to distribute a minimum 40% of Underlying earnings attributable to members as ordinary dividends, the Board has resolved to pay a fully-franked final ordinary dividend of US 2.6 cents per share (US$117M) in respect of H2 FY25, representing 40% of Underlying earnings attributable to members.

The Board has also resolved to extend our US$2.5B capital management program by 12 months to 11 September 2026[26], with US$144M remaining to be returned to shareholders.

20. The Group's total adjusted cost base was US$5,439M for FY25 (FY24: US$6,018M) which excludes third party product costs.
21. Net distributions from our material equity accounted investments (manganese and Sierra Gorda) includes dividends, capital contributions and net repayments/drawdowns of shareholder loans, which should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity. FY25 net distributions from our material EAIs comprise a distribution (+US$176M) from Sierra Gorda, and funding to Australia Manganese to support recovery plans (-US$93M), a drawdown of shareholder loans (-US$19M) and dividends (+US$2M) from manganese. The distribution from Sierra Gorda (US$176M) relates to accrued interest.
22. Payable copper equivalent production (CuEq) (kt) was calculated by aggregating revenues from copper, molybdenum, gold and silver, and dividing the total Revenue by the price of copper. FY24 realised prices for copper (US$3.86/lb), molybdenum (US$20.60/lb), gold (US$2,129/oz) and silver (US$24.8/oz) have been used for FY24 and FY25.
23. Comprised of US$140M in respect of the June 2024 half year paid in the December 2024 quarter and US$154M in respect of the December 2024 half year paid in the June 2025 quarter.
24. We returned US$56M via the on-market share buy-back in FY25, purchasing 26M shares at an average price of A$3.39 per share.
25. Upfront cash proceeds (US$964M) less transaction costs and cash disposed as part of the sale. A final adjustment to the purchase price is expected to be determined in H1 FY26. The total Transaction consideration includes deferred cash consideration of US$250M, payable in March 2030, and contingent price-linked cash consideration of up to US$350M.
26. Since inception of our capital management program, US$1.8B has been allocated to our on-market share buy-back (820M shares at an average price of A$3.06 per share) and US$525M returned in the form of special dividends.

Financial and operating performance summary continued

EARNINGS RECONCILIATION

Consistent with our accounting policies, various items are excluded from the Group's profit/(loss) to derive Underlying earnings[27]. Total adjustments to derive Underlying EBIT (+US$718M), shown in the table below, include:

- Significant items (-US$71M): recognition of income on a one-off payment from Newmont Corporation in relation to operational agreements at Worsley Alumina[28] (-US$97M), partially offset by the write-down of raw materials and consumables at Mozal Aluminium[29] (+US$26M);
- Joint venture adjustments[30] (+US$122M): to reconcile the equity accounting position to a proportional consolidation basis for our manganese and Sierra Gorda EAIs:
  - Manganese (-US$89M): includes external insurance recoveries (-US$210M) and idle capacity and other remediation costs (+US$133M) in relation to the impacts of Tropical Cyclone Megan at Australia Manganese, and an adjustment for the gain on disposal of the Metalloys manganese alloy smelter[31] (-US$44M); and
  - Sierra Gorda (+US$211M): includes shareholder loan interest expense (+US$163M);
- Loss on the disposal of subsidiaries and joint operations (+US$47M): recognition of loss on disposal of IMC, which was reported as a discontinued operation in FY25 and FY24;
- Impairment loss of financial assets (+US$27M): periodic revaluation of the shareholder loan receivable from Sierra Gorda. An offsetting amount is recorded in the Sierra Gorda joint venture adjustments noted above;
- Impairment loss of non-financial assets (+US$464M): recognition of impairment expenses in relation to the binding agreement for the divestment of Cerro Matoso[32] (+US$118M), and increased uncertainty regarding future electricity supply at Mozal Aluminium[29] (+US$346M); and
- Losses on non-trading derivative instruments, contingent consideration and other investments measured at fair value through profit and loss (+US$121M): revaluation of the contingent consideration receivable[33] from the sale of IMC reflecting lower metallurgical coal prices (+US$61M), and revaluation of the contingent consideration payable[34] in relation to our acquisition of Sierra Gorda as we expect to make a contingent payment in relation to CY25 performance (+US$55M).

Further information on these adjustments is included in Note 4 Segment information to the financial statements on page 176.

Profit/(loss) to Underlying EBITDA reconciliation

US$M	FY25	FY24
Operating profit/(loss) from continuing operations	**554**	*(519)*
Operating profit/(loss) from discontinued operations	**(61)**	*422*
Adjustments to derive Underlying EBIT:		
Significant items	**(71)**	50
Joint venture adjustments[30]	**122**	284
Loss on the disposal of subsidiaries and joint operations	**47**	–
Exchange rate (gains)/losses on the restatement of monetary items	**8**	24
Impairment losses/(reversals) of financial assets	**27**	29
Impairment losses/(reversals) of non-financial assets	**464**	604
(Gains)/losses on non-trading derivative instruments, contingent consideration and other investments measured at fair value through profit and loss	**121**	(8)
Total adjustments to derive Underlying EBIT	**718**	983
Underlying EBIT	**1,211**	886
Underlying depreciation and amortisation	**717**	916
Underlying EBITDA	**1,928**	1,802

Profit/(loss) to Underlying earnings attributable to members reconciliation

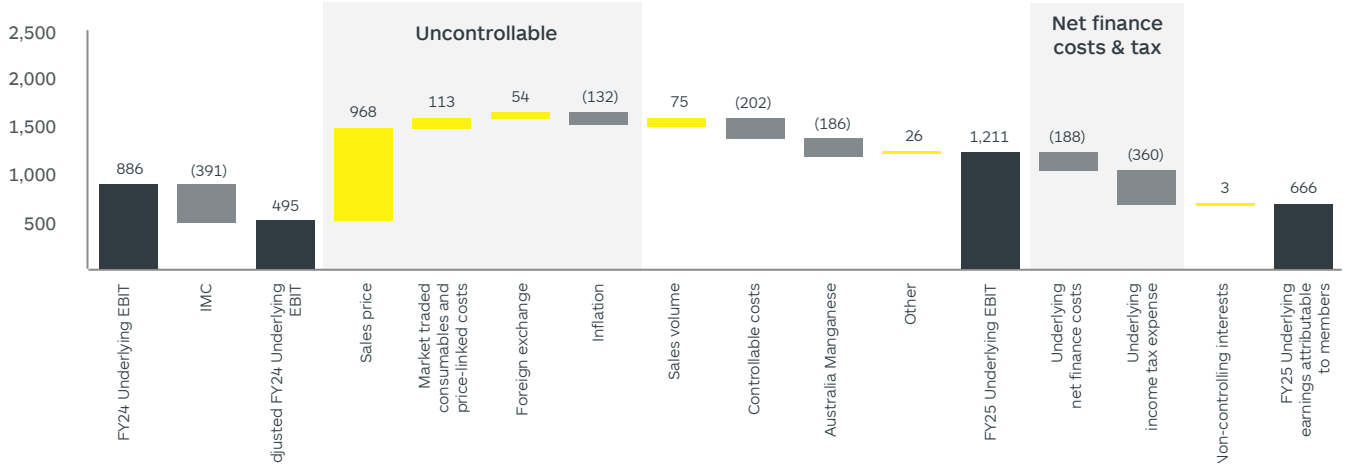
US$M	FY25	FY24
Profit/(loss) after tax attributable to members	**213**	(203)
Total adjustments to derive Underlying EBIT	**718**	983
Total adjustments to derive Underlying net finance costs	**(237)**	(228)
Total adjustments to derive Underlying income and royalty related tax expense	**(28)**	(172)
Underlying earnings attributable to members	**666**	380

27. Our Group underlying financial measures reflect continuing and discontinued operations.
28. Refer to market release "Quarterly Report March 2025" dated 17 April 2025.
29. Refer to market release "Mozal Aluminium Update" dated 14 August 2025. Total write-down of US$372M includes US$346M of non-financial assets and US$26M of inventory included in significant items.
30. The underlying information reflects the Group's interest in material equity accounted joint ventures and is presented on a proportional consolidation basis, which is the measure used by the Group's management to assess their performance. The joint venture adjustments reconcile the proportional consolidation to the equity accounting position included in the Group's consolidated financial statements.
31. Refer to media release "Completion of Metalloys manganese alloy smelter divestment" dated 3 June 2025.
32. Refer to market release "Agreement to divest Cerro Matoso" dated 7 July 2025.
33. Applicable for five years from the date of completion of the sale of Illawarra Metallurgical Coal, with no annual cap. The first two years will be calculated and paid on the second anniversary of completion and annually thereafter. The contingent price-linked consideration will be calculated as 50% of incremental metallurgical coal revenue from equity production, net of royalties, based on the following metallurgical coal price thresholds: Year 1: US$200/t, Year 2: US$200/t, Year 3: US$190/t, Year 4: US$180/t, Year 5: US$180/t.
34. Contingent price-linked consideration of up to US$500M, payable at threshold copper production rates and prices in the years 2022 to 2025. Specifically, 50% of incremental revenue realised above the following copper price threshold, only where payable copper production exceeds the agreed threshold: CY25: US$3.80/lb and 158kt Cu.

EARNINGS ANALYSIS

The following key factors influenced Underlying EBIT in FY25, relative to FY24.

Reconciliation of movements in Underlying EBIT (US$M)[35,36]



Earnings analysis	US$M	Commentary
FY24 Underlying EBIT	**886**	
IMC[37]	(391)	Reduced contribution from IMC following its sale in August 2024
Adjusted FY24 Underlying EBIT	**495**	
Change in sales price	968	Higher average realised prices for our commodities, including: Alumina (+US$425M) Aluminium (+US$380M) Copper (+US$52M) Silver (+US$79M) and zinc (+US$20M)
Net impact of price-linked costs	113	Lower aluminium smelter raw material input prices (coke and pitch) (+US$62M) Lower price-linked royalties at Cerro Matoso (+US$26M) Lower electricity prices at Brazil Aluminium (+US$16M)
Change in exchange rates	54	Weaker Brazilian real (+US$51M), Australian dollar (+US$16M) and Colombian peso (+US$15M) Partially offset by a stronger South African rand (-US$37M)
Change in inflation	(132)	Inflation-linked indexation of our Southern African aluminium smelters electricity prices (-US$31M) General inflation across Australia (-US$36M), South America (-US$35M) and Southern Africa (-US$30M)
Change in sales volume	75	Higher volumes at Sierra Gorda (+US$105M), Brazil Aluminium (+US$78M), Mozal Aluminium (+US$62M) and Hillside Aluminium (+US$29M) Partially offset by lower volumes at Worsley Alumina (-US$85M), Cannington (-US$59M) and Cerro Matoso (-US$57M)
Controllable costs	(202)	Drawdown of finished goods inventory at Hillside Aluminium (-US$24M) and Sierra Gorda (-US$10M), supporting higher sales volumes Volume related movements at Mozal Aluminium (-US$66M) and Brazil Aluminium (-US$45M) Additional maintenance and contractor costs (-US$86M), most notably at Brazil Alumina, Worsley Alumina and Hillside Aluminium Higher caustic soda consumption at Worsley Alumina (-US$17M) primarily due to lower quality bauxite in the current mining areas as a result of delayed environmental approvals Partially offset by cost efficiencies at Cerro Matoso (+US$24M) and lower labour costs at Sierra Gorda (+US$14M)
Australia Manganese	(186)	Reduced contribution from Australia Manganese due to the impacts of Tropical Cyclone Megan
Other	26	Includes third party products and the benefit of higher bauxite prices for MRN
FY25 Underlying EBIT	**1,211**	

35. Sales price variance reflects the revenue impact of changes in commodity prices, based on the current period's sales volume. Price-linked costs variance reflects the change in royalties together with the change in input costs driven by changes in commodity prices or market traded consumables. Foreign exchange reflects the impact of exchange rate movements on local currency denominated costs and sales. Sales volume variance reflects the revenue impact of sales volume changes, based on the comparative period's sales prices. Controllable costs variance represents the impact from changes in the Group's controllable local currency cost base, including the variable cost impact of production volume changes on expenditure, and period-on-period movements in inventories. The controllable cost variance excludes earnings adjustments including significant items.
36. Underlying net finance costs and Underlying income tax expense are actual FY25 results, not year-on-year variances.
37. Reduced contribution from IMC following its sale in August 2024. FY24 Underlying EBIT of US$441M, reflecting realised prices for metallurgical coal of US$275/t and energy coal of US$107/t.

Financial and operating performance summary continued

Net finance income/(costs)

The Group's Underlying net finance costs decreased by US$61M to US$188M in FY25. These costs primarily comprised the unwinding of the discount applied to our closure and rehabilitation provisions (US$136M), interest on lease liabilities (US$58M) largely for our multi-fuel co-generation facility at Worsley Alumina, and interest on our US$700M of senior unsecured notes (US$31M).

Underlying net finance income/(costs) reconciliation

US$M	FY25	FY24
Unwind of discount applied to closure and rehabilitation provisions	**(136)**	(165)
Interest on lease liabilities	**(58)**	(59)
Interest on senior unsecured notes	**(31)**	(31)
Change in discount rate on closure and rehabilitation provisions	**–**	8
Interest income on cash and cash equivalents	**66**	38
Other	**(29)**	(40)
Underlying net finance costs	**(188)**	(249)
Add back earnings adjustment for exchange rate variations on net cash/(debt)	**12**	8
Joint venture adjustments[38]	**225**	220
Total adjustments to derive Underlying net finance costs	**237**	228
Remove net finance costs from discontinued operations	**16**	*13*
Net finance income/(costs)	**65**	*(8)*

Tax expense

The Group's Underlying income tax and royalty related taxation expense increased by US$101M to US$360M in FY25, for an Underlying effective tax rate (ETR) of 35.0% (FY24: 38.8%). Our Group Underlying ETR reflects the corporate tax rates[39] and royalty related taxes[40] of the jurisdictions in which we operate and our geographical earnings mix.

The Underlying ETR for our manganese business was 23.8% in FY25, including the royalty related tax[40] at Australia Manganese, reflecting the derecognition of certain deferred tax assets and reduced profitability as operations at Australia Manganese were temporarily suspended following Tropical Cyclone Megan. The Underlying ETR for our Sierra Gorda EAI was 27.6% in FY25, reflecting royalty related tax[40] and an adjustment for prior year tax expense.

Underlying income tax and royalty related taxation expense reconciliation

US$M	FY25	FY24
Underlying EBIT	**1,211**	886
Include: Underlying net finance costs	**(188)**	(249)
Remove: Share of (profit)/loss of EAIs	**7**	31
Underlying profit/(loss) before tax	**1,030**	668
Income tax expense/(benefit) from continuing operations	**304**	*(79)*
Income tax expense/(benefit) from discontinued operations	**28**	*166*
Tax effect of other adjustments to derive Underlying EBIT	**5**	122
Tax effect of other adjustments to derive Underlying net finance costs	**(3)**	(2)
Exchange rate variations on tax balances	**14**	(20)
Significant items	**1**	15
Joint venture adjustments relating to income tax[38]	**(3)**	21
Joint venture adjustments relating to royalty related tax[38]	**14**	36
Total adjustments to derive Underlying income tax (expense)/benefit	**28**	172
Underlying income tax expense/(benefit)	**360**	259
Underlying effective tax rate	**35.0%**	38.8%

38. The underlying information reflects the Group's interest in material equity accounted joint ventures and is presented on a proportional consolidation basis, which is the measure used by the Group's management to assess their performance. The joint venture adjustments reconcile the proportional consolidation to the equity accounting position included in the Group's consolidated financial statements.
39. The corporate taxes applicable to the countries where the Group operates include: Australia 30%, South Africa 27%, Colombia 35%, Mozambique 0%, Brazil 34% and Chile 27%.
40. Australia Manganese is subject to a royalty related tax equal to 20% of adjusted EBIT. Sierra Gorda is subject to a royalty related tax based on the amount of copper sold and the mining operating margin, the rate is between 5% and 14% for annual sales over 50kt of refined copper. These royalties are included in Underlying tax expense.

CASH FLOW

Group free cash flow from operations, excluding EAIs, increased by US$272M to US$192M in FY25 (FY24: US$80M outflow), as a significant increase in profitability, and lower safe and reliable capital expenditure following the sale of IMC, more than offset our investment in growth capital at Hermosa. We experienced a modest build in working capital in FY25 (H1 build: US$267M, H2 unwind: US$230M), predominantly related to an increase in raw materials and work in progress inventories in our aluminium value chain due to higher prices.

Separately, we received distributions[41] of US$176M from our Sierra Gorda EAI in FY25 (FY24: US$27M), as the operation increased annual production volumes[42] by 20% and realised higher average metals prices. We also provided net funding[41] of US$110M (FY24: US$26M net distributions) to our manganese EAI in FY25, primarily to support the operational recovery plan at Australia Manganese.

Free cash flow from operations excluding EAIs

US$M	FY25	FY24
Operating profit/(loss) from continuing and discontinued operations	**493**	(97)
Non-cash or non-operating items	**1,029**	1,408
Share of (profit)/loss from EAIs	**(99)**	60
Loss from sale of operations	**47**	–
Change in working capital	**(37)**	(94)
Cash generated from operations	**1,433**	1,277
Total capital expenditure, excluding EAIs	**(963)**	(1,080)
Operating cash flows generated from operations after capital expenditure	**470**	197
Net interest paid[43]	**(42)**	(54)
Income tax paid	**(236)**	(223)
Free cash flow from operations	**192**	(80)

Working capital movement

US$M	FY25	Commentary
Trade and other receivables	**87**	Collection of receivables and decline in commodity prices in Q4 FY25
Inventories	**(118)**	Increase in raw materials and work in progress inventories in our aluminium value chain due to higher prices
Trade and other payables	**(19)**	Timing of payments to suppliers
Provisions and other liabilities	**13**	
Total working capital movement	**(37)**	

41. Net distributions from our material equity accounted investments (manganese and Sierra Gorda) includes dividends, capital contributions and net repayments/drawdowns of shareholder loans, which should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity. FY25 net distributions from our material EAIs comprises a distribution (+US$176M) from Sierra Gorda, and funding to Australia Manganese to support recovery plans (-US$93M), a drawdown of shareholder loans (-US$19M) and dividends (+US$2M) from manganese. The distribution from Sierra Gorda (US$176M) relates to accrued interest.
42. Payable copper equivalent production (CuEq) (kt) was calculated by aggregating revenues from copper, molybdenum, gold and silver, and dividing the total Revenue by the price of copper. FY24 realised prices for copper (US$3.86/lb), molybdenum (US$20.60/lb), gold (US$2,129/oz) and silver (US$24.8/oz) have been used for FY24 and FY25.
43. Net interest paid excludes amounts reported as net distributions from material EAIs.

Financial and operating performance summary continued

CAPITAL EXPENDITURE

The Group's capital expenditure[44], excluding EAIs, decreased by US$117M to US$963M in FY25, as our investment in growth capital at Hermosa was more than offset by lower safe and reliable capital expenditure following the sale of IMC:

- Safe and reliable capital expenditure, including IMC (US$57M) and Cerro Matoso (US$27M), decreased by US$250M to US$353M;
- Improvement and life extension capital expenditure decreased by US$20M to US$44M as we completed energy transition projects at Worsley Alumina in the prior period;
- Growth capital expenditure increased by US$145M to US$517M[45] at Hermosa as we progressed construction of the Taylor zinc-lead-silver project and an exploration decline for the Clark battery-grade manganese deposit; and
- Intangibles and capitalised exploration expenditure increased by US$12M to US$45M as we continued multiple exploration programs targeting base metals in highly prospective regions.

Our share of capital expenditure for our material EAIs increased by US$61M to US$390M in FY25:

- Capital expenditure for our Sierra Gorda EAI increased by US$9M to US$229M as the operation continued its investment in deferred stripping and additional tailings infrastructure, and the feasibility study for the fourth grinding line project; and
- Capital expenditure for our manganese EAIs increased by US$52M to US$161M as Australia Manganese invested in infrastructure as part of its operational recovery plan.

Capital expenditure (South32 share)[44]

US$M	FY25	FY24
Safe and reliable capital expenditure	**(269)**	*(232)*
Improvement and life extension capital expenditure	**(44)**	(64)
Growth capital expenditure	**(517)**	(372)
Intangibles and the capitalisation of exploration expenditure	**(45)**	(33)
Discontinued operations[(a)]	**(88)**	*(379)*
Total capital expenditure (excluding EAIs)	**(963)**	(1,080)
EAIs capital expenditure	**(390)**	(329)
Total capital expenditure (including EAIs)	**(1,353)**	(1,409)

(a) Reflects Illawarra Metallurgical Coal (FY25: US$57M safe and reliable capital expenditure and US$1M intangibles and capitalised exploration expenditure, FY24:US$337M safe and reliable capital expenditure, US$3M improvement and life extension capital expenditure and US$5M intangibles and capitalised exploration expenditure) and Cerro Matoso (FY25: US$27M safe and reliable capital expenditure and US$3M improvement and life extension capital expenditure, FY24: US$34M safe and reliable capital expenditure).

44. Total capital expenditure comprises capital expenditure, capitalised exploration and the purchase of intangibles. Capital expenditure comprises safe and reliable capital expenditure, improvement and life extension capital expenditure (including decarbonisation), and growth capital expenditure.
45. Hermosa growth capital expenditure excludes lease payments of US$19M for self generated power assets directly attributable to construction of infrastructure at the Taylor deposit. These self generated power costs were included in our capital cost estimate provided in market release "Final Investment Approval to Develop Hermosa's Taylor Deposit" dated 15 February 2024.

BALANCE SHEET

Group net cash increased by US$885M to US$123M in FY25, as improved profitability, and the sale of IMC (+US$938M[46]), more than offset our investment in growth capital at Hermosa (-US$517M) and returns to shareholders (-US$350M).

We continue to prioritise a strong balance sheet and investment grade credit rating through the cycle. Our current BBB+/Baa1 credit ratings were re-affirmed by S&P Global Ratings and Moody's, respectively, during FY25. We also retain access to significant liquidity, with our undrawn US$1.4B sustainability-linked revolving credit facility maturing in December 2028.

Net cash/(debt)

US$M	FY25	FY24
Cash and cash equivalents	**1,757**	842
Lease liabilities	**(713)**	(710)
Other interest bearing liabilities	**(921)**	(894)
Net cash/(debt)[(a)]	**123**	(762)

(a) FY25 net cash includes Cerro Matoso which is classified as held for sale. FY24 net debt includes IMC and Eagle Downs metallurgical coal which were classified as held for sale.

DIVIDENDS AND CAPITAL MANAGEMENT

Our unchanged capital management framework supports investment in our business and is designed to reward shareholders as our financial performance improves. Consistent with our policy to distribute a minimum 40% of Underlying earnings attributable to members as ordinary dividends, the Board has resolved to pay a fully-franked final ordinary dividend of US 2.6 cents per share (US$117M) in respect of H2 FY25, representing 40% of Underlying earnings attributable to members.

The Board has also resolved to extend our US$2.5B capital management program by 12 months to 11 September 2026[47], with US$144M remaining to be returned to shareholders.

Dividends announced

Period	Dividend per share (US cents)	US$M	Franking	Pay-out ratio
H1 FY23	4.9	224	100%	40%
H2 FY23	3.2	145	100%	41%
H1 FY24	0.4	18	100%	45%
H2 FY24	3.1	140	100%	41%
H1 FY25	3.4	154	100%	41%
H2 FY25	2.6	117	100%	40%

South32 shareholders registered on the South African branch register will not be able to dematerialise or rematerialise their shareholdings between 17 and 19 September 2025 (both dates inclusive), nor will transfers to/from the South African branch register be permitted between 12 and 19 September 2025 (both dates inclusive).

Details of the currency exchange rates applicable for the dividend will be announced to the relevant stock exchanges.
Further dividend information is available on our website (*www.south32.net*).

South32 American Depositary Receipts (ADRs) each represent five fully paid ordinary shares in South32 and ADR holders will receive dividends accordingly, subject to the terms of the Depositary Agreement.

Dividend timetable	Date
Announce currency conversion into South African rand	15 September 2025
Last day to trade cum dividend on the Johannesburg Stock Exchange (JSE)	16 September 2025
Ex-dividend date on the JSE	17 September 2025
Ex-dividend date on the ASX and London Stock Exchange (LSE)	18 September 2025
Record date (including currency election date for ASX)	19 September 2025
Payment date	16 October 2025

46. Upfront cash proceeds (US$964M) less transaction costs and cash disposed as part of the sale. A final adjustment to the purchase price is expected to be determined in H1 FY26. The total Transaction consideration includes deferred cash consideration of US$250M, payable in March 2030, and contingent price-linked cash consideration of up to US$350M.
47. Since inception of our capital management program, US$1.8B has been allocated to our on-market share buy-back (820M shares at an average price of A$3.06 per share) and US$525M returned in the form of special dividends.

Financial and operating performance summary continued

OUTLOOK

Production

We achieved 102% of FY25 Group copper equivalent production guidance[48], driven by annual growth of 20% in copper and 6% in aluminium.

FY26 production guidance is unchanged except for Mozal Aluminium and Cannington.

Mozal Aluminium production is expected to be 240kt[49] in FY26, reflecting fewer pots in operation as we stop pot relining and operations continuing only to March 2026, when the current electricity agreement expires. Without access to sufficient and affordable electricity, we expect that Mozal Aluminium will be placed on care and maintenance in March 2026.

Cannington payable zinc equivalent production is expected to be 200.6kt in FY26, reflecting a revised mine plan designed to manage the challenging underground conditions and deliver reliable mining rates. Work is underway to optimise the cost base and embed further savings, in line with lower planned volumes.

Looking ahead to FY27, we expect 4% production growth at Worsley Alumina as the refinery returns towards nameplate capacity with improved access to bauxite enabled by the Project and 5% production growth at Sierra Gorda due to higher planned copper grades.

Production guidance (South32 share)

	FY25	FY26e[(a)]	FY27e[(a)]	Key guidance assumptions
Worsley Alumina				
Alumina production (kt)	3,727	**3,750**	**3,900**	Improved bauxite availability
Brazil Alumina (non-operated)				
Alumina production (kt)	1,340	**1,360**	**1,360**	Expected to operate near nameplate capacity
Brazil Aluminium (non-operated)				
Aluminium production (kt)	138	**160**	**165**	Ramping up all three pot lines
Hillside Aluminium[49]				
Aluminium production (kt)	718	**720**	**720**	Expected to continue to test maximum technical capacity
Mozal Aluminium[49]				
Aluminium production (kt)	355	**240**	**N/A**	Fewer pots in operation and production guided to March 2026
Sierra Gorda (non-operated)				
Ore processed (Mt)	21.7	**21.8**	**21.8**	Higher planned copper grades in FY27
Payable copper equivalent production (kt)[50]	*89.7*	***85.7***	**90.2**	
Payable copper production (kt)	71.4	**72.0**	**79.0**	
Payable molybdenum production (kt)	1.5	**1.2**	**0.5**	
Payable gold production (koz)	27.9	**18.0**	**20.0**	
Payable silver production (koz)	584	**600**	**700**	
Cannington				
Ore processed (kdmt)	1,944	**1,850**	**1,750**	Revised mine plan designed to manage the challenging underground conditions and deliver reliable mining rates
Payable zinc equivalent production (kt)[51]	*234.2*	***200.6***	**204.7**	
Payable silver production (koz)	10,292	**8,200**	**8,700**	
Payable lead production (kt)	92.4	**87.0**	**80.0**	
Payable zinc production (kt)	44.5	**40.0**	**43.0**	
Cerro Matoso				
Ore processed (kdmt)	2,785	**1,350**	**N/A**	Divestment expected to complete in late H1 FY26
Payable nickel production (kt)	37.1	**16.0**		
Australia Manganese				
Manganese ore production (kwmt)	1,106	**3,200**	**3,200**	Returning to normalised production rates
South Africa Manganese				
Manganese ore production (kwmt)	2,151	**2,000**	**2,000**	Subject to our continued use of higher cost trucking in response to market conditions

(a) The denotation (e) refers to an estimate or forecast year.

48. Group FY25 payable copper equivalent production, calculated by applying FY24 realised prices for all operations.
49. Production guidance for Hillside Aluminium and Mozal Aluminium does not assume any load-shedding impact on production.
50. Payable copper equivalent production (kt) was calculated by aggregating revenues from payable copper, molybdenum, gold and silver, and dividing the total Revenue by the price of copper. FY25 realised prices for copper (US$4.18/lb), molybdenum (US$21.12/lb), gold (US$2,877/oz) and silver (US$31.7/oz) have been used for FY25, FY26e and FY27e.
51. Payable zinc equivalent production (kt) was calculated by aggregating revenues from payable silver, lead and zinc, and dividing the total Revenue by the price of zinc. FY25 realised prices for zinc (US$2,648/t), lead (US$1,883/t) and silver (US$31.9/oz) have been used for FY25, FY26e and FY27e.

COSTS AND CAPITAL EXPENDITURE

Operating unit costs guidance

Operating unit costs were in line with or below guidance for the majority of our operations in FY25, driven by strong operating performance and a continued focus on cost management.

Looking ahead, we continue to target further cost efficiencies to mitigate industry-wide inflationary pressures, supported by changes made in H2 FY25 to simplify the Group's functional support structures.

While Operating unit cost guidance is not provided for our aluminium smelters, their cost profile will continue to be influenced by producer currencies and the price of raw material inputs and energy.

Operating unit cost

	FY25e[(a),52]	FY25	H1 FY25	H2 FY25	FY26e[(a),53]	Key guidance assumptions
Worsley Alumina						
(US$/t)	305	**303**	306	301	**310**	Stronger Australian dollar and higher gas prices partially offset by lower maintenance and contractor costs Improved bauxite quality expected to benefit production volumes and costs from FY27
Brazil Alumina (non-operated)						
(US$/t)	Not provided	**326**	320	332	**Not provided**	Will continue to be influenced by the price of raw material inputs and energy Costs expected to trend lower in FY26 due to lower planned maintenance and bauxite prices from MRN
Brazil Aluminium (non-operated)						
(US$/t)	Not provided	**3,239**	3,377	3,130	**Not provided**	Will continue to be influenced by the price of raw material inputs and energy Costs expected to trend lower as the smelter continues to ramp-up
Hillside Aluminium						
(US$/t)	Not provided	**2,507**	2,351	2,663	**Not provided**	Will continue to be influenced by the price of raw material inputs, the South African rand and inflation-linked energy costs
Mozal Aluminium						
(US$/t)	Not provided	**2,433**	2,425	2,441	**Not provided**	Will continue to be influenced by the price of raw material inputs, the South African rand and inflation-linked energy costs Stopping pot relining in FY26
Sierra Gorda (non-operated)						
(US$/t)[(b)]	16.0	**16.1**	17.1	15.1	**17.0**	Higher planned mining rates and general cost inflation
Cannington						
(US$/t)[(b)]	195	**194**	197	192	**205**	Lower planned volumes, partially offset by lower contractor costs and cost efficiencies Working to embed further savings through optimisation of contractor and equipment requirements
Cerro Matoso						
(US$/lb)	5.35	**4.96**	5.13	4.80	**5.30**	Divestment expected to complete late H1 FY26
Australia Manganese						
(US$/dmtu, FOB)	Not provided	**—**	N/A	N/A	**2.40**	Returning to normalised production rates
South Africa Manganese						
(US$/dmtu, FOB)	3.00	**3.05**	3.13	2.96	**3.10**	General cost inflation

(a) The denotation (e) refers to an estimate or forecast year.
(b) US dollar per tonne of ore processed. Periodic movements in finished product inventory may impact Operating unit costs.

52. FY25e Operating unit cost guidance includes royalties (where appropriate) and the influence of exchange rates, and includes various assumptions for FY25, including: an alumina price of US$520/t; a manganese ore price of US$5.10/dmtu for 44% manganese product; a nickel price of US$7.10/lb; a silver price of US$30.5/oz; a lead price of US$2,070/t (gross of treatment and refining charges); a zinc price of US$3,000/t (gross of treatment and refining charges); a copper price of US$4.30/lb (gross of treatment and refining charges); a molybdenum price of US$20.50/lb (gross of treatment and refining charges); a gold price of US$2,550/oz; an AUD:USD exchange rate of 0.64; a USD:ZAR exchange rate of 18.50; a USD:COP exchange rate of 4,200; USD:CLP exchange rate of 950; and a reference price for caustic soda; which reflect forward markets as at February 2025 or our internal expectations.

53. FY26e Operating unit cost guidance includes royalties (where appropriate) and the influence of exchange rates, and includes various assumptions for FY26, including: an alumina price of US$350/t; a manganese ore price of US$4.40/dmtu for 44% manganese product; a nickel price of US$7.00/lb; a silver price of US$36.0/oz; a lead price of US$2,000/t (gross of treatment and refining charges); a zinc price of US$2,650/t (gross of treatment and refining charges); a copper price of US$4.40/lb (gross of treatment and refining charges); a molybdenum price of US$19.00/lb (gross of treatment and refining charges); a gold price of US$3,300/oz; an AUD:USD exchange rate of 0.66; a USD:ZAR exchange rate of 18.20; a USD:COP exchange rate of 4,250; USD:CLP exchange rate of 950; and a reference price for caustic soda; which reflect forward markets as at August 2025 or our internal expectations.

Financial and operating performance summary continued

Capital expenditure guidance (excluding exploration and intangibles)

FY26 Group capital expenditure guidance, including EAIs, is expected to be US$1,400M, a reduction of approximately US$100M compared to guidance provided in May 2025[54], following the re-prioritisation of capital projects.

FY26 Group capital expenditure, excluding EAIs, is expected to increase by US$173M to US$1,090M:

- Safe and reliable: expected to decrease by US$113M to US$240M, reflecting the sale of IMC in the prior period, and lower spend at Worsley Alumina and Mozal Aluminium;
- Improvement and life extension: expected to increase by US$53M to US$100M as we develop new mining areas at Worsley Alumina; and
- Growth: Hermosa capital expenditure is expected to increase by US$233M to US$750M[55], reflecting a planned increase in construction activity at Taylor for the shafts and surface infrastructure.

FY26 capital expenditure for our material EAIs is expected to decrease by US$65M to US$310M:

- Sierra Gorda: expected to decrease by US$21M to US$195M due to lower planned development rates; and
- Manganese: expected to decrease by US$44M to US$115M, following completion of the operational recovery plan at Australia Manganese.

Capital expenditure excluding exploration and intangibles (South32 share)

US$M	FY25	FY26e[(a)]
Worsley Alumina	87	**55**
Brazil Alumina	35	**50**
Brazil Aluminium	9	**15**
Hillside Aluminium	66	**65**
Mozal Aluminium[56]	21	**10**
Cannington	49	**40**
Cerro Matoso[57]	27	**5**
IMC	57	**N/A**
Group & Unallocated	2	**–**
Safe and reliable capital expenditure (excluding EAIs)	353	**240**
Worsley Alumina	19	**90**
Brazil Alumina	6	**–**
Cerro Matoso[57]	3	**5**
Other operations	19	**5**
Improvement and life extension capital expenditure (excluding EAIs)	47	**100**
Hermosa	517	**750**
Growth capital expenditure	517	**750**
Total capital expenditure (excluding EAIs)	917	**1,090**
Total capital expenditure (including EAIs)	1,292	**1,400**

Capital expenditure for EAIs excluding exploration and intangibles (South32 share)

US$M	FY25	FY26e[(a)]
Sierra Gorda	191	**180**
Australia Manganese	114	**80**
South Africa Manganese	28	**30**
Safe and reliable capital expenditure (EAIs)	333	**290**
Sierra Gorda[58]	25	**15**
Australia Manganese	1	**–**
South Africa Manganese	16	**5**
Improvement and life extension capital expenditure (EAIs)	42	**20**
Total capital expenditure (EAIs)	375	**310**

(a) The denotation (e) refers to an estimate or forecast year.

54. Refer to market release "Strategy and Business Update" dated 13 May 2025.
55. Hermosa growth capital expenditure guidance excludes expected lease payments of ~US$50M for self generated power assets directly attributable to construction of infrastructure at the Taylor deposit. These self generated power costs were included in our capital cost estimate provided in market release "Final Investment Approval to Develop Hermosa's Taylor Deposit" dated 15 February 2024.
56. Guidance for Mozal Aluminium reflects the period ending March 2026.
57. Guidance for Cerro Matoso reflects H1 FY26, aligning with expected completion of divestment.
58. We expect to review Sierra Gorda FY26e capital expenditure guidance following a final investment decision for the fourth grinding line project.

Capitalised exploration guidance

FY26 Group capitalised exploration, including EAIs, is expected to be US$40M as we continue base metals exploration programs across our portfolio.

Capitalised exploration (South32 share)

US$M	FY25	FY26e[a]
Capitalised exploration (excluding EAIs)	40	**30**
EAIs capitalised exploration	13	**10**
Capitalised exploration (including EAIs)	53	**40**

(a) The denotation (e) refers to an estimate or forecast year.

Other expenditure guidance

Other expenditure items presented below are on a proportional consolidation basis including our manganese and Sierra Gorda EAIs.

	FY25	FY26e[a]	Commentary
Group and unallocated expense in Underlying EBIT (excluding greenfield exploration and third party products and services EBIT)			
(US$M)	144	**120**	FY25 included unfavourable inter-group inventory adjustments in our aluminium value chain (US$31M)
Hermosa expenses included in Underlying EBIT			
(US$M)	45	**40**	Work across the broader Hermosa project
Underlying depreciation and amortisation			
(US$M)	717	**780**	Higher depreciation at Australia Manganese (~US$120M) as the operation returns to normalised production rates, partially offset by lower depreciation at Mozal Aluminium following recognition of the impairment
Underlying net finance costs			
(US$M)	188	**190**	Reflects current balance sheet
Greenfield exploration			
(US$M)	35	**30**	Greenfield exploration activity targeting base metals in highly prospective regions

(a) The denotation (e) refers to an estimate or forecast year.

Financial and operating performance summary continued

OPERATIONS ANALYSIS

A summary of the underlying performance of the Group's operations is presented below and a more detailed analysis is included on pages 91 to 100.

Operations table (South32 share)

	Underlying revenue		Underlying EBIT	
US$M	FY25	FY24	FY25	FY24
Worsley Alumina	**1,917**	1,356	**619**	131
Brazil Alumina	**749**	484	**226**	(11)
Brazil Aluminium	**355**	242	**(97)**	(121)
Hillside Aluminium	**1,989**	1,720	**85**	130
Mozal Aluminium	**979**	812	**55**	(30)
Sierra Gorda	**832**	647	**318**	143
Cannington	**659**	631	**204**	206
Hermosa	**–**	–	**(45)**	(28)
Australia Manganese	**42**	436	**(125)**	61
South Africa Manganese	**353**	343	**24**	45
Third party products and services[59]	**370**	388	**18**	7
Inter-segment / Group and unallocated	**(1,264)**	(780)	**(179)**	*(137)*
South32 Group (excluding IMC and Cerro Matoso)	**6,981**	6,279	**1,103**	396
IMC[60]	**144**	1,461	**50**	441
Cerro Matoso	**485**	556	**58**	49
South32 Group	**7,610**	8,296	**1,211**	886

59. FY25 Underlying revenue on third party products and services sold from continuing operations comprises US$142M for aluminium, US$28M for alumina, US$50M for freight services, US$115M for raw materials and US$35M for manganese. FY25 Underlying EBIT on third party products and services from continuing operations comprises US$3M for aluminium, US$16M for alumina, nil for freight services, US$(1)M for raw materials and nil for manganese. FY24 Underlying revenue on third party products and services sold from continuing operations comprises US$170M for aluminium, US$3M for alumina, US$79M for freight services, US$102M for raw materials and US$34M for manganese. FY24 Underlying EBIT on third party products and services from continuing operations comprises nil for aluminium, US$10M for alumina, US$(2)M for freight services, US$(1)M for raw materials and nil for manganese.

60. FY25 and FY24 underlying results for IMC include third party products and services. FY25 Underlying revenue on third party products and services sold was US$28M and Underlying EBIT on third party products and services sold was nil. FY24 Underlying revenue on third party products and services sold was US$237M and Underlying EBIT on third party products and services sold was US$28M.

WORSLEY ALUMINA

Location: **Western Australia, Australia**
South32 share: **86 per cent**

Worsley Alumina is an integrated bauxite mining and alumina refining operation in the South West of Western Australia. Alumina from Worsley Alumina is currently exported to our Hillside Aluminium and Mozal Aluminium smelters and other smelters around the world.

Volumes

Worsley Alumina saleable production decreased by 1% (or 50kt) to 3,727kt in FY25, as the operation managed constrained bauxite supply ahead of receiving primary environmental approvals for the Worsley Mine Development Project (Project)[61]. Mining in new bauxite areas under the Project commenced in Q4 FY25.

Production is expected to be 3,750kt in FY26 and increase by 4% to 3,900kt in FY27 as the refinery returns towards nameplate capacity (4.6Mtpa, 100% basis), supported by improved access to bauxite enabled by the Project. Calciner maintenance in FY26 is scheduled in Q1 FY26 and Q3 FY26.

Operating costs

Operating unit costs increased by 13%, to US$303/t in FY25, due to increased caustic soda consumption (FY25: 119kg/t, FY24: 110kg/t) as a result of constrained bauxite supply, higher caustic soda prices (FY25: US$500/t, FY24: US$460/t), and a planned increase in gas consumption as we converted the first two coal-fired boilers to natural gas in the prior period.

Our operating margin increased to 41% (FY24: 24%) as a 44% increase in the average realised price of alumina more than offset higher costs.

We expect FY26 Operating unit costs to increase by 2% to US$310/t as a stronger Australian dollar and higher gas prices more than offset lower maintenance and contractor costs. Exchange rate and price assumptions for FY26 Operating unit cost guidance are detailed on page 87, footnote 53.

Financial performance

Underlying EBIT increased by 373% (or US$488M) to US$619M in FY25, as higher average realised alumina prices (+US$585M) more than offset lower sales volumes (-US$24M), increased costs for caustic soda (-US$33M), contractors and maintenance (-US$25M) and energy (-US$8M).

Capital expenditure

Safe and reliable capital expenditure was US$87M in FY25 and is expected to decrease to US$55M in FY26 as we complete our planned investment in additional bauxite residue disposal capacity.

Improvement and life extension capital expenditure decreased by US$18M to US$19M in FY25 as we converted the first two coal-fired boilers to natural gas in the prior period, improving the operation's energy resilience and lowering GHG emissions.

We expect to invest US$90M in improvement and life extension capital expenditure in FY26, predominantly related to new mining areas including the Nullaga mine development.

South32 share	FY25	FY24
Alumina production (kt)	**3,727**	3,777
Alumina sales (kt)	**3,699**	3,767
Realised alumina sales price (US$/t)	**518**	360
Operating unit cost (US$/t)	**303**	269

South32 share (US$M)	FY25	FY24
Underlying revenue	**1,917**	1,356
Underlying EBITDA	**795**	324
Underlying EBIT	**619**	131
Net operating assets	**1,707**	1,813
Capital expenditure	**106**	106
Safe and reliable	**87**	69
Improvement and life extension	**19**	37

61. Refer to market release "Worsley Mine Development Project Receives Federal Approval" dated 12 February 2025.

Financial and operating performance summary continued

BRAZIL ALUMINA

Location: **Pará and Maranhão, Brazil**
South32 investment: **Bauxite - 33 per cent**
South32 share: **Alumina - 36 per cent (non-operated)**

Brazil Alumina includes a 33% interest in the Mineração Rio do Norte (MRN) bauxite mine and a 36% interest in the Alumar alumina refinery. Our share of bauxite produced from MRN is supplied to the Alumar alumina refinery. The alumina produced from the Alumar alumina refinery is supplied to the co-located Alumar aluminium smelter and exported to other smelters around the world.

Volumes

Brazil Alumina saleable production increased by 4% (or 54kt) to 1,340kt in FY25, as improved plant availability more than offset wet weather impacts in H2 FY25.

Production is expected to be 1,360kt across both FY26 and FY27.

Operating costs

Operating unit costs were largely unchanged at US$326/t in FY25, as higher volumes, a weaker Brazilian real and lower energy prices, were offset by increased maintenance activity and higher bauxite prices from MRN, which are linked to alumina and aluminium market prices on a trailing basis.

Our operating margin increased to 38% (FY24: 8%) as our average realised price of alumina increased by 47% and costs were largely unchanged.

While Operating unit cost guidance is not provided for this non-operated facility, costs are expected to trend lower in FY26 due to lower planned maintenance and bauxite prices from MRN.

Financial performance

Underlying EBIT increased by US$237M, from a loss of US$11M, to US$226M in FY25, as higher average realised alumina prices (+US$240M) and sales volumes (+US$25M), more than offset additional maintenance (-US$26M) and higher bauxite prices (-US$8M).

Our share of the loss from our equity accounted interest in MRN declined to US$7M in FY25 (FY24: loss of US$30M), reflecting higher bauxite prices.

Capital expenditure

Safe and reliable capital expenditure was US$35M in FY25 and is expected to be US$50M in FY26 as the operation invests in additional bauxite residue disposal capacity.

Improvement and life extension capital expenditure declined by US$16M to US$6M as the operation paused the Phase Two De-bottlenecking project to complete further work on the execution plan and operational readiness.

The partners of MRN continue to progress a feasibility study for the West Zone project, which has the potential to extend the life of the bauxite mine by more than 20 years[62]. In FY25, a preliminary environmental license for the West Zone project was received, and final investment approval granted for the construction of a transmission line, which will enable diesel-powered generation to be replaced with cost efficient renewable energy sources. Our share of capital expenditure for the transmission line is expected to be ~US$55M (33% share) over FY26 to FY28, with spend of US$30M expected in FY26. Separately, a final investment decision for the new mines project is expected in H2 FY26, subject to the receipt of approvals.

South32 share	FY25	FY24
Alumina production (kt)	**1,340**	1,286
Alumina sales (kt)	**1,349**	1,282
Realised sales price (US$/t)	**555**	378
Operating unit cost (US$/t)[(a)]	**326**	323

South32 share (US$M)	FY25	FY24
Underlying revenue	**749**	484
Underlying EBITDA	**283**	40
Underlying EBIT	**226**	(11)
Net operating assets	**638**	736
Capital expenditure[(b)]	**41**	80
Safe and reliable	**35**	58
Improvement and life extension	**6**	22

(a) Excludes the profit/(loss) from our equity accounted interest in MRN.
(b) Excludes capital expenditure for MRN.

62. The information in this report that refers to Production Target and forecast financial information for MRN is based on Proved (16%) and Probable (2%) Ore Reserves and Measured (82%) Mineral Resources. The Mineral Resources and Ore Reserves underpinning the Production Target have been prepared by R Aglinskas and G Coutinho (both employed by MRN) and reported in accordance with the JORC Code and is available on pages 233 to 256. South32 confirms that all material assumptions underpinning the Production Target and forecast financial information derived from the Production Target continues to apply and have not materially changed.

BRAZIL ALUMINIUM

Location: **Maranhão, Brazil**
South32 share: **40 per cent (non-operated)**

The Brazil Aluminium smelter was restarted during FY22 after being on care and maintenance since 2015.

Brazil Aluminium produces aluminium for domestic and export markets, with alumina supplied by the co-located Alumar alumina refinery. Our share of Brazil Aluminium production is powered by 100% renewable power.

Volumes

Brazil Aluminium saleable production increased by 33% (or 34kt) to 138kt in FY25, as the smelter continued to ramp-up all three potlines.

Production is expected to increase by 16% to 160kt in FY26 and a further 3% to 165kt in FY27.

Operating costs

Operating unit costs decreased by 7%, to US$3,239/t in FY25, as higher volumes, lower renewable energy prices and a weaker Brazilian real more than offset higher alumina prices.

While Operating unit cost guidance is not provided for this non-operated facility, Operating unit costs are expected to continue to moderate as the smelter ramps-up.

Financial performance

Underlying EBIT improved by US$24M, to a loss of US$97M in FY25, as higher sales volumes (+US$78M) and average realised aluminium prices (+US$35M), and lower electricity prices (+US$16M), more than offset higher alumina prices (-US$61M) and volume related movements (-US$45M) as the smelter ramped-up.

Capital expenditure

Capital expenditure was US$9M in FY25 and is expected to be US$15M in FY26.

South32 share	FY25	FY24
Aluminium production (kt)	**138**	104
Aluminium sales (kt)	**138**	102
Realised sales price (US$/t)	**2,572**	2,373
Operating unit cost (US$/t)	**3,239**	3,500

South32 share (US$M)	FY25	FY24
Underlying revenue	**355**	242
Underlying EBITDA	**(92)**	(115)
Underlying EBIT	**(97)**	(121)
Net operating assets	**71**	68
Capital expenditure	**9**	8
Safe and reliable	**9**	8
Improvement and life extension	**–**	–

Financial and operating performance summary continued

HILLSIDE ALUMINIUM

Location: **KwaZulu-Natal, South Africa**
South32 share: **100 per cent**

Hillside Aluminium is located in Richards Bay, South Africa, and is the largest aluminium smelter in the southern hemisphere. The smelter produces high-quality, primary aluminium for domestic and export markets.

Volumes

Hillside Aluminium saleable production was largely unchanged at 718kt in FY25, as the smelter continued to test its maximum technical capacity, despite the impact of load-shedding.

Production is expected to be sustained at 720kt[63] across both FY26 and FY27.

Operating costs

Operating unit costs increased by 19%, to US$2,507/t in FY25, as the smelter's strong operational performance and lower raw material input prices (coke and pitch), was more than offset by higher alumina prices, a stronger South African rand and inflation-linked indexation of energy costs.

Our operating margin declined to 8% (FY24: 11%) as a 14% increase in our average realised price of aluminium was more than offset by higher costs.

While Operating unit cost guidance is not provided, the cost profile of the smelter will continue to be heavily influenced by the price of smelter raw material inputs, including alumina supplied by our Worsley Alumina refinery, and other external factors including the South African rand and inflation-linked indexation of energy costs.

The smelter's electricity is supplied by Eskom under a contract to 2031, with a tariff that is South African rand based and a rate of escalation linked to the South African Producer Price Index. We are continuing to work with Eskom and other stakeholders in the South African energy sector on pathways to secure low-carbon electricity supply.

Financial performance

Underlying EBIT decreased by 35% (or US$45M), to US$85M in FY25, as higher sales volumes (+US$29M) and average realised aluminium prices (+US$240M), and lower smelter raw material input prices (coke and pitch) (+US$41M), were more than offset by higher alumina prices (-US$258M), a stronger South African rand (-US$22M), inflation-linked indexation of energy costs (-US$24M), maintenance costs (-US$17M) and a drawdown in inventory (-US$24M).

146 pots were relined at a cost of US$307k per pot in FY25 (FY24: 130 pots at US$327k per pot), with ~65 pots scheduled to be relined in FY26. The smelter is deploying AP3XLE energy efficiency technology in its pot relining activity to further enhance the smelter's energy efficiency and reduce GHG emissions. At the end of FY25, ~57% of the pots had been relined using AP3XLE technology.

Capital expenditure

Capital expenditure increased by US$27M to US$67M in FY25 and is expected to be US$65M in FY26 as we continue our investment to replace the pot tending assemblies.

South32 share	FY25	FY24
Aluminium production (kt)	**718**	720
Aluminium sales (kt)	**732**	720
Realised sales price (US$/t)	**2,717**	2,389
Operating unit cost (US$/t)	**2,507**	2,115

South32 share (US$M)	FY25	FY24
Underlying revenue	**1,989**	1,720
Underlying EBITDA	**154**	197
Underlying EBIT	**85**	130
Net operating assets	**788**	805
Capital expenditure	**67**	40
Safe and reliable	**66**	38
Improvement and life extension	**1**	2

63. Production guidance for Hillside Aluminium does not assume any load-shedding impact on production.

MOZAL ALUMINIUM

Location: **Maputo, Mozambique**
South32 share: **63.7 per cent**

Mozal Aluminium is located near Maputo, Mozambique, and is a significant industrial employer in the country. The smelter produces high-quality, primary aluminium for domestic and export markets.

Volumes

Mozal Aluminium saleable production increased by 13% (or 41kt) to 355kt in FY25, as the smelter completed its recovery plan and operated near nameplate capacity to finish the year, having successfully managed the impacts of civil unrest in Mozambique.

As announced on 14 August 2025[64], we have taken the decision to limit investment in Mozal Aluminium due to the increased uncertainty regarding future electricity supply. Without access to sufficient and affordable electricity, we expect that Mozal Aluminium will be placed on care and maintenance at the end of the current agreement in March 2026.

Production is expected to be 240kt[65] in FY26, reflecting fewer pots in operation as we stop pot relining and operations continuing only to March 2026.

Operating costs

Operating unit costs increased by 3%, to US$2,433/t in FY25, as higher volumes and lower raw material input prices (coke and pitch), were more than offset by higher alumina prices, a stronger South African rand and inflation-linked indexation of energy costs.

Our operating margin increased to 13% (FY24: 5%) as a 12% increase in the average realised price of aluminium more than offset higher costs.

While Operating unit cost guidance is not provided, the cost profile of the smelter will continue to be heavily influenced by the price of smelter raw material inputs, including alumina supplied by our Worsley Alumina refinery, and other external factors including the South African rand and inflation-linked indexation of energy costs.

Financial performance

Underlying EBIT increased by US$85M, from a loss of US$30M, to US$55M in FY25, as higher sales volumes (+US$62M) and average realised aluminium prices (+US$105M), more than offset higher alumina prices (-US$60M) and inflation-linked indexation of energy costs (-US$7M).

147[66] pots were relined at a cost of US$367k per pot in FY25 (FY24: 136[66] pots at US$377k per pot). As announced on 14 August 2025[64], we are stopping pot relining due to the increased uncertainty regarding future electricity supply.

Capital expenditure

Capital expenditure was US$21M in FY25 and is expected to be US$10M for the period ending March 2026.

South32 share	FY25	FY24
Aluminium production (kt)	**355**	314
Aluminium sales (kt)	**351**	326
Realised sales price (US$/t)	**2,789**	2,491
Operating unit cost (US$/t)	**2,433**	2,371

South32 share (US$M)	FY25	FY24
Underlying revenue	**979**	812
Underlying EBITDA	**125**	39
Underlying EBIT	**55**	(30)
Net operating assets	**152**	498
Capital expenditure	**21**	23
Safe and reliable	**21**	22
Improvement and life extension	**–**	1

64. Refer to market release "Mozal Aluminium Update" dated 14 August 2025.
65. Production guidance for Mozal Aluminium does not assume any load-shedding impact on production.
66. Presented on a 100% basis.

Financial and operating performance summary continued

SIERRA GORDA

Location: **Antofagasta, Chile**
South32 share: **45 per cent (non-operated)**

Sierra Gorda is a large-scale, open-pit mine in the prolific Antofagasta copper mining region, that produces copper, molybdenum, gold and silver.

Volumes

Sierra Gorda payable copper equivalent production[67] increased by 20% (or 14.6kt) to 88.1kt in FY25, as the operation realised higher planned copper grades and improved molybdenum recoveries.

Payable copper equivalent production[67] is expected to be 85.7kt in FY26 and to increase by 5% to 90.2kt in FY27 due to higher planned copper grades in the next phase of the mine plan.

Operating costs

Operating unit costs decreased by 5%, to US$16.1/t ore processed in FY25, as lower labour costs following a one-off workforce payment in the prior period and a weaker Chilean peso, more than offset additional planned maintenance and a drawdown of finished goods inventory.

Our operating margin increased to 58% (FY24: 43%) as we realised higher average metals prices and costs declined.

We expect FY26 Operating unit costs to increase by 6% to US$17.0/t ore processed, reflecting higher planned mining rates and general cost inflation. Exchange rate and price assumptions for FY26 Operating unit cost guidance are detailed on page 87, footnote 53.

Financial performance

Underlying EBIT increased by 122% (or US$175M), to US$318M in FY25, as higher sales volumes (+US$105M) and average realised metals prices (+US$80M), lower labour costs (+US$14M) and a weaker Chilean peso (+US$9M), more than offset additional planned maintenance (-US$8M) and a drawdown of inventory (-US$10M).

Depreciation and amortisation increased by US$32M to US$164M in FY25 in line with recent capital investments.

Capital expenditure

Safe and reliable capital expenditure increased by US$16M to US$191M in FY25 as the operation continued deferred stripping activity and invested in additional tailings storage infrastructure.

Safe and reliable capital expenditure is expected to decrease by US$11M to US$180M in FY26 due to lower planned development rates.

Improvement and life extension capital expenditure was US$25M in FY25 as the operation continued the feasibility study for the fourth grinding line expansion project. Improvement and life extension capital expenditure is expected to be US$15M in FY26[68], with the fourth grinding line feasibility study expected to be completed in late H1 FY26.

South32 share	FY25	FY24
Ore mined (Mt)	**23.0**	19.9
Ore processed (Mt)	**21.7**	21.9
Ore grade processed (%, Cu)	**0.42**	0.36
Payable copper equivalent production (kt)[67]	**88.1**	73.5
Payable copper production (kt)	**71.4**	60.8
Payable molybdenum production (kt)	**1.5**	0.9
Payable gold production (koz)	**27.9**	24.6
Payable silver production (koz)	**584**	607
Payable copper sales (kt)	**72.9**	60.9
Payable molybdenum sales (kt)	**1.3**	1.3
Payable gold sales (koz)	**28.5**	24.9
Payable silver sales (koz)	**599**	605
Realised copper sales price (US$/lb)	**4.18**	3.86
Realised molybdenum sales price (US$/lb)	**21.12**	20.60
Realised gold sales price (US$/oz)	**2,877**	2,129
Realised silver sales price (US$/oz)	**31.7**	24.8
Operating unit cost (US$/t ore processed)[69]	**16.1**	17.0

South32 share (US$M)	FY25	FY24
Underlying revenue	**832**	647
Underlying EBITDA	**482**	275
Underlying EBIT	**318**	143
Net operating assets	**1,769**	1,664
Capital expenditure	**216**	207
Safe and reliable	**191**	175
Improvement and life extension	**25**	32
Exploration expenditure	**13**	13
Exploration expensed	**–**	–

67. Payable copper equivalent production (kt) was calculated by aggregating revenues from copper, molybdenum, gold and silver, and dividing the total Revenue by the price of copper. FY24 realised prices for copper (US$3.86/lb), molybdenum (US$20.60/lb), gold (US$2,129/oz) and silver (US$24.8/oz) have been used for FY24 and FY25. FY25 realised prices for copper (US$4.18/lb), molybdenum (US$21.12/lb), gold (US$2,877/oz) and silver (US$31.7/oz) have been used for FY26e and FY27e.
68. We expect to review FY26e capital expenditure guidance following a final investment decision for the fourth grinding line project.
69. Sierra Gorda Operating unit cost is Underlying revenue less Underlying EBITDA divided by ore processed. Periodic movements in finished product inventory may impact Operating unit costs.

CANNINGTON

Location: **Queensland, Australia**
South32 share: **100 per cent**

Cannington is an underground mine located in north-west Queensland, Australia that produces high-grade lead and zinc concentrates with a high silver content.

Volumes

Cannington payable zinc equivalent production[70] decreased by 20% (or 60.6kt) to 241.9kt in FY25, as the operation continued to manage increased underground activity and complexity. Average metals grades also declined in accordance with the mine plan.

We have completed the previously announced review of the Cannington mine plan in response to increased underground complexity. To manage the challenging underground conditions and deliver reliable mining rates, we have lowered expected mining volumes to an average of ~1.8Mtpa[71] over FY26 to FY31. Processing rates are also revised lower and work is underway to optimise the cost base, including contractor and equipment requirements, in line with lower planned volumes.

Payable zinc equivalent production[70] is expected to be 200.6kt in FY26 (ore processed 1,850kdmt, zinc 40.0kt, lead 87.0kt, silver 8,200koz) and 204.7kt in FY27 (ore processed 1,750kdmt, zinc 43.0kt, lead 80.0kt, silver 8,700koz).

The underground Ore Reserve of 10Mt[71] supports a reserve life of six years at Cannington. We are progressing options to extend the mine life, targeting further growth from the underground Mineral Resource of 53Mt[72]. In addition, we are advancing study work on a potential open pit development to unlock value from the Mineral Resource of 25Mt[72] and capitalise on higher silver prices.

Operating costs

Operating unit costs increased by 26%, to US$194/t ore processed in FY25, reflecting lower ore processed and additional mining costs to support increased underground activity.

Our operating margin decreased to 43% (FY24: 46%) as higher average metals prices were more than offset by additional costs.

We expect FY26 Operating unit costs to increase by 6% to US$205/t ore processed, with lower contractor costs and cost efficiencies, partially offsetting the volume impact of lower ore processed. Exchange rate and price assumptions for FY26 Operating unit cost guidance are detailed on page 87, footnote 53.

Financial performance

Underlying EBIT decreased by 1% (or US$2M), to US$204M in FY25, as higher average metals prices (+US$87M) were offset by lower sales volumes (-US$59M), a drawdown of finished goods inventory (-US$21M) and additional mining costs due to increased underground activity (-US$12M).

Capital expenditure

Capital expenditure was US$49M in FY25 and is expected to decrease to US$40M in FY26 due to lower planned underground development and equipment requirements in line with the mine plan.

South32 share	FY25	FY24
Ore mined (kwmt)	**1,960**	2,252
Ore processed (kdmt)	**1,944**	2,221
Ore grade processed (g/t, Ag)	**191**	205
Ore grade processed (%, Pb)	**5.6**	5.9
Ore grade processed (%, Zn)	**3.1**	3.7
Payable zinc equivalent production (kt)[70]	**241.9**	302.5
Payable silver production (koz)	**10,292**	12,666
Payable lead production (kt)	**92.4**	112.4
Payable zinc production (kt)	**44.5**	60.7
Payable silver sales (koz)	**11,019**	11,793
Payable lead sales (kt)	**99.3**	102.4
Payable zinc sales (kt)	**45.7**	60.1
Realised silver sales price (US$/oz)	**31.9**	24.8
Realised lead sales price (US$/t)	**1,883**	2,002
Realised zinc sales price (US$/t)	**2,648**	2,230
Operating unit cost (US$/t ore processed)[73]	**194**	154

South32 share (US$M)	FY25	FY24
Underlying revenue	**659**	631
Underlying EBITDA	**281**	289
Underlying EBIT	**204**	206
Net operating assets	**131**	150
Capital expenditure	**49**	38
Safe and reliable	**49**	37
Improvement and life extension	**–**	1
Exploration expenditure	**6**	9
Exploration expensed	**2**	6

70. Payable zinc equivalent (kt) was calculated by aggregating revenues from payable zinc, lead and silver, and dividing the total Revenue by the price of zinc. FY24 realised prices for zinc (US$2,230/t), lead (US$2,002/t) and silver (US$24.8/oz) have been used for FY24 and FY25. FY25 realised prices for zinc (US$2,648/t), lead (US$1,883/t) and silver (US$31.9/oz) have been used for FY26e and FY27e.
71. The information in this report that refers to Production Target and forecast financial information for Cannington is based on Proved (84%) and Probable (16%) Ore Reserves. The Ore Reserves underpinning the Production Target have been prepared by T Bailey in accordance with the requirement of the JORC Code and is available on pages 233 to 256. South32 confirms that all material assumptions underpinning the Production Target and forecast financial information derived from the Production Target continues to apply and have not materially changed.
72. The Total Underground Mineral Resource of 53Mt includes 39Mt of Measured, 11Mt of Indicated and 2.6Mt of Inferred Resource. The Total Open pit Mineral Resource of 25Mt includes 19Mt of Measured, 4.5Mt of Indicated and 1.2Mt of Inferred Mineral Resources. The information in this report that relates to the Mineral Resource and Ore Reserve estimate for Cannington mine is available on pages 233 to 256 and prepared by S Bowman in accordance with the requirements of the JORC Code. South32 confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.
73. Cannington Operating unit cost is Underlying revenue less Underlying EBITDA divided by ore processed. Periodic movements in finished product inventory may impact Operating unit costs.

Financial and operating performance summary continued

CERRO MATOSO

Location: **Córdoba, Colombia**
South32 share: **99.9 per cent**

Cerro Matoso is an integrated nickel laterite mine and smelter located in northern Colombia that produces ferronickel used to make stainless steel.

In July 2025, we announced a binding agreement to divest Cerro Matoso for nominal upfront consideration and future cash payments of up to US$100M[74]. The transaction is expected to complete in late H1 FY26, subject to the satisfaction or waiver of certain conditions.

Volumes

Cerro Matoso payable nickel production decreased by 9% (or 3.5kt) to 37.1kt in FY25 due to lower planned nickel grades.

Payable nickel production in H1 FY26 is expected to be 16.0kt.

Operating costs

Operating unit costs decreased by 3%, to US$4.96/lb in FY25, as cost efficiencies, lower price-linked royalties and a weaker Colombian peso, more than offset lower volumes.

H1 FY26 Operating unit costs are expected to be US$5.30/lb. Exchange rate and price assumptions for FY26 Operating unit cost guidance are detailed on page 87, footnote 53.

Financial performance

Underlying EBIT increased by 18% (or US$9M), to US$58M in FY25, as cost efficiencies (+US$24M), lower price-linked royalties (+US$26M), and a weaker Colombian peso (+US$15M), were partially offset by lower sales volumes (-US$57M) and average realised nickel prices (-US$14M).

Depreciation and amortisation decreased by US$35M to US$26M, following the impairment recognised in FY24.

Capital expenditure

Capital expenditure decreased by US$4M to US$30M in FY25.

H1 FY26 capital expenditure is expected to be US$10M.

South32 share	FY25	FY24
Ore mined (kwmt)	**4,853**	5,195
Ore processed (kdmt)	**2,785**	2,774
Ore grade processed (%, Ni)	**1.48**	1.60
Payable nickel production (kt)	**37.1**	40.6
Payable nickel sales (kt)	**36.7**	40.9
Realised nickel sales price (US$/lb)[75]	**5.99**	6.17
Operating unit cost (US$/lb)	**4.96**	5.10

South32 share (US$M)[(a)]	FY25	FY24
Underlying revenue	**485**	556
Underlying EBITDA	**84**	*110*
Underlying EBIT	**58**	*49*
Net operating assets	**64**	*259*
Capital expenditure	**30**	34
Safe and reliable	**27**	34
Improvement and life extension	**3**	–
Exploration expenditure	**1**	3
Exploration expensed	**1**	3

(a) Cerro Matoso has been classified as a discontinued operation and held for sale since 30 June 2025[74]. As a result, the FY25 and restated FY24 underlying results reflect those of a discontinued operation. Net operating assets represent the assets and directly associated liabilities classified as held for sale for FY25 and the restated equivalent amounts for FY24.

74. Refer to market release "Agreement to Divest Cerro Matoso" dated 7 July 2025.
75. Cerro Matoso realised nickel sales price is inclusive of by-products.

AUSTRALIA MANGANESE

Location: **Northern Territory, Australia**
South32 share: **60 per cent**

Australia Manganese is Groote Eylandt Mining Company (GEMCO) in the Northern Territory, Australia, an open-cut mining operation that produces high-grade manganese ore.

Volumes

Australia Manganese saleable production was 1,106kwmt in FY25, as we successfully resumed operations following the impacts of Tropical Cyclone Megan in Q3 FY24.

Production is expected to be 3,200kwmt across both FY26 and FY27 as the operation delivers normalised production rates.

Export shipments recommenced in Q4 FY25 following completion of the wharf construction. Shipping rates are on track to reach full capacity in Q1 FY26.

Australia Manganese received external insurance payments of US$350M (100% basis) in FY25. We continue to work with our insurers regarding further insurance recoveries.

Operating costs

We expect FY26 Operating unit costs to be US$2.40/dmtu, with the return to normalised production rates. Exchange rate and price assumptions for FY26 Operating unit cost guidance are detailed on page 87, footnote 53.

Financial performance

Underlying EBIT was a loss of US$125M in FY25 due to the impacts of Tropical Cyclone Megan. Separately, idle capacity and other remediation costs (US$133M, South32 share) and insurance recoveries (US$350M, 100% basis) were excluded from Underlying EBIT as earnings adjustments.

Depreciation and amortisation recognised in Underlying EBIT decreased by US$101M to US$20M in FY25, with net US$59M capitalised to inventory and US$20M recognised as earnings adjustments. Underlying depreciation and amortisation is expected to be US$120M in FY26.

Capital expenditure

Capital expenditure was US$115M in FY25 as we invested in infrastructure to deliver the operational recovery plan, including the wharf and a critical bridge.

We expect to invest US$80M in FY26 including planned upgrades to water management infrastructure and mobile equipment.

South32 share	FY25	FY24
Manganese ore production (kwmt)	**1,106**	2,324
Manganese ore sales (kwmt)	**253**	2,573
Realised external manganese ore sales price (US$/dmtu, FOB)[76,77]	**3.68**	3.77
Operating unit cost (US$/dmtu, FOB)[77,78]	**–**	2.32

South32 share (US$M)	FY25	FY24
Underlying revenue	**42**	436
Underlying EBITDA	**(105)**	182
Underlying EBIT	**(125)**	61
Net operating assets	**240**	166
Capital expenditure	**115**	65
Safe and reliable	**114**	39
Improvement and life extension	**1**	26
Exploration expenditure	**5**	1
Exploration expensed	**5**	–

76. Volumes and prices do not include any third party trading that may be undertaken independently of equity production. Realised ore prices are calculated as external sales Underlying revenue less freight and marketing costs, divided by external sales volume.
77. Manganese Australia FY25 average manganese content of external ore sales was 41.5% on a dry basis (FY24: 42.4%). 100% of FY25 external manganese ore sales (FY24: 98%) were completed on a CIF basis. FY25 realised FOB ore prices and Operating unit costs have been adjusted for freight and marketing costs of US$8M (FY24: US$42M), consistent with our FOB cost guidance.
78. FOB Ore Operating unit cost is Underlying revenue less Underlying EBITDA, freight and marketing costs, divided by ore sales volumes.

Financial and operating performance summary continued

SOUTH AFRICA MANGANESE

Location: **Northern Cape and Gauteng, South Africa**
South32 share: **Ore - 54.6 per cent, Alloy - 60 per cent (divested)**

South Africa Manganese consists of two manganese mines in the Kalahari Basin, the open-cut Mamatwan mine and the underground Wessels mine.

In June 2025, Samancor Manganese Proprietary Limited completed the divestment of the Metalloys manganese alloy smelter[79], which had been placed on care and maintenance in FY20.

Volumes

South Africa Manganese saleable production was largely unchanged at 2,151kwmt in FY25, as the operation continued to deliver strong mining performance and benefitted from improved access to rail logistics. Our realised price was an ~11% premium to the medium grade 37% manganese lump ore index[80] as we optimised our sales mix.

Production guidance is expected to be 2,000kwmt across both FY26 and FY27, subject to our continued use of higher cost trucking in response to market conditions.

Operating costs

Operating unit costs increased by 14%, to US$3.05/dmtu in FY25, as improved access to cost efficient rail logistics, was more than offset by a stronger South African rand and increased maintenance costs.

We expect FY26 Operating unit costs to increase by 2% to US$3.10/dmtu, reflecting general cost inflation. Exchange rate and price assumptions for FY26 Operating unit cost guidance are detailed on page 87, footnote 53.

Financial performance

Ore Underlying EBIT decreased by US$18M, to US$30M in FY25, as higher average realised manganese prices (+US$9M) and lower in-land logistics costs (+US$7M), were more than offset by a stronger South African rand (-US$6M), additional maintenance (-US$6M) and unfavourable movements in work-in-progress inventory (-US$7M).

The Metalloys manganese alloy smelter incurred care and maintenance costs of US$6M (South32 share) prior to its divestment in June 2025.

Capital expenditure

Safe and reliable capital expenditure was US$28M in FY25 and is expected to be US$30M in FY26.

Improvement and life extension capital expenditure was US$16M in FY25 and is expected to decrease to US$5M in FY26 as we complete work to access new mining areas at the Wessels mine.

South32 share	FY25	FY24
Manganese ore production (kwmt)	**2,151**	2,175
Manganese ore sales (kwmt)	**2,096**	2,116
Realised external manganese ore sales price (US$/dmtu, FOB)[81,82]	**3.71**	3.53
Ore operating unit cost (US$/dmtu, FOB)[82,83]	**3.05**	2.67

South32 share (US$M)	FY25	FY24
Underlying revenue	**353**	343
Manganese ore	**353**	343
Manganese alloy	**–**	–
Underlying EBITDA	**46**	65
Manganese ore	**52**	68
Manganese alloy	**(6)**	(3)
Underlying EBIT	**24**	45
Manganese ore	**30**	48
Manganese alloy	**(6)**	(3)
Net operating assets/(liabilities)	**252**	200
Manganese ore	**252**	271
Manganese alloy	**–**	(71)
Capital expenditure	**44**	43
Safe and reliable	**28**	31
Improvement and life extension	**16**	12

79. Refer to media release "Completion of Metalloys Manganese Alloy Smelter Divestment" dated 3 June 2025.
80. The sales volume weighted average of the Metal Bulletin 37% manganese lump ore index (FOB Port Elizabeth, South Africa) was US$3.33/dmtu in FY25.
81. Volumes and prices do not include any third party trading that may be undertaken independently of equity production. Realised ore prices are calculated as external sales Underlying revenue less freight and marketing costs, divided by external sales volume.
82. Manganese South Africa FY25 average manganese content of external ore sales was 38.9% on a dry basis (FY24: 38.8%). 92% of FY25 external manganese ore sales (FY24: 89%) were completed on a CIF basis. FY25 realised FOB ore prices and Operating unit costs have been adjusted for freight and marketing costs of US$54M (FY24: US$58M), consistent with our FOB cost guidance.
83. FOB Ore Operating unit cost is Underlying revenue less Underlying EBITDA, freight and marketing costs, divided by ore sales volumes.

GOVERNANCE

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CELEBRATING 10 YEARS 2015 – 2025

COMMITTED TO GOOD GOVERNANCE

We are committed to upholding high standards of governance to enable us to operate with integrity, comply with legal and ethical obligations, and act responsibly in everything we do. This section describes how we do this through our governance framework, policies and practices, promoting confidence and building trust in our work.

Introduction

This Corporate Governance Statement is current as at 28 August 2025 and has been approved by the Board of South32 Limited.

ASX Principles and Recommendations

As an Australian Securities Exchange (ASX) listed entity, we are required to benchmark our corporate governance practices against the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Principles and Recommendations), available at *www.asx.com.au*.

Our Board considers that our corporate governance practices are (and were for FY25) compliant with the ASX Principles and Recommendations – further details are provided in our Appendix 4G available at *www.south32.net*.

Our Values

While our strategy outlines what we do to achieve our purpose, our values guide how we do it. Our values shape the way we behave and the standards we set for ourselves and others. Learn more about our values on page 2.

Learn more...

Board documents

- Board Charter
- Board committee processes and procedures
- Independence of Directors Policy

Committee Terms of Reference

- Nomination and Governance Committee
- Remuneration Committee
- Risk and Audit Committee
- Sustainability Committee

Other documents

- South32 Constitution
- Code of Business Conduct (including our Speak Up Policy)
- Anti-Bribery and Corruption Policy
- Inclusion and Diversity Policy
- Securities Dealing Policy

Go to www.south32.net.

CASE STUDY

Our Board sees positive impacts in South Africa

Our Board visited Hillside Aluminium, in South Africa's KwaZulu-Natal province, in February 2025. They met employees and saw first-hand the operation and the positive impact of its community initiatives.

Highlights included meeting the Hillside Women@Work Forum, showcasing efforts to support diversity and inclusion within Hillside.

The Board toured the Ngwelezana Paediatric Burns Unit, funded by Hillside, which provides specialised care for young victims.

They also visited Aquadene Secondary School which celebrated remarkable academic results in 2024, supported by Hillside's Schools' Refurbishment Project. Initiatives including the addition of an eight-classroom, double-storey building and the creation of an accessible unit for paraplegic use have transformed the school's educational facilities. The project has also reduced overcrowding and allowed the 1,053 students to concentrate better on their studies.

OUR CORPORATE GOVERNANCE FRAMEWORK

Board of Directors

Our Board represents our shareholders, and promotes and protects the interests of the Group. Our Board Charter sets out its role and responsibilities. Delegating broad authority to our Chief Executive Officer (CEO) for the day-to day management of the Group enables our Board to focus on its primary responsibilities, including oversight of performance, management's development and implementation of our strategy, and the culture of the Group. Directors are expected to apply independent judgement to all Board discussions and decisions.

Find out more about our Board, including their qualifications, skills and experience, and other appointments on pages 104 to 118.

Board Committees

Four standing Committees have been established to assist the Board in discharging its responsibilities.

Nomination and Governance Committee

Assists the Board with reviewing its composition and evaluating its performance and succession planning and has oversight of the Group's corporate governance practices.

Remuneration Committee

Assists the Board to oversee the Group's remuneration policy and the remuneration and benefits framework for all Group employees.

Risk and Audit Committee

Assists the Board to oversee the corporate reporting, risk management and assurance practices of the Group.

Sustainability Committee

Assists the Board to oversee the sustainability management, performance, assurance and reporting practices of the Group.

Find out more about our Board Committees on pages 119 to 123.

Chief Executive Officer

Our CEO has authority for day-to-day management of the Group, enabling the Board to focus on its primary responsibilities. The CEO in turn delegates certain authorities and responsibilities to management but remains accountable to the Board for the Group's performance and for all delegated authority. The CEO also guides and supervises our Lead Team.

Find out more about our CEO on page 106.

Lead Team

Our Lead Team members lead specific parts of our business. As a collective they work to progress the Group's strategy in a way that aligns with our purpose, values, Code of Business Conduct (our Code), and the risk appetite developed by management and approved by our Board.

Find out more about our Lead Team members on pages 128 to 129.

Shareholders

Our shareholders are our owners, and we understand that effective two-way communication is important for them to exercise their rights. We maintain a program of engagement involving our Directors, Lead Team and shareholders, and other relevant stakeholders.

Find out more about how we engage with our stakeholders on page 114 .

Governance continued

OUR BOARD

Our Board governs the Company, having regard to our purpose, strategy, values and culture, our shareholders as a whole, and the interests of other relevant stakeholders.

As outlined in our Board Charter, ultimate responsibility for governance and strategy rests with the Board.

Our Board comprises 11 Directors and all except our CEO are considered to be independent, Non-Executive Directors. The Board appoints one of its independent Non-Executive Directors as Chair.

Our Chair, Ms Karen Wood AM, leads our Board and assists the Board to work effectively in the discharge of its responsibilities, while encouraging a culture of openness and debate to foster a high-performing and collegiate team. Outside Board meetings, our Chair acts as the main interface between the Board and the CEO and represents the Board to our shareholders.

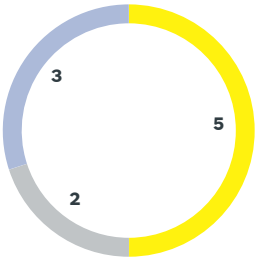
Mr Keith Rumble retired as a Director on 24 October 2024 and two additional Directors, Ms Mandla Msimang and Mr Stephen Pearce, were appointed on 1 February 2025 as part of our Board succession process. The process will continue with the retirement of two inaugural Directors, Mr Frank Cooper AO and Dr Futhi Mtoba at the 2025 Annual General Meeting.

Director[1]	Appointment date
Ms Karen Wood AM (Chair)	1 November 2017; Chair since 12 April 2019
Mr Graham Kerr (CEO)	21 January 2015
Mr Frank Cooper AO	7 May 2015
Dr Xiaoling Liu	1 November 2017
Mr Carlos Mesquita	1 May 2023
Ms Mandlesilo (Mandla) Msimang	1 February 2025
Dr Ntombifuthi (Futhi) Mtoba	7 May 2015
Ms Jane Nelson	1 May 2023
Mr Wayne Osborn	7 May 2015
Mr Stephen Pearce	1 February 2025
Ms Sharon Warburton	28 November 2023

1. Mr Keith Rumble was a Director from 27 February 2015 until he retired on 24 October 2024.

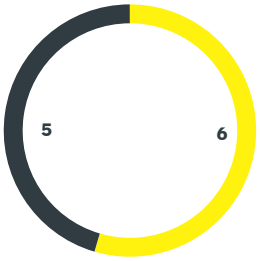
BOARD COMPOSITION AS AT 30 JUNE 2025

Length of tenure
(Non-Executive Directors)



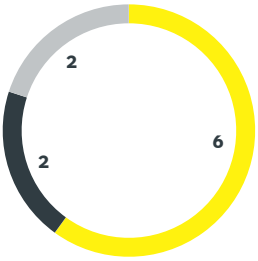
- 0-3 years
- 3-6 years
- 6-9 years
- 9 plus years

Gender diversity
(all Directors)



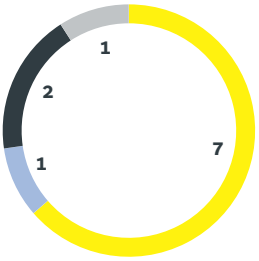
- Female
- Male

Location
(Non-Executive Directors)



- Australia
- Southern Africa
- Americas

Ethnicity
(all Directors)



- White British or other White (including minority-white groups)
- Asian/Asian British
- Black/African/Caribbean/Black British
- Not specified/prefer not to say

Our Board's structure and composition is informed by the ASX Principles and Recommendations and our Board Charter, including that the Board:

- Should be an appropriate size so that business requirements can be met;
- Will comprise a substantial majority of independent Non-Executive Directors; and
- Will seek to have Directors from a diverse range of backgrounds with an appropriate range of skills, expertise and experience necessary to carry out its role and responsibilities.

Our Board has considered its structure and composition and remains satisfied that:

- It is appropriate for the size of the Group, the nature of our portfolio and our strategy and noting the Board is undergoing a period of succession;
- It represents a broad cultural, ethnic, background and geographic mix, and achieves its gender diversity objective of at least 40% women; and
- Its tenure profile balances the benefits of retaining deep corporate knowledge with the contribution of fresh perspectives, while providing stability during a period of inducting newly appointed Directors.

Director independence

To qualify as independent, a Director must be independent of management. They must also be free of any interest, position or other relationship that could (or be reasonably perceived to) materially influence the exercise of objective, unfettered or independent judgement by the Director, or the Director's ability to act in the best interests of the Group or its shareholders generally.

The Nomination and Governance Committee assists the Board to assess the independence of Directors before new appointments are made, annually and if significant new interests arise.

Our register of Directors' interests is periodically reviewed and updated by our Directors, as Non-Executive Directors may be involved with other companies, associations or professional firms which have dealings with us. Director tenure is also considered when assessing independence.

Our Board has determined that for FY25 all Non-Executive Directors identified on page 104 are independent and, accordingly, the Board is comprised of a substantial majority of independent Non-Executive Directors.

Governance continued

OUR BOARD MEMBERS

N R

Ms Karen Wood AM, BEd, LLB (Hons), MSt, 69
Chair and Independent Non-Executive Director
Appointed: 1 November 2017; Chair: 12 April 2019
Location: Australia

Career summary: Ms Wood has worked in legal practice and business.

In 2001, Ms Wood joined BHP and held several global executive leadership roles, including Group Company Secretary, Chief Governance Officer, Chief People Officer and President People and Public Affairs (Corporate Affairs). Following her retirement in 2014, she continued as an adviser to BHP's Board and Chief Executive Officer until 2015. She also chaired the BHP Foundation until 2019, overseeing grant provisions for not-for-profit organisations to deliver global programs in the areas of natural resource governance, human capability and social inclusion, and conserving and sustainably managing natural environments. Before joining BHP, she worked at Bonlac Foods Limited, where she spent five years as General Counsel and Company Secretary.

Other key positions Ms Wood has held include being a member of the Takeovers Panel from 2000 to 2012, and roles with the Australian Securities and Investments Commission (Business Consultative Panel) and the Australian Government's Business Regulatory Advisory Group. She was also a Non-Executive Director of ASX-listed Djerriwarrh Investments Limited from July 2016 until January 2024.

In June 2025, Ms Wood was appointed as a Member of the Order of Australia for significant services to the mining sector, and to the community.

External appointments: Ms Wood is a Director of the Robert Salzer Foundation, serves as an ambassador for the Australian Indigenous Education Foundation, is a member of the Advisory Board of the Sir John Monash Leadership Academy and a Director of the Stars Foundation.

Skills and experience: Ms Wood brings extensive corporate governance expertise to her roles as Chair of our Board and the Nomination and Governance Committee. In these roles, her experienced leadership promotes a cohesive environment of constructive challenge and oversight. Ms Wood's substantial tenure as a global executive within the resources industry means she brings a strong understanding of the regulatory landscape and the key strategic risks and opportunities for a global mining and metals company. Her expertise in shaping culture (including through organisational and remuneration design), public policy, social performance and stakeholder engagement enables her to bring valuable insights in these areas.

Mr Graham Kerr BBus, FCPA, 54
Chief Executive Officer and Managing Director
Appointed: October 2014; Managing Director: 21 January 2015
Location: Australia

Career summary: Mr Kerr joined BHP in 1994 and held a wide range of operational and commercial roles across the business, including Chief Financial Officer Stainless Steel Materials, Vice President Finance Diamonds and Finance Director for the BHP Canadian Diamonds Company.

In 2004, Mr Kerr joined Iluka Resources Limited as General Manager Commercial. He returned to BHP in 2006, leading to his appointment as President of Diamonds and Specialty Products where he was accountable for the Ekati Diamond Mine in Canada, the Richards Bay Minerals joint venture in South Africa, diamonds exploration in Angola, the Corridor Sands Project in Mozambique and the development of BHP's potash portfolio in Canada.

Mr Kerr was appointed BHP's Chief Financial Officer in 2011, a role which he held until 2015 when he left to lead South32 through its demerger from BHP and listing in three countries.

External appointments: Mr Kerr is a Director of the Fremantle Football Club.

Skills and experience: Mr Kerr's strong track record in resources development, and global experience as a commercial and operational leader within the resources industry, means that he brings deep mining and metals expertise and exceptional financial acumen. His health and safety expertise, and passion for promoting inclusion and diversity, are valued contributions to our Board as it oversees our commitment to elevate our safety performance and instil a culture where everyone feels safe and respected at work. Mr Kerr's strong focus on a purpose-driven and values-led future for South32 make him a trusted leader as we progress the next phase of our strategy.

Committee membership key:

Chair appointment
N Nomination and Governance Committee
R Remuneration Committee
RA Risk and Audit Committee
S Sustainability Committee

RA N R

Mr Frank Cooper AO, BCom, FCA, FAICD, 69
Independent Non-Executive Director
Appointed: 7 May 2015
Location: Australia

Career summary: Mr Cooper qualified as a chartered accountant in Australia, leading to a 40-year career in the finance and accounting profession. He has held a number of senior tax and finance roles, including Partner at Ernst & Young, Partner/Business Unit Leader, Tax Practice at PricewaterhouseCoopers and Managing Partner for Arthur Andersen in Perth (for just over 10 years), during which time he specialised in the mining, energy and utility sectors. Other key positions Mr Cooper has held include Commissioner and Chairman of the Insurance Commission of Western Australia and Pro Chancellor of the University of Western Australia.

Throughout his career, Mr Cooper has had extensive involvement in community activities, including serving as Commissioner and Chair of the West Australian Football Commission and as a Member of the State Health Research Advisory Council (Western Australia). He was also a Non-Executive Director of ASX-listed Woodside Energy Group Limited from February 2013 until April 2024.

In 2014 Mr Cooper was awarded an Officer of the Order of Australia. He was also named West Australian of the Year in the Professions category in 2015.

External appointments: Mr Cooper is a Director of St John of God Australia Limited and Wright Prospecting Pty Ltd. He was also appointed as a Director of the Harry Perkins Institute for Medical Research in May 2025 and a Director of Health Translation Group Limited in July 2025.

Skills and experience: Mr Cooper brings exceptional financial acumen and accounting expertise, a strong understanding of legal and regulatory compliance and substantial experience in risk management oversight to our Board, all of which also make him a highly capable Risk and Audit Committee Chair. His listed company experience and expertise in capital management and corporate development are highly valued by our Board as it oversees the implementation of our strategy, as is his strong focus on organisational philosophy, values and standards.

S N RA

Dr Xiaoling Liu BEng (Extractive Metallurgy), PhD (Extractive Metallurgy), FTSE, GAICD, 68
Independent Non-Executive Director
Appointed: 1 November 2017
Location: Australia

Career summary: Dr Liu completed her undergraduate study at Chongqing University in China and her PhD in Extractive Metallurgy at Imperial College in the United Kingdom, before joining the Rio Tinto Group as a senior research scientist in 1988.

Over her 26-year career with Rio Tinto, Dr Liu held various roles in smelting operations, including General Manager Operations at Bell Bay (Tasmania), leading to other senior management roles, including Managing Director Technical Services, where she led Rio Tinto's global technical services unit. Prior to her retirement, Dr Liu was President and Chief Executive Officer of Rio Tinto Minerals, with responsibility for integrated operations of mining, processing, supply chain, marketing and sales for its Borates business in the United States, Europe and Asia.

Dr Liu has served as Vice President of the Board of the Australian Aluminium Council, a Board Member of the California Chamber of Commerce, a Director of Melbourne Business School and Chancellor of Queensland University of Technology. She has also served as a Non-Executive Director at Newcrest Mining Limited (September 2015 until November 2020), Iluka Resources Limited (February 2016 until April 2019) and Incitec Pivot Limited (from November 2019 until May 2024).

External appointments: None.

Skills and experience: With her accomplished career as a global executive in the resources industry, Dr Liu brings to our Board expertise in mining and processing operations, the execution of major capital projects and commodity value chain management. Her high financial acumen, expertise in health and safety, and strong understanding of the key environmental impacts, risks and opportunities relevant to our operations, make her a valued Chair of the Sustainability Committee. Dr Liu's knowledge and experience in technology and innovation, together with her technical background, is an asset to our Board as it oversees our advancement towards a low-carbon future.

Governance continued

N S

Mr Carlos Mesquita BEng (MetalEng), MBA, 67
Independent Non-Executive Director
Appointed: 1 May 2023
Location: Chile

Career summary: Mr Mesquita is a qualified Metallurgical Engineer. He has worked in the mining and metals industry for more than 40 years and has extensive experience in leading mining and processing operations and major capital projects.

Mr Mesquita spent 30 years with BHP where he held various positions in the company's base metals and aluminium businesses, including Asset President of Mozal Aluminium and Asset President of Escondida – the world's largest copper mine. During this time he also served as Vice President Major Projects where he led the base metals projects program, overseeing more than US$10 billion in mining investments in countries including Chile, Australia and Peru.

Mr Mesquita has also previously advised mining companies and private equity funds on acquisitions of mining assets in South America and from 2014 to 2015 he was a Non-Executive Director of Mineração Serra Verde, a mid-sized rare earth minerals mine in central Brazil.
In the first half of 2022, Mr Mesquita was a consultant for South32 providing in-country support following our acquisition of a 45% interest in the Sierra Gorda copper mine.

External appointments: None.

Skills and experience: Mr Mesquita has extensive experience in the global mining and metals industry with a particular focus on base metals and aluminium in the Americas and Africa. His previous roles and first-hand experience of working at projects in an operational capacity means he brings a unique and diverse perspective to our Board. This, together with his experience in leading complex operations with responsibility for safety, volume and costs, support our strategy of optimising our business by working safely, minimising our impact, consistently delivering stable and predictable performance, and continually improving our competitiveness.

N RA S

Ms Mandlesilo (Mandla) Msimang MSc, BA, 48
Independent Non-Executive Director
Appointed: 1 February 2025
Location: South Africa

Career summary: Ms Msimang is an executive with more than 20 years of information and communications technology experience.

Ms Msimang's professional area of expertise is regulation, with a focus on economic and infrastructure regulation, public policy, universal service and access, competition policy, and broadband policy and funding.

She is currently Chief Executive Officer of Nozala Women Investments, a female-owned private equity firm that owns and manages a diversified portfolio in the minerals and energy sector as well as industrial and consumer services. The company aims to make a meaningful contribution towards building a lasting legacy for women in Africa.

External appointments: Ms Msimang is also a Non-Executive Director at Exxaro Resources Limited, where she is a member of the Investment Committee and Risk and Business Resilience Committee, and a Non-Executive Director at Telkom SA Limited. She also serves on the International Advisory Board of the University of Johannesburg Business School, and the Board of Research ICT Africa.

Skills and experience: Ms Msimang brings extensive regulatory, public policy and information, communications and technology expertise, as well as deep knowledge and experience across Africa and the Middle East. She has strong leadership, strategy and risk management skills and solid regulatory and legal compliance knowledge. Through her experience, Ms Msimang has a substantial understanding of working with communities and other stakeholders to create shared value.

Committee membership key:

- Chair appointment
- N Nomination and Governance Committee
- R Remuneration Committee
- RA Risk and Audit Committee
- S Sustainability Committee

N RA

Dr Ntombifuthi (Futhi) Mtoba CA(SA), DCom (Honoris Causa), BCompt (Hons), HDip Banking Law, BA (Econ)(Hons), BA (Arts), 70
Independent Non-Executive Director
Appointed: 7 May 2015
Location: South Africa

Career summary: Dr Mtoba qualified as a chartered accountant in South Africa and joined Deloitte and Touche in 1988, specialising in financial services. She was one of the first African Black women to be appointed Partner by one of the Big Four accounting firms, and was later appointed Chairperson of Deloitte Southern Africa.

Dr Mtoba is President and founder of TEACH South Africa, which recruits skilled teachers for underprivileged schools. She has held several board positions at organisations focused on economic development and community engagement, including the New Partnership for Africa's Development Business Foundation and the African Union Foundation. Dr Mtoba has also been President of the Association for the Advancement of Black Accountants and Business Unity South Africa and chaired the University of Pretoria Council for over 10 years.

Other positions Dr Mtoba has held include being a member of the International Monetary Fund Advisory Group of Sub-Saharan Africa, the World Economic Forum Global Advisory Council, the United Nations Global Compact Board and a Director of the International Women's Forum (South Africa). She has received several awards for contributions to business and society, including Most Outstanding Leadership Women of the Year (Africa Economy Builders, 2018).

External appointments: Dr Mtoba is a Non-Executive Director and Deputy Chair of the Public Investment Corporation Limited and Chair of its Audit Committee, a Director of Discovery Bank Holdings Limited and Lead Independent Director and Audit Committee Chair of Discovery Bank Limited, a Director of Vumelana Advisory Fund and a Director of Chapter Zero Southern Africa.

Skills and experience: Dr Mtoba's tenure as partner and a leader at one of Africa's predominant financial professional services firms, and the numerous roles she has held in local, regional and international organisations and forums, means she provides our Board with considerable financial, economic and public policy expertise and leadership. Dr Mtoba brings a strong focus on culture and her expertise in social performance and community and stakeholder engagement are an asset to our Board as it supports our aspiration to contribute social and economic value where we operate.

N S

Ms Jane Nelson CMG, BSc (Agricultural Economics (Cum Laude)), BA, MA (Philosophy, Politics and Economics), 65
Independent Non-Executive Director
Appointed: 1 May 2023
Location: United States

Career summary: Ms Nelson has a Bachelor of Science in Agricultural Economics (Cum Laude) from the University of KwaZulu-Natal in South Africa. She also holds a Bachelor of Arts and Master of Arts in Philosophy, Politics and Economics from the University of Oxford in the United Kingdom, where she was a Rhodes Scholar.

Ms Nelson has a 30-year career researching and advocating for sustainable business practices and was the founding Director of the Harvard Kennedy School's Corporate Responsibility Initiative, where she is now a senior research fellow. She is a non-resident senior fellow in the Global Economy and Development program at Brookings and a former senior associate of Cambridge University's Programme for Sustainability Leadership.

Ms Nelson served on ExxonMobil's External Sustainability Advisory Panel from 2010 to 2023, the Independent Advisory Panel to the ICMM's Resource Endowment Initiative and on advisory councils for other companies, the World Bank Group and the United Nations. She also worked for The Prince of Wales International Business Leaders Forum in the United Kingdom, the World Business Council for Sustainable Development in Africa, FUNDES in Latin America and as a Vice President at Citibank working in Asia, Europe and the Middle East.

In December 2023, Ms Nelson was appointed a Companion of the Order of Saint Michael and Saint George (CMG) in the UK's Overseas and International Honours List for services to business and to sustainability.

External appointments: Ms Nelson is a Non-Executive Director of NYSE, ASX and TSX-listed Newmont Mining Corporation (since 2011) and Chair of its Safety and Sustainability Committee.

Ms Nelson is a Co-Chair of the Business Commission to Tackle Inequality, hosted by the World Business Council for Sustainable Development, and in January 2025, was appointed as Co-Chair of the World Economic Forum's (WEF) Global Future Council on the Energy Nexus and as an Editor-in-Chief of the Cambridge Forum on Corporate Climate Governance, a Cambridge University Press publication. She serves on the Board of Chevron's Niger Delta Partnership Initiative foundation and on sustainability-related advisory councils for Bank of America, Abbott Laboratories and Griffith Foods. In 2024, Ms Nelson concluded her term as a member of the WEF's Global Future Council on Good Governance, the Stewardship Council for Food Systems and the Climate Governance Community of Experts, ceased as a member of the Business and Human Rights Resource Centre International Advisory Network.

Skills and experience: Ms Nelson's career comprises a portfolio of roles across academia, international policy, business leadership groups and not-for-profit organisations. She has expertise in sustainable development including in human rights, cultural heritage and Indigenous issues and a significant understanding of climate change and biodiversity issues. Ms Nelson's strong focus on sustainable development, together with her passion for building partnerships between business, government and civil society, is an asset to our Board as this is at the heart of our purpose and underpins our strategy.

Governance continued

R N S

Mr Wayne Osborn Dip Elect Eng, MBA, FTSE, 73
Independent Non-Executive Director
Appointed: 7 May 2015
Location: Australia

Career summary: Mr Osborn worked as an engineer in the telecommunications and iron ore industries, before joining Alcoa (Australia) in 1979.

Mr Osborn held several senior management positions with Alcoa over the course of his career, including having accountability for its Asia-Pacific manufacturing operations in China, Japan, Korea and Australia. In 2001 he was appointed Managing Director, leading an integrated business comprised of bauxite mining, alumina refining, coal mining, power generation and aluminium smelting until his retirement in 2008.

Since 2008, Mr Osborn has served as a Non-Executive Director in the mining, energy and construction industries. Most recently, he was a Non-Executive Director of Wesfarmers Limited from March 2010 to October 2021.

Other key roles Mr Osborn has held include Chairman of the Australian Institute of Marine Science, Chairman of the Western Australia Branch of the Australia Business Arts Foundation and Vice President of the Chamber of Commerce and Industry, Western Australia. Mr Osborn is also a recipient of the WA Business Leader Award (2007) and the Australian Institute of Company Directors Award for Excellence (2018).

External appointments: None.

Skills and experience: Mr Osborn brings expertise in mining and smelting operations, large-scale capital projects and commodity value chain management to our Board. His broad skills and experience in health and safety management, and strong understanding of the key environmental issues, risks and opportunities relevant to our operations, are an asset to our Board as it oversees our commitments to improve our safety performance, our approach to sustainability-related risks and opportunities and how we manage our environmental impact. Mr Osborn's experience leading large workforces, expertise in overseeing remuneration design and implementation, and strong focus on sustainability make him a highly capable Remuneration Committee Chair.

N R RA

Mr Stephen Pearce BBus(Acc), FCA, FGIA, MAICD, 61
Independent Non-Executive Director
Appointed: 1 February 2025
Location: Australia

Career summary: Stephen Pearce has more than 20 years' experience as a director of public companies and more than 35 years of financial and commercial experience in the mining, oil and gas, and utilities industries.

Mr Pearce holds a Bachelor of Business from the Royal Melbourne Institute of Technology. He is a Fellow of the Institute of Chartered Accountants, a Fellow of the Governance Institute of Australia and a Member of the Australian Institute of Company Directors.

He has held a range of leadership roles including Group Chief Financial Officer and Executive Director of Anglo American plc, a position he held for close to seven years. He also served as Group CFO and Executive Director of Fortescue Metals Group Limited and as CFO at Alinta Energy.

External appointments: Mr Pearce was appointed as a Non-Executive Director of ASX-listed Ampol Limited in March 2025, where he is also a member of the Audit and Risk Committee and Nomination Committee. He is also currently a Non-Executive Director at BAE Systems plc, where he chairs the Audit and Risk Committee and until May 2025 was a Director and Strategic Advisor to the Wyllie Group.

Skills and experience: Mr Pearce brings a wealth of global experience with resources, finance, commercial and operational expertise over more than 35 years in mining, oil and gas, and utilities. He is highly skilled in finance, strategy and capital projects. Mr Pearce also has well-regarded people and remuneration, leadership, corporate development and regulatory compliance experience. His financial experience and industry knowledge are valuable additions to our Board.

Committee membership key:

- Chair appointment
- N Nomination and Governance Committee
- R Remuneration Committee
- RA Risk and Audit Committee
- S Sustainability Committee

N RA

Ms Sharon Warburton BBus (Accounting and Business Law), FCA, FAICD, 55
Independent Non-Executive Director
Appointed: 28 November 2023
Location: Australia

Career summary: Ms Warburton is a chartered accountant with more than 25 years' experience across the major project infrastructure, property development, and resources industries.

She has previously held executive roles with Brookfield Multiplex, Citigroup, and Rio Tinto, working across Australia, Asia, Europe and the Middle East. Ms Warburton's previous board experience includes as a Director of Perth Children's Hospital Foundation, Gold Road Resources Limited, NEXTDC Limited, Barminco, Western Power, Northern Australia Infrastructure Facility and Blackmores Limited (from April 2021 to August 2023). Ms Warburton was also a Director of Fortescue Metals Group and was a part-time member of the Takeovers Panel.

In 2014, Ms Warburton was awarded Western Australia Telstra Business Woman of the Year.

External appointments: Ms Warburton is currently a Non-Executive Director of ASX-listed Northern Star Resources Limited (since 2021), Wesfarmers Limited (since 2019) including Chair of its Audit and Risk Committee, and Worley Limited (since 2019). Ms Warburton is also an Independent Director of Mirvac Funds Management Australia Limited, Thiess Group Holdings Pty Limited and Karlka Nyiyaparli Aboriginal Corporation. She is an Adjunct Professor in Leadership and Strategy at the Curtin University School of Business.

Skills and experience: Ms Warburton is a prominent and highly credentialled Director. She has substantial executive experience in the areas of corporate governance, accounting and finance, and risk management. Ms Warburton's skills in areas of corporate strategy, business operations and major project construction contribute to the Board's broad range of skills and support the delivery of our strategy.

BOARD FOCUS AREAS AND KEY DECISIONS

Our Board's activities in FY25

Our Board is focused on the safety and health of our employees, the Group's operational, financial and sustainability performance, implementation of our strategy, and setting the tone for our workplace culture. Some of these focus areas for FY25 are set out below.

Safety and performance

Nothing is more important than the safety and health of our employees, contractors, visitors and communities. Throughout FY25, our Board actively engaged on the following safety and health matters:

- Updates regarding the civil unrest following the announcement of election results in Mozambique and the impact on Mozal Aluminium. The focus was on the safety and wellbeing of our workforce, and on providing operational stability by preserving raw materials and safeguarding the transport of alumina to the smelter and export of aluminium from it;
- Regular updates and monitored progress of the operational recovery plan at Australia Manganese following Tropical Cyclone Megan in March 2024, and the safe return to mining activities;
- The Board maintained oversight of our approach to serious injury risk reduction through significant incident investigation reviews with management and material safety risk deep-dives during visits to our operations and projects;
- Regular updates and monitored progress on our Safety Improvement Program, a multi-year program of work with the aim of achieving a step change in our safety performance. The program focuses on shifting mindsets through leadership, empowering our people to take responsibility for their own safety and the safety of others, reducing risks with effective controls, and enhancing our systems and metrics;
- Safety performance was reported to, and discussed at, each Sustainability Committee meeting. This included a regular update from management on progress of our LEAD Safely Every Day training program which, in FY25, continued to be deployed across our leadership teams. The program was extended to frontline employees and a subset of contractors at our operations that perform high-risk work, and functional roles that support them;
- Our Directors heard directly from operational employees to gain a better understanding of the safety routines and interactions that occur at our operations, the practical deployment of our LEAD Safely Every Day training program, safety interactions in the field, any safety challenges, and the impact of our Safety Improvement Program on employees and contractors; and
- Regular updates on the management of workplace sexual harassment as a material health and safety risk including updates on any reports made.

Strategy

Our Board oversees strategy development and implementation, including alignment with our purpose and values, and recognises the importance of considering strategy with a focus on safety and through an informed view of societal trends and values.

In June 2025, our Board participated in a dedicated Strategy Day led by our CEO and broader Lead Team which provided an opportunity for the Board to collaborate with management on our strategy and vision for the future.

During FY25, our Board evaluated, provided guidance on, and approved (as required) a number of key matters related to our strategy including:

- Completion of the divestment of Illawarra Metallurgical Coal for up to US$1.65 billion[2];
- Pre-investment funding approval to construct a transmission line to connect the Mineração Rio do Norte (MRN) bauxite mine to the Brazilian power grid, enabling MRN to reduce operating costs by replacing its diesel-powered generation with cost-efficient renewable-energy sources;
- Oversight of energy supply challenges including:
  - Developments in the engagements with the Government of the Republic of Mozambique, Hidroeléctrica de Cahora Bassa and Eskom on securing sufficient and affordable electricity supply to enable Mozal Aluminium to operate beyond March 2026, when the current agreement expires; and
  - The impact of electricity supply interruptions and load-shedding at Hillside Aluminium;
- Consideration of the ore reserve declaration and mineral resource update for Sierra Gorda;
- The status and potential impacts of environmental approvals by the Western Australian State Government (received in December 2024) and the Australian Federal Government (received in February 2025) for the Worsley Mine Development Project;
- The strategic review of the Cerro Matoso operation in Colombia, including a process to evaluate the potential divestment of Cerro Matoso. In July 2025 a binding agreement was entered into to sell Cerro Matoso, subject to the satisfaction or waiver of certain conditions;
- Oversight of the construction and execution progress of the Hermosa project;
- Continued oversight of investment in greenfield exploration opportunities;
- Oversight of the simplification of the Group's functional structures to appropriately support our portfolio following the divestment of Illawarra Metallurgical Coal;
- Continued oversight of the alignment of our remuneration and benefits framework with our purpose, strategy, values and culture; and
- Received briefings on global commodity and economic developments and their impact on the Company and its operations, and briefings on climate change and nature matters.

Our strategy is underpinned by a disciplined approach to capital allocation and a strong balance sheet. Our Board received regular updates on our capital management activities throughout FY25 including approving the payment of interim and final dividends, commencing the on-market share buy-back program in September 2024 and expanding the capital management program by US$200M.

[2] Refer to market release "Sale of Illawarra Metallurgical Coal" dated 29 February 2024.

Culture

Our Board continued to work with our Lead Team to set the direction and tone for a workplace culture that aligns with our purpose, reflects our values, and supports the delivery of our strategy. This included:

- Reviewing any material breaches of our Code, Anti-Bribery and Corruption Policy and any material concerns reported under the Speak Up Policy;
- Participating in a collaborative lunch and learn session led by our Culture and Capability team, focused on sharing insights into our workplace culture;
- Monitoring culture through our operations and offices using a 'Culture Health Check' tool to assist the Board's assessment to better understand how aligned the culture is to our purpose, strategy and values;
- Receiving key observations from leaders on our annual 'Your Voice' employee survey, interrogating the results, and evaluating the actions taken by management to address improvement areas, which included ways to attract and retain talent;
- Continuing to monitor and assess our progress against our inclusion and diversity measurable objectives, and overseeing management's inclusion and diversity action plan to build a more inclusive and diverse workforce; and
- Visiting our social investment initiatives to gain insights into our contribution to surrounding communities. Learn more about the Board's visit to community initiatives funded by Hillside Aluminium, in South Africa's KwaZulu-Natal province, on page 102.

Governance

Our Board approves our corporate governance policies and oversees our corporate governance practices, and in doing so seeks to adopt high standards of corporate governance that meet shareholder and other stakeholder expectations.

In FY25, our Board's ongoing planning for our CEO succession culminated in the identification of a successor for our current CEO. Following a comprehensive global search, which included internal and external candidates, the Board selected Matthew Daley to be appointed as Deputy CEO, effective from 2 February 2026. Following a transition period with the current CEO, Mr Daley will formally assume the role of CEO later in 2026.

Since 2015, our Board has been refreshed as Directors have retired or resigned, with retirements staggered to facilitate continuity and stability and balancing the benefits of retaining deep corporate knowledge with the contribution of fresh perspectives. This approach has been supported by the annual review of the Board skills matrix and regular assessment of the skills and experiences needed as part of a Director succession plan.

Since May 2023, five new Directors have been appointed, including the appointments approved by our Board in FY25, of Ms Mandla Msimang and Mr Stephen Pearce as independent Non-Executive Directors.

Mr Pearce has more than 20 years' experience as a director of public companies and more than 35 years of financial and commercial experience in the mining, oil and gas, and utilities industries. Ms Msimang is an executive with more than 20 years of information and communications technology experience. The Board also approved the updated composition of the Board Committees following the appointments.

As part of our Board succession process, two inaugural Directors, Mr Frank Cooper AO and Dr Futhi Mtoba, will retire by rotation at the 2025 Annual General Meeting, and will not be standing for re-election.

Throughout FY25, our Board continued its oversight of the integration of environmental, social and governance (ESG) considerations, including the potential impacts on the Company and its operations, the risks and opportunities that climate change presents, and embedding these insights into our strategy, capital allocation, budget, risk oversight and governance framework.

Our Board and Committees receive updates on governance developments and briefings from internal and external experts on topics including cybersecurity, workplace sexual harassment, climate and biodiversity, human rights, and workplace health, safety and wellbeing.

The Board was also briefed on the political landscape in the United States following the presidential election, South Africa after a general election, and Australia ahead of its federal election.

STAKEHOLDER ENGAGEMENT

Engaging with our investors

Effective two-way communication is important for our shareholders to exercise their rights as our owners. We maintain a program of engagement involving our Directors, Lead Team and shareholders, and the broader investment community, which for FY25 included:

- Briefings and presentations to analysts and institutional investors, on matters including our FY24 full-year and FY25 half-year financial results;
- Presentations at investment and industry conferences and participation in corporate governance forums, such as BMO Capital Markets, and the Bank of America Global Metals Mining & Steel Conference. All new and substantive presentations (including analyst presentations) are released to the market ahead of the presentation and made available at *www.south32.net*;
- Site tours for analysts and institutional investors such as to Sierra Gorda in November 2024;
- Meetings with investors and proxy advisers (attended by our Chair, Chair of the Remuneration Committee, CEO and/or other Lead Team members), covering financial, operational, remuneration and ESG updates;
- Management-led meetings with civil society groups, such as Market Forces; and
- Responses to investor correspondence.

Investor expectations on ESG-related issues continue to evolve, with an emphasis on demonstrated action and performance. ESG-focused engagement activities are included in our annual engagement program.

Our Annual General Meeting

Our AGM provides shareholders with the opportunity for direct updates from our Board and we encourage them to attend our 2025 AGM in person or virtually, so they can vote on resolutions and ask questions. All substantive resolutions at our AGMs are determined by a poll.

All Directors and LEad Team members are expected to attend the AGM. The external auditor is also available to answer questions relating to the Auditor's Report or the conduct of the audit.

Our 2025 Notice of AGM will contain more information and be made available at www.south32.net.

Board visit to Hermosa

In December 2024, the Board visited our Hermosa project in Arizona. The Board spent two nights in the nearby town of Nogales where a dedicated community engagement day was hosted. During the visit Directors were briefed on tribal engagement and workforce development initiatives. They also considered findings from a survey conducted in Santa Cruz County and surrounding communities, which reflected sentiment and feedback related to Hermosa. The day provided valuable opportunities for Directors to engage directly with community stakeholders and hear their perspectives on the Hermosa project. Directors also visited the future site of the remote operating centre in Nogales that will support the underground mine. As the population centre of Santa Cruz County, this location was chosen in line with our goal that 80% of the Hermosa workforce will be recruited locally when the project is in full operation to maximise the economic benefit to the area.

Engaging with our shareholders and other stakeholders

We provide information about our Company and communicate with our shareholders and other stakeholders through our website and social media platforms including Facebook, LinkedIn, YouTube and Instagram.

We encourage stakeholders to access information about us, including our latest announcements and news, financial and operational results, annual reports, presentations, and speeches, at *www.south32.net.* Shareholders and other stakeholders can contact us directly through our website, where they will also find details of how we can be reached through our Investor Relations or Media Relations teams.

Our shareholders can receive our communications electronically and are periodically reminded of this option. Our shareholders can also contact us and our share registries electronically.

Engaging with our people

Visiting our sites helps Directors better understand the challenges our people face, and assess workplace culture.

In FY25, Directors visited Hermosa in the state of Arizona United States, Hillside Aluminium in South Africa's KwaZulu-Natal province, Worsley Alumina in south-west Western Australia and our Singapore office.

In July 2024, our CEO visited Hermosa and the Sierra Gorda open-pit mine in Chile, followed by Colombia's Cerro Matoso nickel mine in October and South Africa Manganese in February 2025. He returned to Hermosa in February and June 2025.

Our Board formally engages with management via presentations to Board meetings, and lunch and learn sessions. Topics in FY25 included cybersecurity, artificial intelligence, the management of sexual harassment and an update from the marketing team with a focus on India.

Our CEO and Lead Team connect regularly with our employees to share updates and take questions on business results, developments, our performance (including safety performance), our portfolio, and strategy and culture. This includes regular Group-wide live calls and town halls.

Group-wide emails are sent in English, Spanish and Portuguese to accommodate our diverse workforce, while other updates including stories and videos are regularly shared via internal communications channels.

In May 2025, videos celebrating South32's first 10 years were published on our intranet, as was the latest in our 'Conversations with the Board' series, where Sharon Warburton shared her background, career history, and reasons for joining our Board.

Find out more about our stakeholders and our approach to industry association participation in our Sustainability Databook 2025 at www.south32.net.

BOARD APPOINTMENT, RENEWAL AND EVALUATION

Director appointment process and Board renewal

The Nomination and Governance Committee oversees succession planning for the Board, Board Chair, Board Committees, Committee Chairs and the CEO. The Committee recommends to the Board candidates it considers appropriate for appointment to the Board and oversees the evaluation of prospective candidates, including that appropriate checks are undertaken – such as character, experience, education, criminal record and bankruptcy checks, using an external firm as required.

Once selected, the successful candidate is offered a letter of appointment setting out the terms and conditions of their appointment, including fees payable and that the Director will supply services personally (and not through an entity associated with the Director).

In FY25, the Nomination and Governance Committee identified two additional Non-Executive Directors, Ms Mandla Msimang and Mr Stephen Pearce, who were appointed on 1 February 2025. Mr Pearce has more than 20 years' experience as a director of public companies and more than 35 years of financial and commercial experience in the mining, oil and gas, and utilities industries. Ms Mandla Msimang is an executive with more than 20 years of information and communications technology experience.

Directors appointed by the Board (excluding the CEO) must stand for election at the following AGM. Directors then retire and seek re-election, generally at every third AGM following their election or most recent re-election. The Nomination and Governance Committee assesses the performance and time commitments of each Director due to stand for election or re-election, and endorses to the Board whether it should recommend to shareholders that they vote in favour of the election or re-election of each relevant Director.

The Company provides shareholders with all material information known to the Board and relevant to a decision on whether or not to elect or re-elect that Director in the Notice of AGM, made available at *www.south32.net.*

Our Board has recommended that shareholders elect Ms Msimang and Mr Pearce at our 2025 AGM. Information relevant to the election of these Directors, including the basis for the Board's recommendation, will be included in our 2025 Notice of AGM, which will be made available at *www.south32.net.* Mr Frank Cooper and Dr Futhi Mtoba will retire by rotation at our 2025 AGM, and will not be standing for re-election.

Director induction

Directors participate in a comprehensive induction program when they join our Board, which is tailored for their background, experience, and the Committee position(s) they will hold. This includes briefings from management on significant business and legal issues, current and future projects, economic conditions, and the regulatory environments in which we operate.

Evaluating Board performance

The Nomination and Governance Committee oversees the performance evaluation process for the Board, Committees, and individual Directors. An evaluation of at least one of the Board, Committees or individual Directors is undertaken annually and may be internally or externally facilitated.

The evaluation process generally includes a combination of:

- Interviews with, or self-assessments by, Directors on their individual performance and the effectiveness of the Board and Committees;
- Peer reviews of each Director's contributions to the Board and relevant Committees; and
- Feedback from management on issues relevant to the performance evaluation.

Performance evaluation results are considered by the Nomination and Governance Committee. Where individual Director performance is assessed each Director is provided feedback on their strengths, opportunities to make enhanced contributions and potential areas for further professional development.

Board, Committee and Director evaluation

Directors recognise the continued effort required to maintain the Board's high performance, the ongoing work to enhance the Board's composition and preparation for the future. To date, our Board has alternated year-on-year between an externally conducted formal evaluation and an informal evaluation, coordinated internally. These activities are also supplemented by the annual review of the independence of Directors, and consideration of the Board skills as a collective.

For 2025, an informal evaluation of the Board was undertaken, including Committee effectiveness and Director check-in which drew on the 2024 external evaluation recommendations and actions. The process included an online survey completed by Directors, Lead Team members and select management.

The evaluation was conducted by our Company Secretariat team and the Chair. The evaluation results were reviewed by our Chair, discussed by the Nomination and Governance Committee as a collective, and by the Chair individually with each Director. The evaluation results found that our Board remains high performing and operates with a healthy culture, where trust and cohesion is high both within the Board and in interactions with management. While the Board considers that it has an appropriate spread of skills, diversity, experience and knowledge, Directors acknowledged that Board composition remains a focus area to ensure it remains appropriate for the Company's size, operations and strategy. The results highlighted the value of in-person Board Programs to facilitate discussions and site visits to support interactions and better understanding and visibility of workplace culture.

For further details refer to our Executive reward practices and our Non-Executive reward practices in our Remuneration Report on pages 141 and 154 respectively.

Governance continued

BOARD SKILLS, KNOWLEDGE AND EXPERIENCE

The Board annually reviews the skills it considers it requires on the Board to address existing and emerging business and governance issues relevant to the entity.

The skills of our Directors as individuals and as a group are evaluated against those required skills, and this is documented in our Board skills matrix.

The process includes a Director self-assessment, followed by moderation by the Chair and CEO to ensure the matrix reflects the skills of the Board as a collective, and the results are incorporated into the Board's composition review and succession planning. If skills gaps are identified they help inform focus areas for our Board's continuing education program.

Having reviewed the 2025 Board skills matrix set out on the following pages our Board remains satisfied that, as a collective, it has the skills, knowledge and experience needed to discharge its role and responsibilities and that there are no immediate gaps that require addressing. Moreover, it considers that it has the capabilities necessary to effectively lead and govern the Group, engage in strategy and deal with new and emerging business and governance issues.

2025 Board skills matrix

Collective Board Skill Level	Description	Relevance to South32
Leadership and culture		
Leadership and corporate governance	Senior executive role or substantial board experience in a listed company, with a proven track record of leadership and overseeing culture and a demonstrable understanding of and commitment to high standards of corporate governance.	Demonstrating leadership and overseeing our corporate governance practices are key responsibilities of our Board. Our Board also oversees that our culture aligns with our purpose, values and strategy.
People and remuneration	Experience leading large, diverse, geographically distributed workforces, including talent planning, setting remuneration frameworks that attract and retain talent, and promoting diversity, equality and inclusion.	Our people are the foundation of our success, and we need to attract, retain, develop and motivate talent. Our Board oversees that our remuneration and benefits framework aligns with our purpose, strategy and values to drive desired culture and business outcomes and attracts and retains key talent.
Industry		
Mining and metals	Senior executive role or substantial board experience in a mining and metals company, from exploration through to the development and operations stages of mining and metals projects. Expertise in geological, engineering or geoscience matters.	Directors with expertise in geology, mining (open pit and/or underground) and the production of our key commodities contribute to our Board's evaluation of risks and opportunities as they relate to our operations, the mining industry and the markets in which we operate.
Smelting and processing	Senior executive role or substantial board experience in a company involved in the smelting, refining and/or processing of natural resources. Experience in smelting or extractive metallurgy.	Directors with expertise in smelting and extractive metallurgy contribute to our Board's evaluation of risks and opportunities as they relate to our operations, the mining industry and the markets in which we operate.
Commodity and value chain	End-to-end commodity value chain knowledge and experience, including understanding of marketing, consumers, market demand drivers (including specific geographic markets) and key aspects of responsible commodity value chain management.	Directors with commodity value chain knowledge and experience, including knowledge of related social and environmental impacts, contribute to our Board's assessment of our response to evolving market conditions.

Highly skilled – having or demonstrating a high degree of knowledge or skill; high level of expertise/mastery and experience in work that requires that skill.

Skilled – having or showing the knowledge, ability, or training to perform a certain activity or task well; trained or experienced in work that requires that skill.

Knowledgeable – well-informed, well conversant in the area in which he or she has gained knowledge and understanding.

Collective Board Skill Level	Description	Relevance to South32
Industry continued		
Technology, digital and innovation	Understanding of the risks and opportunities of technology and innovation, including how related developments may be leveraged to drive transformation and respond to digital disruption.	Directors with knowledge of the risks and opportunities of technology (including digital technology risks such as cybersecurity and data protection) and innovation (such as artificial intelligence), as they relate to our business and across other industries, support our Board in assessing how we can leverage related developments to implement change, manage risk and realise opportunities.
Commercial capability		
Strategy	Experience in long-term strategy development, implementation or oversight, including establishing effective capital management frameworks and identifying and responding to strategic risks and opportunities.	Our Board oversees the development and delivery of strategy and that our allocation of capital supports our strategic goals. As we continue to develop our portfolio we will draw from Directors' previous experience, particularly at other companies that face long industry cycles and commodity price volatility.
Financial acumen	Proficiency in financial accounting and reporting, understanding of key drivers of financial performance and the capability to evaluate the adequacy of financial and risk controls.	Our Directors must be able to understand the financial drivers of our business and evaluate our financial statements and other periodic corporate reports, including how sustainability factors can impact financial performance and responsibly create long-term value.
Capital projects	Experience with projects involving large-scale capital outlays and long-term investment horizons in the planning and execution phases.	Our Board needs to consider all project risks and returns in the context of our strategy and capital management framework.
Corporate development	Experience in business development, equity and debt funding strategies, capital and debt raising and other complex corporate transactions including mergers, acquisitions and divestments.	Directors with experience assessing complex business transactions contribute to our Board's evaluation of corporate development opportunities to support value creation and drive competitive advantage.
Global business experience		
Geographic experience	Experience working in multiple geographies, understanding of global markets and exposure to diverse political, economic, cultural and regulatory business environments.	Strong knowledge of the markets we operate in now and those we may enter in the future, contributes to our Board's oversight of strategy.

Highly skilled – having or demonstrating a high degree of knowledge or skill; high level of expertise/mastery and experience in work that requires that skill.

Skilled – having or showing the knowledge, ability, or training to perform a certain activity or task well; trained or experienced in work that requires that skill.

Knowledgeable – well-informed, well conversant in the area in which he or she has gained knowledge and understanding.

Governance continued

Collective Board Skill Level	Description	Relevance to South32
Governance and Compliance		
Risk management	Experience implementing or overseeing robust risk management frameworks in large or medium-sized organisations with global operations, and the ability to identify, understand and oversee the management of existing, new and emerging material and strategic risks.	Our Board needs to be able to assess the adequacy of our risk management framework and evaluate management's response to material and strategic risks.
Public policy	Experience focused on public policy and interacting with regulators.	Our Board needs to know what we can or should do to shape public policy, as well as how public policy changes may impact our strategy.
Regulatory and legal compliance	Familiarity with legal and regulatory compliance (including security exchanges) and experience monitoring and responding to changing legal and regulatory landscapes.	Our Board oversees our internal controls and systems for monitoring ethical and legal compliance, including our stock exchange listings. Our Board needs to be aware of, and anticipate, legal and regulatory risks that may impact our operations, performance or social licence to operate.
Sustainability		
Health and safety	Knowledge and experience in physical and psychological health and safety management, performance and governance, and building a strong safety culture.	Nothing is more important than the health, safety and wellbeing of our employees, contractors, visitors and communities. Our Board oversees that our approach to health and safety, culture and governance supports our commitment to provide and maintain a safe workplace.
Environment and climate change	Demonstrable understanding of the key environmental risks and opportunities for a global mining company, including fluency in the implications of climate change.	We recognise the importance of managing climate and nature-related risks and opportunities, and our Board oversees that these factors are integrated into our strategy, including mitigation and adaptation, and the availability and protection of natural resources such as water, air, biodiversity and ecosystems, not only for our business but all relevant stakeholders.
Social performance	Experience managing or overseeing the social impacts of business operations and partnering with communities and other stakeholders to minimise adverse impacts and create lasting social and economic value.	Working with our communities and other stakeholders to create shared value and achieve our shared goals is integral to our purpose. Our Board oversees that our approach to social performance and related governance is in line with our purpose and supports our objectives to create lasting social and economic value where we operate, preserve cultural heritage and respect human rights.

Highly skilled – having or demonstrating a high degree of knowledge or skill; high level of expertise/mastery and experience in work that requires that skill.

Skilled – having or showing the knowledge, ability, or training to perform a certain activity or task well; trained or experienced in work that requires that skill.

Knowledgeable – well-informed, well conversant in the area in which he or she has gained knowledge and understanding.

Supplementing the Board's skills and experience

Our Board understands it must continue to educate itself on the key issues, risks and opportunities facing our business, and evolving community, societal and stakeholder expectations.

Our Board supplements its skills and experience with the expertise of management and external subject matter experts and advisers.

Director continuing education

Our program of continuing education for Directors, as overseen by the Nomination and Governance Committee, is designed to enhance the capabilities of our Board across a number of areas. Topics are identified by the Company Secretary, management and Directors. This includes:

- Management presentations and discussions on safety and our culture;
- Operational updates and site visits to our operations and local communities;
- Updates on corporate governance trends, developments and issues;
- Briefings on sustainable development topics;
- Sessions on cultural heritage and engagement with Indigenous, Traditional and Tribal Peoples, and training on cultural awareness;
- Opportunities to engage with other Directors, Lead Team members and key personnel;
- External briefings on select matters or topics;
- Internal compliance training on our Code, anti-bribery and corruption, continuous disclosure, competition law and human rights;
- Opportunities to participate in external courses and conferences, including those offered by the Australian Institute of Company Directors; and
- Other reports and updates as required.

BOARD AND COMMITTEE MEETINGS

Board meetings

There are 10 scheduled meetings of our Board each year and Committee meetings are also held during this time. Additional meetings are convened as required to address business-critical issues.

During FY25, there were 14 Board meetings. Six of these were held face-to-face at one of our offices or geographic areas of operation. The additional non-scheduled meetings were held to consider Board and CEO succession and operational impacts including environmental approvals at Worsley Alumina and the civil unrest at Mozal Aluminium.

Our Chair sets the agenda for each Board meeting, with the CEO and the Company Secretary. The meetings typically include:

- Minutes of the previous meeting and matters arising;
- Report from our Chair;
- Update on governance matters;
- CEO's report;
- Operational performance;
- Taylor execution update;
- Finance report;
- Commercial report;
- Reports on major projects and strategic matters;
- Board Committee Chair reports;
- Continuous disclosure checkpoint; and
- Closed sessions with Directors and closed sessions with Non-Executive Directors only.

Our Directors receive regular updates from management on a range of issues including safety (with a broad focus covering both physical and psychosocial safety, as well as sexual harassment), climate change, nature, evolving regulations and policy developments, workplace culture, inclusion and diversity, cultural heritage, community matters, business integrity, and litigation. Additionally, they receive reports for discussion on operational performance, corporate culture and leadership, corporate governance, and other business matters, including market updates and research.

In between meetings, our Board receives regular reports from senior management on matters, including (but not limited to):

- Sustainability (including health and safety) performance;
- Financial and production performance;
- Cybersecurity and privacy;
- Government relations and political affairs;
- Investor relations hosted engagements (including ESG updates);
- Project updates (including pending investment decisions) and other significant business imperatives;
- Market and commodity updates; and
- Relevant media coverage.

Governance continued

Board committee meetings

Our Board has established four standing Committees:

- Nomination and Governance Committee;
- Remuneration Committee;
- Risk and Audit Committee; and
- Sustainability Committee.

When considered appropriate, our Board also convenes ad hoc committees to preside over particular matters.

Each standing Committee works within its Terms of Reference and operates in accordance with Board-approved committee processes and procedures. Each of the Committee's Terms of Reference was reviewed and updated in FY25 and they are available at *www.south32.net*.

Each Committee Chair reports to the Board on its activities and material matters arising out of Committee meetings and considers if any should be advised to any other Committee.

All Directors are invited to attend and encouraged to participate in Committee meetings, provided there are no potential or actual conflicts of interest. All Directors generally attend all Committee meetings.

The external audit engagement partner has a standing invitation to attend Risk and Audit Committee meetings, including to discuss audit results. The Risk and Audit Committee can, and does, meet with the external auditor, with and without management present.

Our Company Secretary

Claire Tolcon (LLB, BComm, FGIA, GAICD) is our Vice President Legal and Company Secretary. She was appointed Company Secretary on 30 October 2020 and Vice President Legal in 2024. Claire joined South32 in 2017 and was a corporate lawyer in our legal team before moving into Company Secretariat. Before joining South32, Claire was a partner of a corporate law firm in Perth, then held the role of General Counsel and Company Secretary for a number of ASX-listed entities. She holds a Bachelor of Laws and Bachelor of Commerce from Murdoch University, a Graduate Diploma of Applied Finance and Investment from Kaplan Business School and is a Fellow of the Governance Institute of Australia.

Our Company Secretary, through the Chair, is accountable to the Board on all matters relating to the proper functioning of the Board and its Committees. You can find more information about the Company Secretary's responsibilities in the Board Charter at *www.south32.net*.

Board and Committee Meeting attendance in FY25

	Committee Appointments	Board	Nomination and Governance Committee	Remuneration Committee	Risk and Audit Committee	Sustainability Committee
		Attended / Eligible	Attended / Eligible	Attended / Eligible	Attended / Eligible	Attended / Eligible
K Wood AM (Chair)	C, Remuneration	14 / 14	8 / 8	8 / 8	11 / -	8 / -
G Kerr		14 / 14	8 / -	8 / -	11 / -	8 / -
F Cooper AO	Nomination and Governance, Remuneration, C Risk and Audit	14 / 14	8 / 8	8 / 8	11 / 11	8 / -
X Liu	Nomination and Governance, Risk and Audit, C Sustainability	14 / 14	8 / 8	8 / -	11 / 11	8 / 8
C Mesquita	Nomination and Governance, Sustainability	14 / 14	8 / 8	8 / -	11 / -	8 / 8
M Msimang[3,4]	Nomination and Governance, Risk and Audit, Sustainability	5 / 5	3 / 2	3 / -	7 / 2	3 / 2
N Mtoba	Nomination and Governance, Risk and Audit	14 / 14	8 / 8	8 / -	11 / 11	8 / -
J Nelson	Nomination and Governance, Sustainability	14 / 14	8 / 8	8 / -	11 / -	8 / 8
W Osborn	Nomination and Governance, C Remuneration, Sustainability	14 / 14	8 / 8	8 / 8	11 / -	8 / 8
S Pearce[5,6]	Nomination and Governance, Remuneration, Risk and Audit	5 / 5	3 / 2	3 / 2	4 / 2	3 / -
K Rumble[7]	Nomination and Governance, Remuneration, Sustainability	6 / 6	4 / 4	4 / 4	6 / -	4 / 4
S Warburton	Nomination and Governance, Risk and Audit	14 / 14	8 / 8	8 / -	11 / 11	8 / -

C Chair | Nomination and Governance Committee | Remuneration Committee | Risk and Audit Committee | Sustainability Committee

Attended indicates the number of Board or Committee meetings the Director attended.

Eligible indicates the number of Board or Committee meetings held while the Director was a Board or Committee member.

3. Ms Mandla Msimang was appointed to the Board on 1 February 2025.
4. Ms Mandla Msimang was appointed to the Nomination and Governance Committee, Risk and Audit Committee and Sustainability Committee on 1 March 2025.
5. Mr Stephen Pearce was appointed to the Board on 1 February 2025.
6. Mr Stephen Pearce was appointed to the Nomination and Governance Committee, Remuneration Committee and Risk and Audit Committee on 1 March 2025.
7. Mr Keith Rumble served on the Board from 27 February 2015 until he retired on 24 October 2024.

NOMINATION AND GOVERNANCE COMMITTEE

Assists the board with reviewing its composition and evaluating its performance, succession planning and oversight of the Group's corporate governance practices.

Composition requirements:

- ✓ Minimum three members
- ✓ Non-Executive Directors only
- ✓ Majority independent Directors
- ✓ Independent Director as Chair

Members:

- Ms K Wood AM (Chair)
- Mr F Cooper AO
- Dr X Liu
- Mr C Mesquita
- Ms M Msimang (from 1 March 2025)
- Dr N Mtoba
- Ms J Nelson
- Mr W Osborn
- Mr S Pearce (from 1 March 2025)
- Mr K Rumble (until 24 October 2024)
- Ms S Warburton

The Committee's responsibilities include:

- Making recommendations to the Board on matters of corporate governance, including any proposed changes to existing structures or practices;
- Reviewing the size and composition of the Board, including the mix of skills, competencies, experience, independence, knowledge and diversity;
- Overseeing succession planning for the Board, Board Chair, Committees, Committee Chairs, CEO, Lead Team, identified critical roles and key talent;
- Overseeing Board, Committee and Director performance evaluation; and
- Overseeing the training and development program for Directors, including Director induction programs, and to address potential gaps in skills, competencies, knowledge and experience.

FY25 key activities and focus areas:

- Considered Director, CEO and Lead Team succession planning;
- Endorsed the appointments of Ms Msimang and Mr Pearce as Non-Executive Directors;
- Endorsed the composition of each Board Committee;
- Maintained oversight of key talent within the Group;
- Endorsed the FY24 Corporate Governance Statement and 2024 Notice of AGM;
- Endorsed the election and re-election of Directors, taking into consideration their performance, skills, experience, independence and time commitments;
- Considered the results of the 2025 Board, Committee and Director evaluation; and
- Considered the training and development program for Directors as set out in page 116.

REMUNERATION COMMITTEE

Assists the Board to oversee the Group's remuneration policy and the remuneration and benefits framework for all of South32.

Composition requirements:

- ✓ Minimum three members
- ✓ Non-Executive Directors only
- ✓ Majority independent Directors
- ✓ Independent Director as Chair

Members:

- Mr W Osborn (Chair)
- Mr F Cooper AO
- Mr S Pearce (from 1 March 2025)
- Mr K Rumble (until 24 October 2024)
- Ms K Wood AM

The Committee's responsibilities include:

- Overseeing the Company's remuneration and benefits framework and its application to the CEO, Lead Team, Non-Executive Directors and employees as a whole;
- Considering and endorsing to the Board the remuneration arrangements for the Chair and Non-Executive Directors;
- Overseeing and endorsing to the Board the Remuneration Report and advising on remuneration-related resolutions for shareholder approval;
- Endorsing to the Board the annual Business Scorecard and outcomes, including for the CEO, and approving outcomes for the Lead Team (as well as application of any modifiers or adjustments); and
- Determining annually whether awards will be made under equity-based plans and endorsing to the Board total proposed awards for the CEO, and approving awards for the Lead Team and other employees under the plans.

FY25 key activities and focus areas:

- Endorsed the FY24 Remuneration Report;
- Endorsed the FY24 Business Scorecard outcome and the FY25 Business Scorecard update;
- Endorsed the CEO's FY24 performance and remuneration outcomes and FY25 remuneration arrangements;
- Endorsed the FY26 Business Scorecard;
- Endorsed remuneration arrangements for Mr Matthew Daley prior to his appointment as Deputy CEO in February 2026, and later CEO;
- Endorsed the CEO's FY24 equity grant and approved the same for all other employees;
- Endorsed Non-Executive Director fees;
- Endorsed the FY26 short-term incentive performance metrics;
- Reviewed Lead Team total reward against market data for select peers; and
- Considered our gender and ethnicity remuneration review outcomes and actions to address identified issues.

RISK AND AUDIT COMMITTEE

Assists the Board to oversee the corporate reporting, risk management and assurance practices of the Group.

Composition requirements:

- ✓ Minimum three members
- ✓ Independent Non-Executive Directors only
- ✓ Independent Director, that is not the Board Chair, as Chair
- ✓ At least one member with appropriate financial and accounting expertise, and the members of the Committee as a whole must have sufficient understanding of the industry in which the Group operates

Members:

- Mr F Cooper AO (Chair)
- Dr X Liu
- Ms M Msimang (from 1 March 2025)
- Dr N Mtoba
- Mr S Pearce (from 1 March 2025)
- Ms S Warburton

The Committee's responsibilities include:

- Overseeing corporate reporting processes designed to safeguard the integrity of corporate reporting and facilitate independent verification, including the Annual Report and financial statements;
- Reviewing and monitoring the reporting of related party transactions;
- Reviewing asset valuation and impairment trigger assessments and making any necessary recommendations to the Board;
- Monitoring and reviewing the independence and performance of the external auditor;
- Overseeing the effectiveness, independence and objectivity of the internal audit function, including the implications of internal audit findings;
- Overseeing management's implementation of the system of risk management (including internal controls) having regard to the risk appetite (and endorsing it for Board approval);
- Reviewing any material incident involving fraud or a breakdown of risk controls and the 'lessons learned';
- Reviewing the effectiveness of the Group's policies, processes and reporting systems for detecting, reporting and preventing unethical, unlawful and dishonest conduct, fraud, breaches of anti-corruption laws, and whistle-blowing;
- Overseeing the management of cybersecurity, and reviewing the effectiveness of systems and processes for detecting, reporting and responding to cybersecurity and information loss risks;
- Recommending to the Remuneration Committee appropriate metrics for any risk management component of the annual Business Scorecard for the CEO and the Lead Team, and determining the outcome for recommendation to the Remuneration Committee; and
- Assisting the Board with matters pertaining to capital management, litigation, acquisitions and divestments, mineral resource and reserve estimates and tax affairs of the Group.

FY25 key activities and focus areas:

- Endorsed the FY24 Business Scorecard outcome to the Remuneration Committee;
- Endorsed the proposed FY26 Risk management Scorecard measures to the Remuneration Committee;
- Endorsed the FY24 financial statements and Directors' Report, and the FY25 half-year results;
- Endorsed the Risk Monitoring Report, and considered the Risk and Assurance Framework;
- Considered the internal audit reports and monitored the FY25 internal audit plan, approved the FY26/FY27 internal Audit Plan, and approved the external audit plan;
- Provided oversight of the tax issues affecting the Group and its operations;
- Approved the FY25 Sustainability External Assurance approach and scope;
- Considered management updates on cybersecurity and privacy issues, the litigation report, and workplace behaviour reports;
- Reviewed and recommended an impairment expense of US$554 million for Worsley Alumina, reflected in our FY24 financial results, as a result of increased uncertainly created by the Western Australian Environmental Protection Authority's recommended conditions in relation to mining expansion and associated challenging operating conditions;
- Approved the Tax Risk Management Policy;
- Reviewed and endorsed amendments to the internal Risk Appetite Statements; and
- Made recommendations on capital management matters, including dividends and expansion of the capital management program by US$200 million.

SUSTAINABILITY COMMITTEE

Assists the Board to oversee the sustainability management, performance, assurance and reporting practices of the Group.

Composition requirements:

- ✓ Minimum three members
- ✓ Non-Executive Directors only
- ✓ Majority independent Directors
- ✓ Independent Director as Chair

Members:

- Dr X Liu (Chair)
- Mr C Mesquita
- Ms M Msimang (from 1 March 2025)
- Ms J Nelson
- Mr W Osborn
- Mr K Rumble (until 24 October 2024)

The Committee's responsibilities include:

- Reviewing and monitoring the adequacy and effectiveness of the management systems and frameworks associated with material sustainability matters;
- Overseeing the processes for identifying and managing the Group's sustainability risks and opportunities;
- Overseeing management's processes for compliance with applicable sustainability-related laws, regulations, and other requirements;
- Reviewing and endorsing for Board approval the Group's material public sustainability positions, goals and targets, and monitoring the Group's performance against those positions and targets;
- Advising the Risk and Audit Committee on material sustainability-related risks;
- Overseeing the sustainability-related risks and opportunities and monitoring the performance of the Group in regard to health, safety and wellbeing, climate change, social performance and business ethics;
- Overseeing nature-related risks and opportunities;
- Reviewing and endorsing to the Board external corporate reports which refer to sustainability-related or nature-related risks and opportunities; and
- Reviewing and endorsing the scope of the external assurance for sustainability reporting to the Risk and Audit Committee.

FY25 key activities and focus areas:

- Considered the findings of significant health and safety event investigations;
- Endorsed the sustainability component of the FY24 Business Scorecard and the proposed FY25 long-term incentive climate change strategic measures;
- Endorsed our Sustainable Development Report, Sustainability Databook and Modern Slavery Statement for FY24;
- Endorsed our Sustainable External Assurance scope and the FY24 Sustainability Assurance Summary Report;
- Considered updates on performance against our CCAP 2022 and the development of our CCAP 2025;
- Considered the sustainability-related outcomes of the internal audit report and the risk management framework overview; and
- Considered sustainability matters such as climate change performance, environmental approvals, operational environmental management, health and safety, and Our Approach to Nature.

SUSTAINABILITY GOVERNANCE

To read about sustainability governance go to page 29 in the Sustainability section of this report.

To read about climate governance go to page 29 of our Climate Change Action Plan 2025.

Governance continued

CORPORATE ETHICAL STANDARDS

Our Code

Our Code outlines the standards of behaviour expected of our employees, contractors, executive management, Directors, suppliers and joint venture partners operating on our behalf. Employees must complete comprehensive Code training every three years, and undertake an annual online assessment.

Speak Up

Our Speak Up Policy encourages anyone to report a business conduct concern. It outlines how to do so, what happens when a report is made, and how we will protect the reporter. Reports can be anonymous and we do not tolerate any form of retaliation against a reporter.

Our Risk and Audit Committee is informed of material incidents reported, and material concerns under the Policy are reported to our Board.

Our employees are also encouraged to be Active Bystanders, calling out inappropriate workplace conduct.

All reported sexual harassment events are investigated. From FY25, we have enhanced reporting so the CEO and Sustainability Committee are regularly updated on the management of sexual harassment risks, including notification of any events.

Anti-bribery and corruption

Our Code prohibits fraud, bribery and corruption in any form, and requires compliance with applicable anti-bribery and corruption (ABC) laws wherever we conduct business.

Our Code is supported by our ABC Policy and our global risk-based ABC compliance program.

Employees identified as being at higher risk of exposure to bribery and corruption are required to complete our ABC compliance training, with refresher training provided in accordance with our internal training plans.

Our Board and the Risk and Audit Committee are informed of material ABC concerns, including material breaches of our ABC Policy and related procedures.

Competing fairly

Our Code requires that we compete fairly, ethically and in compliance with applicable competition laws across the world. It also outlines the requirement that we actively engage and cooperate with competition authorities.

Our Code is supported by our risk-based competition law compliance program, which includes training of people in higher-risk roles.

Conflicts of interest

Our Code expects us to act in the best interests of the Group and not to be in conflict with those interests.

It also sets out our responsibilities for identifying, avoiding, declaring, and resolving actual, potential, or perceived conflicts of interest.

Under Australian law, directors have a duty to avoid conflicts of interest.

In accordance with the Board Charter, our Directors are not permitted to take an action that has the effect of prioritising their interests over the interests of the Company.

Breaches of Our Code

We view a breach of our Code as a serious matter. Actions and behaviours misaligned to our expected behaviours and our Code are managed through our disciplinary processes which may, and have, resulted in disciplinary action up to and including dismissal.

Our Business Conduct Committee, made up of senior leaders, provides guidance and oversight on material business conduct concerns. Such concerns are reviewed by our Business Conduct Committee, with a focus on consistent application of our Code and disciplinary outcomes.

Significant events (i.e. those which exceed a pre-defined materiality threshold) are reported in more detail to the Business Conduct Committee and relevant Board Committee. In addition, we report on workplace behaviours bi-annually to the Risk and Audit Committee.

Dealing in securities

Our Securities Dealing Policy provides guidance on dealing in our securities, inside information, and the prohibition on insider trading. It applies to our Directors, officers, employees, contractors and secondees.

It specifically prohibits Directors and Lead Team members from:

- Trading in derivative products issued over or in respect of our securities;
- Dealing in our securities on a short-term trading basis;
- 'Short selling' our securities;
- Entering into margin lending or other secured financing arrangements with respect to our securities; or
- Entering into any hedging arrangement that limits their exposure to our securities.

Learn more about our Code (including our Speak Up Policy, competing fairly and conflicts of interest) and our Anti-bribery and Corruption Policy, in a variety of languages, at www.south32.net.

INCLUSION AND DIVERSITY

We embrace and celebrate differences. We know an inclusive and diverse workforce is safer and allows for greater collaboration, innovation and performance, and we are committed to building a workforce that reflects the communities in which we operate.

Our approach to this is overseen by our Board and is governed by our Inclusion and Diversity Policy which applies to our Board (including its Committees), employees and third parties who act on behalf of South32, and those operations that are operated by South32.

The Policy is implemented through:

- Board-approved measurable objectives for inclusion and diversity;
- An annual inclusion and diversity action plan, approved by our CEO, which defines our Group-level inclusion and diversity goals for the financial year, aligned to our measurable objectives; and
- Our internal inclusion and diversity standard, which outlines the minimum requirements and expected practices across our people management systems, including recruitment, talent management and training, to create an inclusive culture and promote performance.

Additionally, the Remuneration Committee biennially reviews employee remuneration by gender and ethnicity and actions taken by management to address any identified issues. The Board also conducts this review with regard to the outcomes of the relevant Workplace Gender Equity Agency review.

The Nomination and Governance Committee assists the Board to review its composition, including the diversity represented by Directors.

Promoting leadership inclusion and diversity

We advocate for the benefits of inclusion and diversity within and beyond South32. For example:

- We are a signatory to HESTA 40:40 Vision, an investor-led initiative to achieve gender balance in executive leadership across all ASX300 companies by 2030;
- Our CEO is a member of CEOs for Gender Equity;
- Our Chair is a member of 30% Club Australia, which aims to achieve a minimum of 30% gender balance at all senior decision-making tables across Australia, and serves as an ambassador for the Australian Indigenous Education Foundation which provides scholarship funding and career support for Indigenous students;
- Our Chair, Non-Executive Directors Dr Xiaoling Liu and Ms Sharon Warburton, and four of our Lead Team are members of Chief Executive Women (Australia) (CEW). This group works to engage and influence all levels of Australian business and government to achieve gender balance, and several of our employees complete the CEW Leaders Program each year;
- Our Non-Executive Director Ms Jane Nelson is Co-Chair of the Business Commission to Tackle Inequality, which aims to address inequality and generate shared prosperity in the private sector; and
- All operations and many of our corporate locations have an inclusion and diversity committee focused on progressing local initiatives.

Learn more

- Our vision for diversity considers a broad definition of difference, including but not limited to gender, ethnicity, nationality, cultural background, geographic location, language/accent, religious beliefs, socioeconomic background, neurodiversity, disability, physical attributes, appearance, age, education, family responsibilities and sexuality.
- To find out how we embed inclusion and diversity into our culture and ways of working, about our inclusion and diversity measurable objectives and how we have performed against these, and our diversity metrics, go to People and Culture in the Sustainability section on page 33.
- Read our Inclusion and Diversity Policy at *www.south32.net*.

OTHER GOVERNANCE MATTERS

Risk management

Our Risk Management Policy sets our approach to risk management so our strategic direction is appropriate in light of the economic, social, political, legal and regulatory environments in which we operate.

Our Board approves the risk appetite developed by management and reviews our risk profile, determining the nature and extent of risks we are prepared to take in the pursuit of our objectives.

The Risk and Audit Committee reviews any significant changes to material and strategic risks identified by management and considers whether they remain within the risk appetite.

The Risk and Audit Committee also assists our Board to review the adequacy of our risk management framework to satisfy itself that it continues to be sound and that South32 is operating with due regard to the risk appetite set by the Board.

The results of these reviews, which are conducted at least annually, are reported to the Board. The FY25 review assessed our risk management framework as effective.

Designing and improving the effectiveness of risk management is performed by our Group Risk & Governance function which is overseen by our Vice President Health, Safety and Asset Management. Oversight of the effectiveness of our risk management framework is conducted by our Group Assurance function which reports functionally to our CFO.

Both the Group Manager Assurance and Vice President Health, Safety & Asset Management are standing attendees at Risk and Audit Committee meetings.

Internal audit

The Group Assurance function conducts internal audit reviews, evaluating and identifying areas where management should improve the effectiveness of its risk management, control, compliance and governance processes. When conducting these reviews, the function is supported by a combination of internal and external resources.

The Risk and Audit Committee oversees the effectiveness, independence and objectivity of the Group Assurance function including approving the annual internal audit plan. The Group Manager Assurance meets with the Risk and Audit Committee on a periodic basis without the presence of management.

Learn more

- Our Risk Management Policy can be found at *www.south32.net.*
- Details about our current strategic risks, and our three lines of accountability for risk management, are in our Risk management section on page 64.
- Our approach to managing the sustainability aspects of our risks is in the Sustainability section on page 29.

Corporate reporting matters

Before approving the financial statements for each half year and full year, the Board receives a declaration from the CEO and CFO stating that:

- In their opinion, the Group's financial records have been properly maintained and that the financial statements comply with the relevant accounting standards and give a true and fair view of the Group's financial position and performance; and
- The opinion has been formed based on a sound system of risk management and internal control which is operating effectively.

Verification

We complete a documented internal verification of our periodic corporate reports that are released to the stock exchanges on which our shares are listed, including those corporate reports that are not audited or reviewed by external auditors.

The content of these corporate reports is verified with reference to, as appropriate, reliable, written source materials and data or sign-off from the identified content owner and progresses through a hierarchy of reviews and approvals before release to the relevant exchange.

Financial reporting risk is a focus area for our Board, the Risk and Audit Committee and our Lead Team, and the effectiveness of our internal controls for managing financial reporting risk is reviewed regularly. Even effective controls can only provide reasonable assurance of attaining their design objectives.

Information about our financial risk management objectives and policies is set out in Note 19. Financial risk management objectives and policies to the financial statements on page 207.

Market disclosure

Our Market Disclosure and Communications Policy governs our commitment to continuous disclosure to keep the market fully informed and provide all investors with equal and timely access to material information. The Policy, as approved by our Board, sets out the roles and responsibilities to achieve compliance with our disclosure obligations.

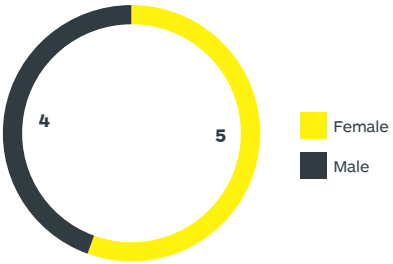
Announcements are subject to approval protocols set out in the Policy. Our Board is responsible for compliance with our disclosure obligations and approves market announcements about certain matters. The Board receives copies of other material announcements promptly after their release.

Read the Market Disclosure and Communications Policy at www.south32.net.

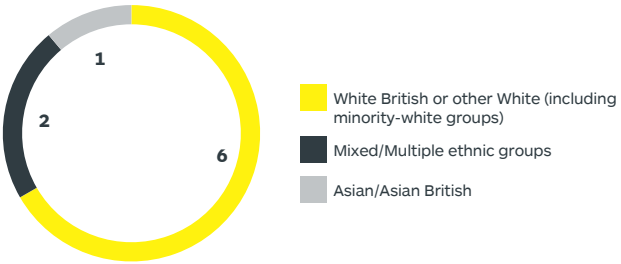
OUR LEAD TEAM COMPOSITION

We measure our inclusion and diversity progress through a set of measurable objectives which are approved annually by our Board. One of these objectives is to maintain representation of women in our Lead Team at a minimum of 40%.

Gender diversity[8]
(all Lead Team and Company Secretary)



Ethnicity[8]
(all Lead Team and Company Secretary)



LEAD TEAM APPOINTMENTS

Appointment process

Appointments to the Lead Team are approved by our Board and appropriate checks are undertaken prior to appointment.

Lead Team members are employed directly under a written executive services agreement, which sets out their role and responsibilities and the terms and conditions of their employment.

FY25 changes

With the announcement of the retirement of Katie Tovich in May 2025 (effective from 1 September 2025), changes were made to our Lead Team during FY25, with Katie (formerly Chief Human Resources and Commercial Officer) transitioning accountability for Supply and Commercial to Erwin Schaufler (formerly Chief Technical Officer). As a result of this change in accountabilities, Katie and Erwin's titles were changed to Chief Human Resources Officer and Chief Technical and Commercial Officer respectively.

Responsibility for Human Resources will transfer to Kelly O'Rourke (Chief Legal, External Affairs and Sustainability Officer) on 1 September 2025.

Following an extensive global CEO succession and evaluation process, the Board identified Matthew Daley to assume the role of CEO when Graham Kerr steps down from the role in 2026. In the interim, Mr Daley will be appointed Deputy CEO on 2 February 2026, and as a member of the Lead Team.

LEAD TEAM EVALUATION

Evaluation process

On recommendation of the Remuneration Committee, our Board annually evaluates the CEO's performance and approves the CEO's individual performance score, including outcomes and awards to be made under our short-term incentive (STI) and long-term incentive (LTI).

The individual performance of Lead Team members is evaluated annually by our CEO as part of the Group's employee performance review process and the Remuneration Committee considers and approves the outcomes and awards to be made to them under the STI and LTI.

FY25 evaluation outcomes

For FY25, the performance of the CEO was reviewed by the Remuneration Committee and approved by the Board. The performance of other members of the Company's Lead Team during FY25 was reviewed by the CEO and approved by the Remuneration Committee.

For further details refer to FY25 Executive KMP remuneration outcome summary in our Remuneration Report on page 139.

For further details on our Executive reward practices also in our Remuneration Report on page 141.

8. In accordance with the UK Listing Rules, Executive Management includes the Lead Team (our most senior executive body below the Board) and the Company Secretary, excluding administrative and support staff.

OUR LEAD TEAM

Graham Kerr
BBUS, FCPA
Chief Executive Officer and Managing Director

See page 106 for Graham Kerr's qualifications and experience.

Sandy Sibenaler
BCom, MFin, FCA, GAICD
Chief Financial Officer

Sandy Sibenaler joined South32 in 2021 and became our Chief Financial Officer in April 2023. Sandy has responsibility for Financial Reporting, Management Reporting, Treasury, Business Evaluation, Tax, Investor Relations, Group Assurance, Digital Technology and Global Business Services. Prior to this role, Sandy was our Vice President Finance.

Sandy has more than 20 years of treasury, finance and commercial experience in the resources sector. Prior to joining South32, she held a number of senior finance and commercial roles at Woodside and BHP including Vice President of Treasury and Insurance, General Manager Logistics and Finance Reporting Manager.

Sandy holds a Bachelor of Commerce from the University of Western Australia, a Master of Finance from Kaplan Business School, is a Fellow of Chartered Accountants Australia and New Zealand and a Graduate of the Australian Institute of Company Directors.

Vanessa Torres
BSc (Chemical), MEng, DEng, GAICD
Chief Operating Officer Australia

Vanessa Torres became our Chief Operating Officer in March 2024 and is responsible for our Australian operations. She joined South32 in 2018 as our Chief Technology Officer, and her role was broadened to Chief Technical Officer in 2020.

Before joining South32, Vanessa was Vice President Operational Infrastructure for BHP Western Australia Iron Ore. She has over 30 years of global mining experience across Australia, Canada, Brazil, Peru and New Caledonia, and has held various senior roles at BHP and Vale in strategy, operations, projects and business development. Her multicommodity experience spans base metals, bulk materials, battery minerals and precious metals.

Vanessa holds Doctorate and Master degrees in Minerals Engineering from the University of Sao Paulo, and a Bachelor of Science from the Federal University of Minas Gerais, Brazil. She was a Visiting Scholar at the University of British Columbia, Canada, where her research focused on the application of artificial intelligence to the mining industry. Vanessa is also a Graduate of the Australian Institute of Company Directors.

Noel Pillay
NHDP Mech Eng
Chief Operating Officer Southern Africa and Colombia

Noel Pillay became our Chief Operating Officer in October 2021 and is responsible for our operations in Southern Africa and Colombia.

Prior to this role, Noel was Vice President Operations at Worsley Alumina where he was responsible for the operation's safety, production and cost performance. Before his time at Worsley Alumina, Noel was Vice President Operations at Hillside Aluminium in South Africa.

Before joining South32, Noel worked for BHP from 1994 as a Maintenance Engineer at Hillside Aluminium and has held several leadership roles in Maintenance, Production, Business Improvement and Human Resources in South Africa and Australia.

Noel is a trained Mechanical Engineer and holds a National Higher Diploma from the University of Johannesburg.

Simon Collins
BE (Mining), MBA
Chief Development Officer

Simon Collins has been our Chief Development Officer since October 2018. He is responsible for Exploration, Corporate Development, Brazil Alumina, Brazil Aluminium and Sierra Gorda.

Simon has 30 years of experience in the resources industry in senior leadership, commercial and business development roles. Before joining South32, he worked for BHP for more than a decade, providing leadership to commercial and business development teams in Australia, Africa and the Americas. He began his career in mine operations in Australia and then South Africa.

Simon holds a Master of Business Administration from London Business School and a Bachelor of Engineering (Mining) from the University of New South Wales.

Kelly O'Rourke
LLB, BCom, MAICD
Chief Legal, External Affairs and Sustainability Officer

Kelly O'Rourke was appointed to the Lead Team in November 2020 and is our Chief Legal, External Affairs and Sustainability Officer, with responsibility for Legal, Company Secretariat, Business Integrity, Communications, Community, Government and Sustainability.

Kelly joined South32 in 2016 as Vice President Corporate Affairs and Investor Relations.

She previously worked at BHP where she held senior roles in Legal, Business Development, Mergers and Acquisitions and the Office of the Chief Executive.

Kelly has more than 20 years of experience in the mining industry across legal, commercial, business development, mergers and acquisitions, external affairs and community roles across Australia, Asia, the United Kingdom, Europe, Africa and the Americas.

Kelly holds a Bachelor of Laws (Distinction) from The University of Western Australia, a Bachelor of Commerce from Curtin University and is a Member of the Australian Institute of Company Directors.

Erwin Schaufler
MSc, Mag.rer.soc.oec., GAICD
Chief Commercial and Technical Officer

Erwin Schaufler was appointed to the Lead Team in March 2024 and is our Chief Commercial and Technical Officer. Erwin has responsibility for Commercial, Capital Projects, Planning, Innovation and Business Optimisation, and Health, Safety and Technical Stewardship.

Prior to this role, Erwin held various leadership roles at Worsley Alumina for more than six years including Vice President Operations and General Manager Refinery.

Before his time at Worsley Alumina, Erwin played a key role in the establishment of the Marketing function when South32 was formed in 2015 and led the design and implementation of a revised Marketing strategy.

Before joining South32 Erwin worked at BHP, firstly in the Technology team where he held various senior roles before joining Marketing in distribution and supply chain in 2011.

Erwin holds a Master of Science in Logistics and Supply Chain from Cranfield University in the United Kingdom, a Magister rerum socialium oeconomicarumque (Master of Business Administration) from Vienna University of Economics and Business, is a Graduate of the Australian Institute of Company Directors, and has completed the Advanced Management Program at INSEAD.

Katie Tovich
BCom, FCA, GAICD
Chief Human Resources Officer

Katie Tovich joined South32 in 2015 and is our Chief Human Resources Officer. Katie previously had accountability for our Marketing and Supply functions from 2023 to 2025 and was our Chief Financial Officer from May 2019 to March 2023. Prior to being CFO, Katie was Vice President Corporate Affairs and Investor Relations, as well as Head of Treasury.

Katie brings more than 30 years of global experience in the resources sector. Before joining South32, she held senior finance and marketing roles at BHP in Australia and Asia, including Vice President Corporate Finance, Head of Finance Worsley Alumina and Vice President Finance Marketing – Carbon Steel Materials. Earlier in her mining career, she held finance and marketing leadership positions at WMC Resources Limited in Australia and North America. Katie holds a Bachelor of Commerce from the University of Tasmania, is a Fellow of Chartered Accountants Australia and New Zealand and is a Graduate of the Australian Institute of Company Directors.

DIRECTORS' REPORT

This report is presented by the Board of Directors of South32 Limited, together with the Group's Financial report, for the financial year ended 30 June 2025.

This report is prepared in accordance with the requirements of the Corporations Act, with the following information forming part of this report:

- Strategic Report on the inside front cover to page 100;
- Director biographical information starting on page 106;
- Remuneration Report starting on page 135;
- Note 19(b) Financial risk management objectives and policies starting on page 207;
- Note 20 Share capital on page 210;
- Note 21 Auditor's remuneration on page 211;
- Note 22 Employee share ownership plans starting on page 211;
- Note 32 Subsequent events on page 223;
- Directors' declaration on page 226;
- Auditor's independence declaration on page 227;
- Resources and Reserves starting on page 233;
- Shareholder information starting on page 257; and
- Corporate directory on page 271.

Principal activities, state of affairs and review of operations

Principal activities and significant changes during the financial year

In FY25, the principal activities of the Group were mining and metals production, from a portfolio of assets that included bauxite, alumina, aluminium, copper, zinc, lead, silver, nickel and manganese.

In August 2024, the Group completed the sale of Illawarra Metallurgical Coal and the divestment of the Metalloys manganese alloy smelter was completed in June 2025[9].

There were no other significant changes in the Group's principal activities during the financial year.

State of affairs

There were no significant changes in the Group's state of affairs during the financial year, other than the:

- Completion of the sale of Illawarra Metallurgical Coal;
- Australia Manganese successfully completing its operational recovery plan and resumed export sales after the impacts caused by Tropical Cyclone Megan; and
- Those set out in the Strategic Report on the inside front cover to page 100.

Review of operations, likely developments and expected results

A review of the Group's FY25 operations is set out in the Strategic Report on the inside front cover to page 100.

The Strategic Report also includes likely developments in the Group's operations in future financial years and expected results of those operations.

Matters since the end of the financial year

On 7 July 2025, we announced a binding agreement to divest Cerro Matoso for nominal upfront consideration and future cash payments of up to US$100M[10]. The transaction is expected to complete in late H1 FY26, subject to the satisfaction or waiver of certain conditions.

On 14 August we announced that we have taken the decision to limit investment in Mozal Aluminium due to the increased uncertainty regarding future electricity supply. Without access to sufficient and affordable electricity, we expect that Mozal Aluminium will be placed on care and maintenance at the end of the current agreement in March 2026[11].

Additional details of matters occurring since the end of the financial year can be found in Note 32 to the financial statements (Subsequent events) on page 223.

Apart from those noted above, no other matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs of the Group in subsequent accounting periods.

Dividends

Details of the dividends paid during FY25 are set out in Note 7 to the financial statements (Dividends) on page 189 and below.

Type	2024 Final dividend	2025 Interim dividend
Payment date	17 October 2024	3 April 2025
Period ends	30 June 2024	31 December 2024
Cents per share	US 3.1 cents	US 3.4 cents
Value	US$140 million	US$154 million
Franking	Fully franked	Fully franked

9. Refer to media release "Completion of Metalloys Manganese Alloy Smelter Divestment" dated 3 June 2025.
10. Refer to market release "Agreement to Divest Cerro Matoso" dated 7 July 2025.
11. Refer to exchange release "Mozal Aluminium update" dated 14 August 2025.

Our Directors

Information about our Directors who held office during or since the end of FY25, including their names, biographical details and term of office, is provided in the Our Board members section of the Governance chapter on page 106.

Details of our robust processes for appointing, renewing and evaluating our Directors is outlined on page 115. The outcomes of our FY25 Board skills, knowledge and experience review are presented on page 116.

Board and Committee meetings

The Board and Committees section of our Governance chapter (page 119) provides information on:

- Meeting cadence and approach;
- Typical agenda and briefing items;
- Meetings held during FY25; and
- Directors' attendance at meetings during FY25.

Key focus areas and considerations of the Board during FY25 are outlined on page 112.

Directors' relevant interest in shares

Information regarding our Directors' interest in shares can be found below and in our Remuneration Report on page 163.

Director	Number of South32 Limited shares in which a relevant interest is held as at the date of this Directors' Report
Karen Wood AM	367,825
Frank Cooper AO	128,010
Xiaoling Liu	66,000
Carlos Mesquita	177,440
Mandla Msimang	0
Ntombifuthi Mtoba	71,386
Jane Nelson	40,000
Wayne Osborn	174,104
Stephen Pearce	30,000
Sharon Warburton	67,870
Graham Kerr[(a)]	8,040,121

(a) At the date of this Directors' Report, Graham Kerr's total interest includes 3,081,102 South32 Limited ordinary shares and 4,959,019 rights over South32 Limited shares held under the South32 Equity Incentive Plan.

Rights and options over South32 Limited shares

No rights or options over South32 Limited ordinary shares are held by any of our Non-Executive Directors.

Our CEO and Managing Director, Graham Kerr, holds rights over South32 Limited shares, granted under the South32 Equity Incentive Plan. Further details regarding these right holdings can be found in the Remuneration report on page 162.

The total number of rights over South32 Limited shares on issue as at 30 June 2025 is set out in Note 22. to the financial statements (Employee share ownership plans) starting on pages 211.

No rights have been granted since the end of FY25. As of the date of this report, the total number of rights over South32 Limited shares on issue is 39,838,539. No shares have been issued on vesting of rights during or since the end of FY25. South32 Limited has not had any options on issue during or since the end of FY25.

Governance continued

Indemnities and insurance

The South32 Limited Constitution requires that we indemnify each Director and Company Secretary (as well as employees appointed as directors and secretaries of a Group company) on a full indemnity basis and to the extent permitted by law against liability incurred by them in their capacity as an officer of any Group company. The Directors and the Company Secretary named in this report have the benefit of this indemnity (as do individuals who formerly held one of these positions).

As permitted by our Constitution, South32 Limited has entered into Deeds of Indemnity, Access and Insurance with each of the Company's Directors, Company Secretary and the CFO under which we agree to indemnify those persons on a full indemnity basis and to the extent permitted by law.

We purchase directors and officers liability insurance which insures against certain liabilities (subject to exclusions) in respect of current and former Directors and other Officers of the Group. Due to confidentiality obligations and undertakings of the insurance, we cannot disclose any further details about the premium or insurance.

During FY25 and as at the date of this Directors' Report, no indemnity in favour of a current or former Director or Officer of the Group has been called on.

Company Secretary

Information about our Company Secretary, Claire Tolcon, including biographical details, can be found on page 119.

Corporate Governance

Under ASX Listing Rule 4.10.3, ASX-listed entities are required to benchmark their corporate governance practices against the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Recommendations).

South32 is compliant with all relevant ASX Recommendations.

Disclosures compliant with the ASX Recommendations and information required under the UK FCA's Disclosure Guidance and Transparency Rules can be found in our Governance chapter, starting on page 101.

Auditor

Our External Auditor has provided an independence declaration in accordance with the Corporations Act, which is set out on page 227 and forms part of this report.

Non-audit services

No non-audit services were undertaken by, and no amounts in respect of such services were paid or are payable to, our External Auditor during FY25. Refer to Note 21. to the financial statements (Auditor's remuneration) on page 211.

Diversity representation

We embrace and celebrate differences. We know an inclusive and diverse workforce is safer and allows for greater collaboration, innovation and performance, and we are committed to building a workforce that reflects the communities in which we operate.

The United Kingdom Financial Conduct Authority (FCA) requires listed companies to publish information on gender and ethnic representation of the Board and Executive Management. This includes demonstrated performance against the FCA's diversity and inclusion targets, namely that at least 40% of the Board are women, at least one of the senior Board positions is held by a woman and at least one member of the Board is from a non-white ethnic minority background. South32 meets or exceeds all of these targets, as set out in the table below.

Board and Executive diversity[12]	Number of Board members	Percentage of the Board	Number of senior positions on the Board[13]	Number in Executive Management[14]	Percentage of Executive Management
Gender Identity					
Men	5	45 %	1	4	44 %
Women	6	55 %	1	5	56 %
Not specified / prefer not to say	—	— %	—	—	— %
Ethnic background					
White British or other White (including minority-white groups)	7	64 %	2	6	67 %
Mixed/Multiple Ethnic Groups	—	— %	—	2	22 %
Asian/Asian British	1	9 %	—	1	11 %
Black/African/Caribbean/Black British	2	18 %	—	—	— %
Other ethnic group	—	— %	—	—	— %
Not specified / prefer not to say	1	9 %	—	—	— %

Details of our approach to Inclusion and Diversity and the Board's role in this can be found on page 125.
Details about the diversity of our Board can be found on page 105.
Details about the diversity of our Lead Team can be found on page 127.

Environmental performance

We seek to be compliant with all applicable environmental laws and regulations relevant to our operations. We classify environmental incidents based on actual and potential impact type as defined by our internal material risk management standard. In FY25, there were no environmental events that resulted in a major impact to the environment.

Fines and prosecutions

During FY25, we have not identified any instances of significant non-compliance with applicable laws and regulations, or received any significant fines, non-monetary sanctions or prosecutions.

We define significant non-compliances with laws and regulations based on internal materiality thresholds. This may include non-compliances with laws and regulations that result in significant health, safety, community, reputational, legal, or financial impacts. Prosecutions, fines, or non-monetary sanctions are disclosed where they relate to a reported significant non-compliance.

Political donations and social investment

Our Code of Business Conduct sets out our approach to political donations and social investment.

In FY25, we made no political donations to any political party, politician, political party official, elected official or candidate for public office in any country. On occasion, our representatives attend political events that charge an attendance fee where attendance is approved beforehand in accordance with our internal approval requirements. We record the details of attendances and the relevant costs at a corporate level.

Details on our social investment activities in FY25 can be found on page 35.

12. The data presented in this table was collected via self-reported questionnaires completed by all members of the Board and Executive Management that included the definitions prescribed by the UK Listing Rules.The data presented is correct as at 30 June 2025.
13. The UK Financial Conduct Authority (FCA) prescribes that the senior positions on the Board are the Chair, CEO, CFO and Senior Independent Director (SID). For South32, the senior positions on the Board are only the Chair and the CEO. In line with market practice for Australian listed companies, the CFO does not sit on the Board and South32 does not have a SID as this role is not required under the corporate governance code South32 applies, being the ASX Principles and Recommendations.
14. In accordance with the UK Listing Rules, Executive Management includes the Lead Team (our most senior executive body below the Board) and the Company Secretary, excluding administrative and support staff.

Governance continued

Proceedings on behalf of South32

No proceedings have been brought or intervened in on our behalf, nor any application made, under section 237 of the Corporations Act.

Rounding of amounts

South32 Limited is an entity to which the Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 (ASIC Instrument 2016/191) applies. We have rounded amounts in this report and financial statements in accordance with ASIC Instrument 2016/191. This means the amounts in this report and the financial statements have been rounded to the nearest million US dollars, unless stated otherwise.

Responsibility statement

The Directors state that to the best of their knowledge:

(a) The consolidated financial statements and notes on page 166 to page 223 were prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position, and profit and loss of the Group and the undertakings included in the consolidation taken as a whole; and

(b) The Directors' Report includes a fair review of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties the Group faces.

This Directors' Report and the responsibility statement are made in accordance with a resolution of the Board.

Karen Wood AM
Chair

Graham Kerr
Chief Executive Officer and Managing Director

Date: 28 August 2025

REMUNERATION REPORT

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CELEBRATING 10 YEARS 2015 – 2025

From the Remuneration Committee Chair

CREATING VALUE FOR OUR STAKEHOLDERS

The Remuneration Committee assists the Board to oversee the remuneration and benefits framework for South32, providing assurance that remuneration arrangements support the delivery of our purpose and strategy, are aligned to our values and are in the long-term interests of our shareholders.

On behalf of the Board, I am pleased to present the Remuneration report for FY25.

FY25 performance

We were deeply saddened by the loss of José Luis Pérez, a contractor who was fatally injured after he fell from height at our Cerro Matoso operation in September 2024.

Nothing is more important than the health, safety and wellbeing of our people, so this tragic incident was felt deeply across our organisation. We have captured the learnings from our investigations into this incident and shared them across our business.

We continue to implement our Safety Improvement Program, which aims to deliver a step change in how we manage and think about safety. In FY25, encouraging safety performance results included a significant reduction in the frequency of injuries and illnesses that have the potential to cause significant harm, while total recordable injury frequency and lost time injury frequency both decreased by more than 25%. However, Mr Pérez's death underlines that we have more work to do to eliminate serious safety incidents.

This includes continuing to progress our LEAD Safely Every Day training, which is designed to build a common understanding of what it means to be a safety leader at South32. It empowers our people to speak up so we can all work to prevent serious injuries and fatalities, and since its launch in FY23 has been completed by almost 16,000 of our team, including members of the Board.

We also believe that an inclusive and diverse workforce can enhance performance, including our safety metrics. We track our progress in inclusion and diversity through seven measurable objectives, and in FY25 we met or exceeded our objective in five of these. This included our overall representation of women in our workforce increasing to 23.1%. We also improved our local workforce diversity in our South African workforce, Mozal Aluminium in Mozambique, Cerro Matoso in Colombia, and our Australian workforce.

Another important sustainability measure is our social investment, and in FY25 we invested US$23.3 million in community initiatives. This included US$5.3 million to expand access to education for more than 1,800 students in South Africa, Mozambique and Australia, with a focus on encouraging the participation of women and girls.

We have also published our second Climate Change Action Plan (CCAP), which updates our approach to addressing risks and opportunities presented by climate change. The CCAP outlines how we are continuing to position our portfolio for the energy transition and reaffirms our commitment to reducing our operational emissions, supporting value chain emissions reduction and enhancing our management of physical climate risks. Our 2025 CCAP will be the subject of a non-binding advisory resolution at our Annual General Meeting in October.

Against a volatile global backdrop, in FY25 we delivered production growth in copper and aluminium. The resumption of export sales from Australia Manganese was an important milestone following the significant damage caused by Tropical Cyclone Megan in March 2024, while the approval of the Worsley Mine Development Project will unlock new value at this operation and is expected to sustain alumina production until at least FY36. With the sale of Illawarra Metallurgical Coal, and construction and exploration progress at our Hermosa project, we continued to reshape our portfolio towards higher-margin base metals.

Our strong operating performance during the year delivered Underling earnings before interest, tax, depreciation and amortisation of US$1,928 billion. We returned US$350 million to shareholders in FY25, with US$294 million in fully-franked ordinary dividends and US$56 million via our on-market share buy-back.

Consistent with our policy to distribute a minimum 40% of Underlying earnings attributable to members as ordinary dividends, the Board has resolved to pay a fully-franked final ordinary dividend of US 2.6 cents per share (US$117M) in respect of the second half of FY25. The Board has also resolved to extend our US$2.5 billion capital management program by 12 months to 11 September 2026, with US$144 million remaining to be returned to shareholders.

FY25 executive reward outcomes

Our executive reward framework remained unchanged for FY25 and consisted of fixed remuneration, a short-term incentive (STI) and a long-term incentive (LTI).

Fixed remuneration increases of between 4.0% and 6.0% were applied for our Executive key management personnel (KMP) from 1 September 2024. The increases aligned with those applied to the broader workforce (see page 144 for more information).

In FY25, our Business Scorecard achieved 100.8% of our target but, after taking into consideration the fatality at Cerro Matoso, the Board applied a -20% Business Modifier to the CEO's STI outcome. Following the review of individual performance and behaviours, the CEO STI outcome was 65% of maximum, with other Executive KMP STI outcomes ranging from 64% to 77% of maximum (see page 144 for more information).

The completion of the four-year performance period of the FY22 LTI provided for the first testing of our two strategic measures, being portfolio management and our approach to climate change, along with testing of our two total shareholder return (TSR) measures against peer benchmarks. Our TSR of 19.6% over the performance period of the FY22 LTI fell short of the threshold required for vesting of our two TSR measures. The Board assessment of the two strategic measures recognised that they are central to delivering our strategy and reshaping our business for the future. Following the assessment, the Board approved an outcome of 80% for the portfolio management measure, and 70% for the climate change measure. As a result, 15% of the FY22 LTI award vested, with the remainder lapsing (see page 149 for more information).

CEO transition

The Board is delighted that Matthew Daley will join South32 as Deputy Chief Executive Officer on 2 February 2026, and become Chief Executive Officer when Graham Kerr steps down from the role later in 2026. Matthew's remuneration includes a base salary of A$2,000,000, 14% in annual superannuation contributions, a 120% STI target value and a 200% LTI maximum value. Matthew is also eligible for commencement benefits to partially compensate for benefits forfeited due to cessation of his previous employment, as detailed in our ASX announcement on 12 May 2025 (see page 157 for more information).

Looking forward to FY26

An extensive review of our executive reward framework was undertaken in FY25, and subsequently the Board has approved enhancements to the executive reward framework to ensure it continues to attract and retain executive talent and align the interests of executives and shareholders. The following key changes will commence in FY26 (see page 155 for more information):

- Separation of fixed remuneration to salary and superannuation;
- Adjusting the STI calculation for individual performance to be a weighted component of the STI calculation;
- Replacing the LTI TSR measure relating to the MSCI World Index with S&P ASX 100 constituents;
- Removing the Transitional LTI grant for employees promoted into the Lead Team; and
- Increasing the minimum shareholding requirement from 100% to 400% for the CEO and to 200% for other executives.

An increase to the CEO's STI target opportunity was contemplated but was not progressed at this time following careful consideration of stakeholder feedback. While most recognised the need to enhance the at-risk component of remuneration, they felt it would be better expressed in the LTI. The Committee will give this further consideration and again seek feedback before making any change.

We also completed our annual benchmarking process, during which no salary increases were awarded to Executive KMP (other than the impact of the separation of superannuation from fixed remuneration), with the exception of the CEO. The Board approved a 7.8% salary increase for the CEO to provide for a salary differential relative to the incoming Deputy CEO in recognition of Graham's tenure and experience (see page 157 for more information). No increases will be applied to Board fees or the travel allowance. However, the Committee Chair and member fees will increase by 8.7%, the first increase to Committee fees since 2018.

Our FY26 Scorecard has also been adjusted to further drive performance and increase alignment with shareholders. A number of changes have been made including the reduction of metrics to focus on fewer and more impactful measures (see page 158 for more information).

Thank you for your ongoing support and I look forward to continuing to engage with our shareholders and sharing in the future success of South32.

Wayne Osborn
Chair, Remuneration Committee

Remuneration report continued

KEY MANAGEMENT PERSONNEL (KMP) COVERED IN THIS REPORT

Our KMP consist of our Board (including the Chief Executive Officer), and members of the Lead Team who have authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly. The KMP for FY25 are set out in the below table.

Non-Executive Directors	Term	Executive KMP	Executive Role	Term
Karen Wood AM	Full year	Graham Kerr	Chief Executive Officer (CEO)	Full year
Frank Cooper AO	Full year	Sandy Sibenaler	Chief Financial Officer (CFO)	Full year
Xiaoling Liu	Full year	Vanessa Torres	Chief Operating Officer (COO) Australia	Full year
Carlos Mesquita	Full year	Noel Pillay	COO Southern Africa and Colombia	Full year
Mandla Msimang	Appointed on 1 Feb 2025			
Ntombifuthi Mtoba	Full year			
Jane Nelson	Full year			
Wayne Osborn	Full year			
Stephen Pearce	Appointed on 1 Feb 2025			
Keith Rumble	Ceased on 24 Oct 2024			
Sharon Warburton	Full year			

FY25 AT A GLANCE

FY25 Business Performance

Historical key business performance measures

Performance measures	FY25	FY24	FY23	FY22	FY21
Underlying EBITDA (US$M)	**1,928**	1,802	2,534	4,755	1,856
Underlying earnings attributable to members (US$M)[1,2]	**666**	380	916	2,602	489
Closing net cash/(debt) (US$M)	**123**	(762)	(483)	538	406
Movement in adjusted ROIC (percentage)[3]	**(4.1)**	(5.0)	(6.6)	0.4	0.7
Closing share price at end of the financial year (A$)[4]	**2.91**	3.66	3.76	3.94	2.93
Dividends/special dividends paid (US cents per share)	**6.5**	3.6	21.9	14.2	2.4
Total recordable frequency (TRIF) (per million hours worked)	**3.7**	5.1	5.9	5.3	4.3

FY25 Executive KMP remuneration outcome summary

Fixed remuneration	**CEO fixed remuneration increase was 4.0%** (FY24: 4.5%)	The Board awarded a 4.0% increase to the fixed remuneration of our CEO, Graham Kerr, and between 4.0% and 6.0% for our other Executive KMP, effective from 1 September 2024. Increases considered the individual's experience, skill and performance in their role and the increases applied to the workforce in the relevant geographies (Australia and South Africa).	Refer to page 144
STI awarded	**CEO FY25 STI was 65% of maximum** (FY24 STI: 73%)	Our performance against our Business Scorecard measures resulted in an outcome of 100.8%. The Board determined to apply a negative Business Modifier to all Executive KMP in recognition of the tragic fatality at Cerro Matoso. This resulted in a Business Modifier of -20% for Graham Kerr, -10% for Noel Pillay, and -5% for Vanessa Torres and Sandy Sibenaler. After assessment of individual performance and behaviours, the overall STI outcome for Graham was 65% of maximum, with other Executive KMP outcomes ranging from 64% to 77% of maximum.	Refer to page 144
LTI vesting	**FY22 LTI vesting outcome was 15%** (FY21 vesting: 33.3%)	South32 delivered TSR of 19.6% over the four-year performance period, which did not meet the threshold required for either of the TSR vesting conditions. Our strategic measures, which were introduced in the FY22 LTI award, were assessed for the first time. Vesting outcomes of 80% for portfolio management and 70% for climate change, of their respective 10% weightings, were achieved. Accordingly, our Board approved 15% of the FY22 LTI award to vest, with the remainder to lapse.	Refer to page 149
Realised pay	**CEO realised pay was A$5.065M** (FY24:A$7.935M)	For FY25, realised pay for the CEO was reduced compared to the previous year primarily driven by a lower LTI outcome. The Board reviewed all components of remuneration in considering whether the FY25 reward outcomes aligned with our remuneration guiding principles (see page 141) and believes the FY25 realised pay for the CEO reflects performance (both in the year and also across the four-year performance period for the LTI).	Refer to page 143

1. On 29 August 2024, South32 sold its shareholding in Illawarra Metallurgical Coal to an entity owned by Golden Energy and Resources Pte Ltd and M Resources Pty Ltd. Refer to market release "Completion of Illawarra Metallurgical Coal Sale" dated 29 August 2024. As a result of the transaction, Illawarra Metallurgical Coal was classified as a discontinued operation in the FY25 and FY24 results. Our Group underlying financial measures include the financial contribution from Illawarra Metallurgical Coal prior to its sale.
2. On 7 July 2025, South32 entered into a binding agreement for the sale of Cerro Matoso to an entity owned by CoreX Holding B.V. Refer to market release "Agreement to divest Cerro Matoso" dated 7 July 2025. As a result of the binding agreement, Cerro Matoso was classified as a discontinued operation in the FY25 and FY24 restated results, and held for sale as at 30 June 2025. Cerro Matoso remains part of the Group until completion, expected in late H1 FY26, subject to the satisfaction or waiver of certain conditions.
3. The movement in adjusted ROIC (FY25: -4.1%) is calculated as the difference between adjusted ROIC for the current performance period (FY25: 0.7%) less ROIC from the previous performance period (FY24 restated: 4.8%) and represents the reduced contribution from Illawarra Metallurgical Coal following its sale in August 2024 (FY25: -3.6%) and the reduced contribution from Australia Manganese due to the impacts of Tropical Cyclone Megan (FY25: -2.0%), partly offset by other business performance impacts (FY25: 1.5%) on ROIC. ROIC is calculated as Underlying EBIT (FY24: US$886 million) less the discount on rehabilitation provisions included in net finance costs, tax effected by the Group's Underlying effective tax rate (ETR) including our material equity accounted investments on a proportional consolidation basis (FY24: US$444 million), divided by the sum of the average balance of fixed assets and inventories (FY24: US$9,214 million), as well as our material equity accounted investments on a proportional consolidation basis (FY24: US$2,353 million) and excluding the average balance of any rehabilitation assets, the impact of impairment and impairment reversal, and unproductive capital (FY24: US$2,407 million). Refer to note 4 of the financial statements for the basis of underlying information and a reconciliation to statutory earnings.
4. The closing share price for FY20 was A$2.04.

Remuneration report continued

OUR REWARD FRAMEWORK

The pages of the Remuneration report that follow (together with the FY25 KMP on page 138 and historic business performance on page 139) have been prepared in accordance with section 300A of the Corporations Act 2001 (Cth) (the Act) and audited as required by section 308(3C) of the Act. These sections relate to those persons who were KMP during FY25.

Remuneration Governance

The roles and responsibilities of our Board, Remuneration Committee, management and external advisors in relation to remuneration for Executive KMP and employees of South32 are outlined below.

Board	Our Board maintains overall responsibility for overseeing the remuneration policy and the principles and processes that underpin it. It approves the remuneration arrangements for our CEO and Non-Executive Directors. Changes to the Director fee pool and equity grants to the CEO are approved by shareholders.
Remuneration Committee	The Remuneration Committee approves reward arrangements for our Lead Team including those appointed to Executive KMP roles (other than the CEO). By taking advice from other Board Committees (such as the Sustainability and Risk and Audit Committees), the Remuneration Committee helps the Board oversee our remuneration policy, its specific application to the CEO, Lead Team and Non-Executive Directors and, in general, our employees. The Remuneration Committee provides oversight to gain assurance that remuneration arrangements are equitable and aligned to the long-term interests of shareholders, operate within our risk appetite and support our purpose, strategy and values.
CEO and management	Our CEO makes recommendations to the Remuneration Committee regarding executives, and how the remuneration policy and framework applies to employees. Management provides information and recommendations to the Remuneration Committee to help it consider and implement approved arrangements.
External advisors	Independent external advisors may be engaged either directly by the Remuneration Committee, or via management. These advisors provide information on remuneration-related issues, including benchmarking information and market data. The Remuneration Committee did not receive remuneration recommendations from external advisors, including remuneration consultants, in relation to KMP in FY25. We seek information and analysis from a range of data sources. This allows us to make decisions that are informed, objective and aligned to the requirements of the Company, and consistent with our guiding principles.

Executive reward practices

Our remuneration objective

The South32 executive reward framework is designed to motivate performance and align executives to the creation of value for shareholders.

Our remuneration guiding principles

Aligned to our purpose, strategy and values

Reward for performance

Shareholder and executive alignment

Attract, motivate and retain

Simple and transparent

Components of reward for FY25

	Fixed remuneration	Short-term incentive (STI)	Long-term incentive (LTI)
Purpose	Attract and retain executive talent to lead South32, and remunerate executives for their role and responsibilities.	Reward performance against annual business and individual performance targets that reflect a balance of key financial and non-financial measures, as aligned to our business plan.	Align long-term reward outcomes to strategic priorities and shareholder value creation.
Structure	Salary and superannuation.	Annual variable incentive opportunity with STI outcome delivered: – Half in cash; and – Half in STI rights which vest into shares subject to a two year service condition. STI rights receive a dividend equivalent cash payment following vesting.	LTI rights to receive South32 shares subject to meeting performance and service conditions over a four-year performance period. LTI is directly linked to: – Relative TSR so that Executive KMP pay outcomes are aligned with the shareholder experience over the longer term; and – Two strategic measures so that Executive KMP pay outcomes are aligned to the business priorities that underpin the long-term success of South32.
Determination	Considers: – Performance, – Responsibilities, skills and experience, – Local workforce increases; and – External benchmarking.[5]	STI outcomes assessed on: – Business Scorecard outcomes, including the application of the Business Modifier; and – Individual performance and behaviours aligned to our values.	LTI performance conditions include: – Total shareholder return (TSR) performance against S&P Global Mining Index constituents (53.3%) and MSCI World Index (26.67%), and – Strategic measures of climate change and portfolio management (10% each).
Opportunity	Reviewed annually by the Remuneration Committee.	Target STI opportunity: – 120% of fixed remuneration. Maximum STI opportunity: – 180% of fixed remuneration.	Maximum LTI opportunity: – CEO: 200% of fixed remuneration, and – Other executives: 133% of fixed remuneration.
Further information	Refer to page 144.	Refer to page 144.	Refer to page 149.
Minimum shareholding requirement	A minimum shareholding requirement (MSR), equal to 100% of fixed remuneration for Executive KMP, drives a long term focus and alignment with our shareholders. The MSR policy requires the shareholding to be obtained within five years of appointment to the Lead Team and is expected to be achieved by accumulating shares received on vesting of Deferred STI and LTI awards, rather than by purchasing shares directly from the market. Shareholding is valued as the number of shares held (excluding rights) multiplied by the share price at time of assessment. Refer to page 163 for Executive KMP shareholdings.		

Executive KMP contract terms

The following table outlines the key terms of employment for Executive KMP. Shareholder approval was granted at the 2024 AGM for Executive KMP termination benefits.

Role	Term of agreement	Notice period by Executive	Notice period by company	Post employment restraint
Executive KMP	No fixed term	6 months[6]	6 months, with no notice for serious misconduct	Up to 6 months

5. External benchmarking references the median of our peer groups who we compete with for talent. These are ASX peers with half to double our market capitalisation, excluding real estate investment trusts and foreign domiciled companies, and a global mining peer group which includes: Agnico Eagle Mines, Alcoa, Anglo American, AngloGold Ashanti, Antofagasta, Barrick Gold, First Quantum Minerals, Fortescue, Freeport-McMoRan, Gold Fields, Kinross Gold, Lundin Mining, Mineral Resources, Newmont, Northern Star Resources and Teck Resources.
6. One month notice is required by the Executive KMP where a fundamental change occurs that materially diminishes their status, duties, authority or terms and conditions (receiving payment in lieu of six months notice). The legacy employment contract for the CEO allows resignation without notice if a fundamental change occurs.

Remuneration report continued

Target remuneration for FY25

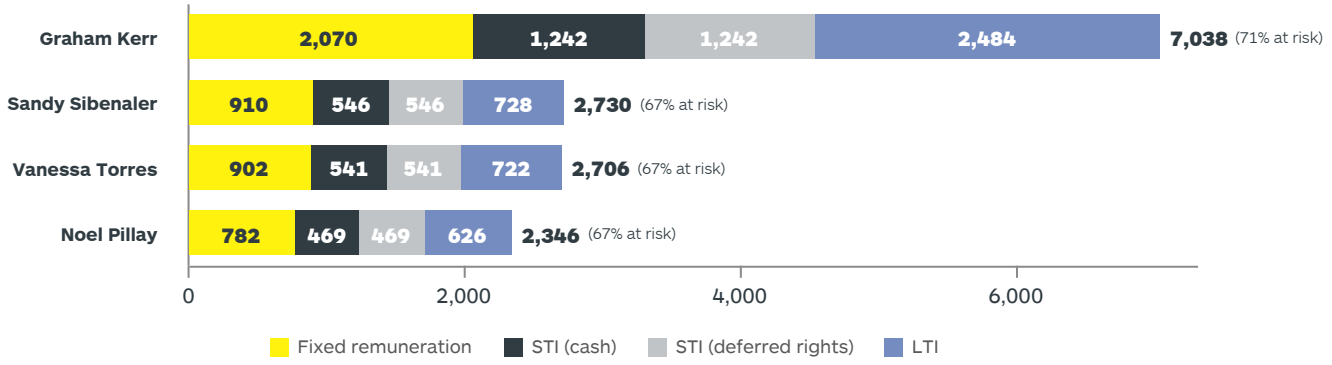
South32 sets target remuneration for each member of Executive KMP at a competitive level to attract and retain appropriate talent in the markets in which we operate. Our target remuneration is informed by the South32 reward framework (see page 141) that outlines the key factors the Board takes into consideration in setting Executive KMP reward and the strategic drivers of pay at South32.

It is important that reward levels fairly reflect the responsibilities and contribution of the Executive KMP and that outcomes are aligned to performance and the delivery of shareholder returns. As a result, a meaningful portion of our Executive KMP remuneration is at risk, contingent on individual and company performance measures.

Target remuneration, as outlined below, assumes on-target performance for the STI and considers the difficulty of achieving LTI vesting given the performance hurdles. The figures reflected in the diagram below are therefore based on the STI paid at target (120 per cent of fixed remuneration), comprising STI cash and deferred STI rights, and the LTI vesting at 120 per cent of fixed remuneration. Deferred STI and LTI values do not incorporate future share price movements or any dividend equivalent payments that may be made on vesting of deferred STI rights.

Based on these principles, target remuneration for Executive KMP as at 30 June 2025 is illustrated below.

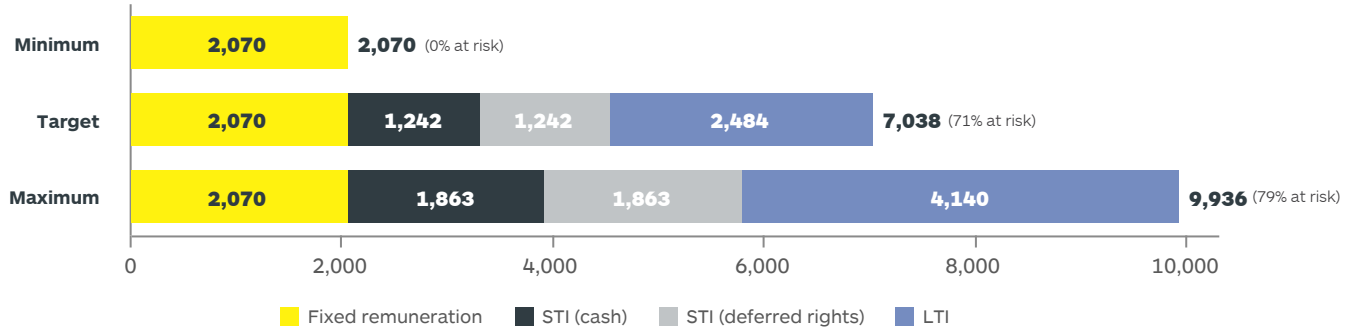
FY25 target remuneration (A$'000)[7]



Range of possible remuneration outcomes

As actual business and individual performance over the performance period determine reward outcomes, the pay received by Executive KMP each year will vary. The diagram below illustrates the range of possible remuneration outcomes for the CEO, based on three performance outcome scenarios: minimum, target and maximum. While the figures in the below diagram and explanation are for the CEO, similar analysis can be undertaken for other Executive KMP to assess the minimum and maximum range of pay outcomes.

FY25 range of CEO remuneration outcomes (A$'000)



In the **Minimum** scenario, no STI or LTI is paid. The CEO would receive fixed remuneration, inclusive of superannuation.

Target outcomes would be achieved where the business and individual meet the STI performance measures, resulting in the STI being paid at target levels, and the LTI vests at 120% of fixed remuneration.

To deliver a **Maximum** outcome for the STI, South32 would need to achieve the maximum targets for every metric in the Business Scorecard, with no application of a negative Business Modifier and a maximum individual outcome. For a maximum LTI outcome, every performance condition would need to vest in full over the four-year performance period.

Deferred STI and LTI in the **Target** and **Maximum** scenarios do not incorporate future share price movements or any dividend equivalent payments that may be made on vesting of deferred STI rights.

7. Noel Pillay's remuneration has been converted to AUD using an exchange rate of AUD: ZAR 11.77.

FY25 EXECUTIVE KMP REWARD OUTCOMES

Realised pay for Executive KMP for FY25

Realised pay is the value of reward received by Executive KMP in relation to the financial year, rather than possible pay that may be earned or statutory remuneration. We publish this information to enable shareholders to better understand the pay delivered to our Executive KMP through our reward framework and how this is aligned to the performance of South32 over time. The intention of our reward framework is to deliver realised pay outcomes that reflect company performance, the contribution of the Executive KMP to that performance, and the shareholder experience. The Board and Remuneration Committee consider that our realised pay outcomes reflect this objective.

FY25 realised pay for Executive KMP is outlined below and includes:

- Fixed remuneration earned in FY25 (including superannuation);
- Other cash and non-monetary benefits earned in FY25;
- Total FY25 STI earned (including cash and deferred rights) based on performance during this financial year (see page 148); and
- LTI awards that vested based on performance and/or service conditions to 30 June 2025 (see page 149).

Realised pay is likely to vary substantially, either up or down, from statutory remuneration (see page 161) and from target remuneration (see page 142) because a significant portion of our Executive KMP pay is 'at risk' and based on performance measures. Furthermore, as the LTI is measured over a four-year performance period, vesting outcomes will not always correlate to performance against TSR measures for a single year. For FY25, realised pay for the CEO was lower compared to the previous year primarily driven by a lower LTI outcome.

Realised pay in respect of FY25 (A$'000) (unaudited)

Executive KMP		Fixed Remuneration	Other[8]	STI cash	STI deferred	LTI[9]	Total realised pay
Graham Kerr	**FY25**	**2,055**	**53**	**1,202**	**1,202**	**553**	**5,065**
	FY24	1,978	56	1,306	1,306	3,289	7,935
Sandy Sibenaler	**FY25**	**903**	**7**	**627**	**627**	**124**	**2,288**
	FY24	862	8	640	640	230	2,380
Vanessa Torres	**FY25**	**897**	**31**	**518**	**518**	**150**	**2,114**
	FY24	862	29	474	474	841	2,680
Noel Pillay[10]	**FY25**	**774**	**22**	**468**	**468**	**144**	**1,876**
	FY24	701	27	445	445	503	2,121

Linking reward and environmental, social and governance (ESG) performance

The STI and LTI are 'at risk' components of our Executive KMP reward which include ESG measures that align remuneration with our ESG performance, as explained below.

STI

The Business Scorecard includes a balance of financial and non-financial measures that reflect the key focus areas in the financial year. For FY25, 35% of the Business Scorecard was assessed against sustainability measures, which included safety and health, risk management, people, environment (water performance) and social performance metrics.

The overall Business Scorecard outcome is also subject to the Business Modifier. The Business Modifier allows the Board to appropriately adjust the Business Scorecard outcome. We have a track record of applying the Business Modifier to reflect non-financial performance and the overall shareholder experience. Further detail on our STI is included in the short-term incentive section starting on page 144.

LTI

Twenty per cent of the LTI directly links executive reward to the transition of our portfolio towards minerals and metals critical to the world's energy transition and our response to climate change. These two measures are inherently linked and ensure our leadership is incentivised to take a holistic, forward-looking approach that aligns portfolio management with long-term sustainability outcomes. Detail on the strategic measures and our progress against them is outlined from page 149.

8. Other includes such items as car parking, insurances and tax advice provided to Executive KMP.
9. Value of the LTI is based on a closing share price on 30 June 2025 of A$2.91 (FY25) and 28 June 2024 of A$3.66 (FY24).
10. Noel Pillay's remuneration has been converted to AUD using an exchange rate of AUD: ZAR 11.77 for FY25 and AUD: ZAR 12.27 for FY24.

Remuneration report continued

Fixed remuneration for FY25

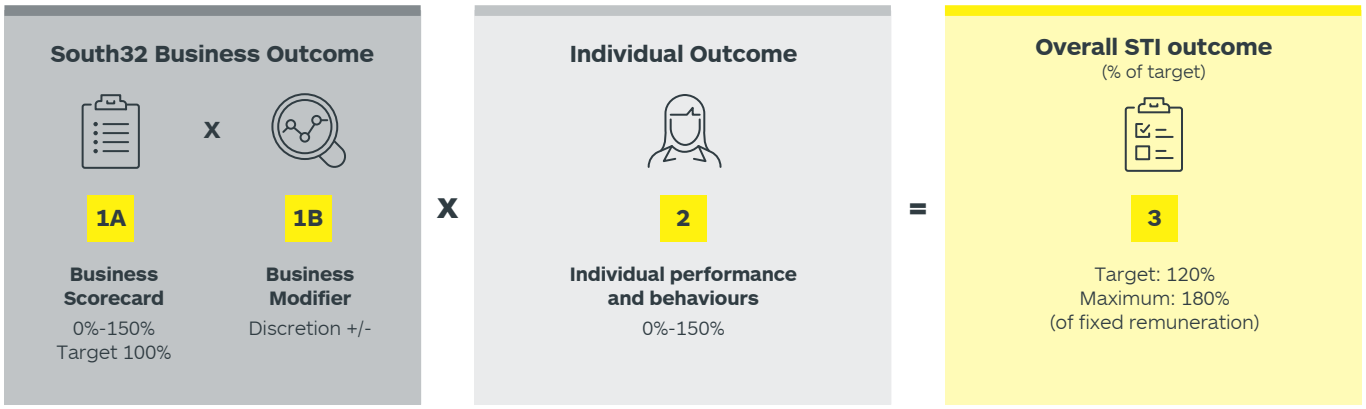
On 1 September 2024, the CEO received an increase to fixed remuneration of 4.0% aligned to the annual salary increase applied for the broader Australian workforce. Our other Executive KMP received fixed remuneration increases of between 4.0% and 6.0% which were aligned to the broader workforce in the relevant geographies (Australia and South Africa).

FY25 Fixed remuneration for Executive KMP - effective 1 September 2024[11]

Executive KMP	Currency	FY24 fixed remuneration	FY25 fixed remuneration	Movement %
Graham Kerr	AUD	1,991,000	**2,070,000**	4.0
Sandy Sibenaler	AUD	867,000	**910,000**	5.0
Vanessa Torres	AUD	867,000	**902,000**	4.0
Noel Pillay[12]	ZAR	8,680,000	**9,201,000**	6.0

Short term incentive for FY25

Determination of STI awards



The STI is intended to focus and reward Executive KMP for delivering on our key business priorities both in the financial year and into the future. The **overall STI outcome** is determined by assessing three key inputs: the Business Scorecard, the Business Modifier and individual performance and behaviours as per the diagram above.

The **Business Scorecard** includes a balanced range of measures that consider both our financial and non-financial performance, and helps our Executive KMP focus on outcomes that are within their control and a priority for the year.

The **Business Modifier** considers overall business outcomes or other factors that are not specifically contemplated in the Business Scorecard, such as: significant safety or environmental events, the shareholder experience, significant reputational issues, and an assessment of risk, culture or any other item that the Board considers appropriate.

Based on Board judgement, the Business Modifier adjusts the Business Scorecard outcome so that STI outcomes reflect business performance, including both what has been delivered and how it has been achieved. The adjustment may be positive or negative and may be applied to Executive KMP on an individual or a group basis depending on the factors under consideration.

Together, the Business Scorecard and the Business Modifier determine the **South32 Business Outcome.**

Individual performance is measured based on delivery against the relevant business plans and demonstrated behaviour aligned to our values (i.e. both on what is achieved and how it is achieved).

What this means in practice

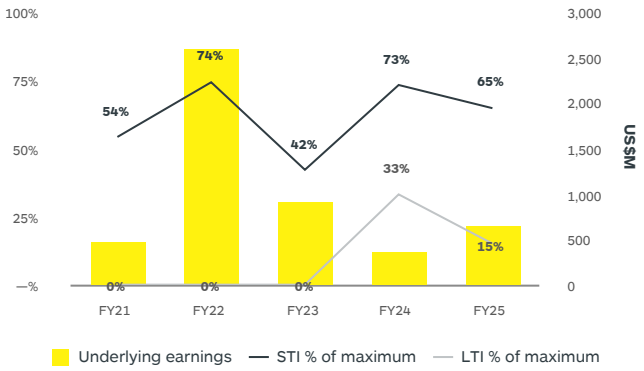
As our Business Scorecard includes measures that are within our executives' control, the Business Scorecard outcome will not always mirror underlying South32 financial outcomes.

However, the Board has designed the STI, including the use of the Business Modifier and individual outcomes, so that executives are rewarded for delivering strong performance across areas within their control, taking into account overall business performance and shareholder experience.

As such, the CEO's FY25 STI outcome of 65% of STI maximum incorporates the FY25 Business Scorecard outcome, as well as the Board's application of a Business Modifier and individual outcome.

The diagram to the right outlines the CEO's STI and LTI outcomes compared to Underlying earnings over the past five years.

CEO incentive outcomes compared to Underlying earnings



11. Fixed remuneration reflects a full year in the Executive KMP role.
12. Fixed remuneration for Noel Pillay's is denominated in ZAR. Using an exchange rate of AUD: ZAR 11.77, FY25 fixed remuneration is A$781,733.

1A FY25 Business Scorecard

Performance metric	Scorecard measure	Performance target (100%)	Performance commentary	Metric result	Scorecard weighting	Weighted outcome
Safety and culture					25.0%	**31.8%**
Safety and health	Compliance to Lead Safely Every Day (LSED) frontline deployment plan.	90%	The LSED deployment plan to the frontline was 98% for FY25, exceeding the target for a maximum outcome.	**150%**	15.0%	18.8%
	Compliance to LSED leadership deployment plan.	100%	The LSED deployment plan to leadership was 100% for FY25, achieving a target outcome. An additional stretch KPI was not met.	**100%**		
	Aggregated significant hazard to significant event near miss ratio.	>20	Our significant hazard to significant event near miss ratio for FY25 was 80, exceeding maximum, and 88% of operations achieved a target outcome. The combination of these achievements resulted in a maximum outcome.	**150%**		
	Reduction in material health exposures above 200% occupational exposure limit (OEL) against the FY24 revised baseline. [13]	20%	Material health exposures above 200% OEL reduced by 13% against the FY24 revised baseline, achieving an outcome slightly above threshold.	**65%**		
	Reduction in the number of injuries and acute illnesses (first aid treatment and above) associated with a potential fatality from FY23 baseline.	60%	Six injuries or acute illnesses associated with a potential fatality were reported during FY25, resulting in a 65% decrease compared to the FY23 baseline, exceeding target.	**113%**		
	Lost time injury frequency (LTIF).	1.4	LTIF was 1.34, a decrease from the FY24 LTIF of 2.0, achieving slightly below a maximum outcome.	**143%**		
	Total recordable injury frequency (TRIF).[14]	5.1	TRIF was 3.7, a decrease from the FY24 TRIF of 5.1, exceeding the target for a maximum outcome.	**150%**		
Risk management	Compliance to risk routines being completed on time.	95%	Compliance to risk routines was above target at 96%, with an additional stretch target partially met.	**121%**	5.0%	6.9%
	Significant hazards, significant events, and workplace interactions linked to material and/or non-material risks.	80%	A weighted average of 93% across the three groups were linked to a risk, resulting in a maximum outcome.	**150%**		
	Reduction in the percentage of high and medium corrective action extensions, against the FY24 baseline.	10%	Action extensions were reduced by 26% against the FY24 baseline, exceeding the target for a maximum outcome.	**150%**		
People	Improvement in representation of women in the total workforce.	23.0%	Representation of women in the total workforce exceeded target with an outcome of 23.1%.	**110%**	5.0%	6.1%
	Improvement in representation of women in leadership.	24.1%	Representation of women in leadership was 23.6%, meeting threshold outcome.	**50%**		
	Achievement of local diversity targets.[15]	80%	All five local diversity targets were met, resulting in a maximum outcome.	**150%**		
	Inclusion score (as measured by the annual employee survey, Your Voice).	81%	The Inclusion score measured in the 2025 Your Voice employee survey achieved maximum outcome with a score of 82.1%, exceeding the global and industry benchmarks of 80.6% and 77.6% respectively.[16]	**150%**		

13. In FY25, the FY24 occupational exposure baseline for welding fumes was adjusted following Safe Work Australia's reduction of the permissible exposure limit.
14. IMC has been included in safety and health performance metrics for all reporting periods up to the divestment date. The FY24 baseline has not been adjusted to exclude IMC. On an adjusted baseline basis, the performance outcome for TRIF would still have exceeded the target for a maximum outcome.
15. The local diversity targets include Aboriginal and Torres Strait Islander peoples representation in Australian operations, Black People representation in management in South Africa, Black People representation in the total South Africa workforce, Mozambique nationals representation in the total Mozambique workforce and neighbouring community employees hired into Cerro Matoso Unionised Positions.
16. Benchmarks are provided by Qualtrics and use a three-year rolling average of Qualtrics employee survey data. The global benchmark comprises 1,006 companies and the industry benchmark comprises 32 companies.

Remuneration report continued

Performance metric	Scorecard measure	Performance target (100%)	Performance commentary	Metric result	Scorecard weighting	Weighted outcome
Environment and social					10.0%	**13.7%**
Social performance	Implement social investment plans on budget.	Within +/- 5% of budget	Social Investment plans were implemented on time and on budget.	**100%**	5.0%	7.0%
	Achieve economic development plan targets.	75%	Economic development plan targets were implemented with 87% of the FY25 targets having been met, achieving close to a maximum outcome.	**140%**		
Water performance	Complete business plan actions.	75%	98% of business plan actions were completed, which was slightly below the target for a maximum outcome.	**147%**	5.0%	6.7%
	Achieve water use efficiency outcome as defined within the Sustainability-Linked Loan framework.	5%	The outcome was above target for water use efficiency.	**119%**		
Finance					57.5%	**48.5%**
Adjusted ROIC	Achieve FY25 Budget Adjusted ROIC outcome.	Between -0.5% and <+0.5% of budget	The Adjusted ROIC generated a scorecard outcome of 60%.	**60%**	25.0%	15.0%
Production[17]	Achieve FY25 Budget revenue equivalent production.	97% to 102% of Budget	Revenue equivalent production was 98.6% of FY25 Budget, resulting in a target outcome.	**100%**	15.0%	15.0%
Controllable cost[17]	Achieve FY25 Budget Controllable costs (adjusted for foreign exchange, price-linked costs, and other adjustments).	Equal to or within +/- 2.5% of Budget	Controllable cost base was within 0.9% of FY25 Budget, resulting in a target outcome.	**100%**	10.0%	10.0%
Capital expenditure[17]	Achieve FY25 Budget capital expenditure (excluding growth, adjusted for foreign exchange).	Within +/- 5% of Budget	Capital expenditure (excluding growth) was 95% of FY25 Budget, resulting in a target outcome.	**100%**	7.5%	8.5%
	Achieve FY25 Budget Taylor Growth capital expenditure.	Within +/- 10% of Budget	Taylor Growth Capital expenditure was 94% of FY25 Budget, achieving close to the target for a maximum outcome (+/- 5% of Budget).	**140%**		
Major project delivery					7.5%	**6.8%**
Hermosa project	Taylor: Safely commence surface construction package	100% adherence to scheduled plan	Earthworks were completed on schedule. The first of four construction packages was awarded, and engineering completed on the second package. Mobilisation and foundation works were also commenced.	**90%**	7.5%	6.8%
	Taylor: Progress shaft sink development to plan to achieve feasibility study first ore date and business case.		Ventilation shaft development ended below plan but with an improving trajectory. First ore maintained in updated plan scenarios. Main shaft sink commenced.	**60%**		
	Clark: Safely progress the decline development to plan	100%	Decline development advance was over 400 feet ahead of plan.	**125%**		
	Clark: Progress the next phase of process testing (engineering and construction of the integrated test plant (ITP)) to plan.	ITP 30% design review complete	ITP engineering was completed, funding approved, and fabrication commenced.	**150%**		
Total					100.0%	**100.8%**

[17] Excludes non-operated entities (Sierra Gorda, Brazil Alumina and Brazil Aluminium).

1B FY25 Business Modifier

The Business Modifier is an integral component of the STI that considers overall business outcomes or other factors that are not specifically contemplated in the Business Scorecard, such as:

- Significant safety or environmental events;
- The shareholder experience;
- Unexpected material external events;
- Significant reputational issues; and
- An assessment of risk, culture or any other item that the Board considers appropriate.

In considering the application of the Business Modifier for FY25, the Board focused on the tragic loss of our colleague Mr José Luis Pérez, who was fatally injured in an incident at Cerro Matoso on 17 September 2024, and the impairment of Mozal Aluminium.

We are deeply saddened by the loss of José and continue to express our sincere and deepest sympathies to his family, friends and colleagues. Key learnings from the investigation of the incident have been shared across our organisation, and improvement actions are underway. We remain committed to strengthening our safety culture through the ongoing implementation of our global, multi-year Safety Improvement Program driving a step change in safety performance and ensuring that everyone goes home safe and well every day.

As part of its deliberations, the Board also considered the new electricity supply agreement for Mozal Aluminium and ongoing discussions with the Government of the Republic of Mozambique, Hidroeléctrica de Cahora Bassa (HCB) and Eskom. Management has been working assiduously with the relevant parties for the last six years to secure a new electricity supply agreement for Mozal Aluminium, and the Board concluded that the contributing factors to the unresolved discussion and related impairment were beyond management's control. As such, the Board formed the view that no Business Modifier should be applied to any Executive KMP in reference to the Mozal Aluminium electricity supply agreement.

Taking the tragic loss of José into consideration, the Board decided to apply a negative Business Modifier to the Scorecard for all Executive KMP. The below table outlines the the negative Business Modifiers applied. The different adjustments are intended to reflect the level of accountability each member of the Executive KMP had in respect of the significant safety event.

			Modifier applied in previous years		
Role	Modifier for FY25	FY24	FY23[18]	FY22[19]	FY21
CEO	**-20%**	No Business Modifier applied	-25%	-20%	-20%
COO Southern Africa and Colombia	**-10%**		-20%	-20% -10%	-20%
Other Executive KMP	**-5%**		-10% -5%	-10% -5%	-5%

18. In FY23, the Board decided to apply a Business Modifier of -10% for the COO Australia and a Business Modifier of -5% for other Executive KMP.
19. In FY22, the Board decided to apply a Business Modifier of -20% for the COO Southern Africa and Colombia at the time of the fatality, a Business Modifier of -10% for the COO Australia and the newly appointed COO Africa and Columbia, and a Business Modifier of -5% for the CFO.

Remuneration report continued

2 FY25 individual performance

Our Board considers the individual scorecard outcomes for our Executive KMP with regard to what was delivered and how it was delivered.

The Board awarded Graham an individual outcome of 120% taking into consideration a number of factors including Graham's strong personal leadership of the safety improvement program, the agreement reached for the sale of Cerro Matoso, the cost reduction across the business following the sale of Illawarra Metallurgical Coal and the constructive relationships built with government leaders in a number of key jurisdictions. The Board also recognised Graham's support through the succession process and his flexibility in supporting the development of the incoming Deputy CEO in readiness for his elevation to CEO. Overall, after the application of the business modifier of -20% to reflect the loss of life as detailed on page 147, Graham's short term incentive outcome is 65% of the maximum.

Individual outcomes applied to the other Executive KMP ranged from 100% to 120% as detailed in the table below.

3 Overall FY25 STI outcome

Overall STI outcomes for FY25 are determined by the Board assessment of the Business Scorecard, individual outcomes and application of a Business Modifier, as outlined below.

	Business Scorecard Outcome %	Business Modifier +/- %	Individual Outcome %	Overall STI Outcome (% of Target)	Total STI Awarded	Cash[20]	Deferred rights[21]	Percentage of maximum STI	
								Awarded	Forfeited
Executive KMP	(1A)	(1B)	(2)	1A x (1+1B) x (2)	A$'000	A$'000	A$'000	%	%
Graham Kerr	100.8	-20	120	96.8	**2,404**	1,202	1,202	**65**	35
Sandy Sibenaler	100.8	-5	120	114.9	**1,254**	627	627	**77**	23
Vanessa Torres	100.8	-5	100	95.8	**1,036**	518	518	**64**	36
Noel Pillay[22]	100.8	-10	110	99.8	**936**	468	468	**67**	33

20. The cash portion of the STI will be paid in September 2025.
21. The deferred rights to South32 shares are anticipated to be granted in or around December 2025 and will be due to vest in August 2027. A dividend equivalent payment will also be made on any rights that vest. The deferred rights remain subject to continued service with the Group.
22. The total STI awarded, cash and deferred rights values for Noel Pillay are provided in ZAR and have been converted to AUD using an exchange rate of AUD: ZAR 11.77.

Long Term Incentive for FY25

Determining the FY22 LTI and Management Share Plan (MSP) award outcome

Our FY22 LTI was tested subject to performance conditions over a four-year period from 1 July 2021 to 30 June 2025 and continued service until the vesting date. 80% of the award was subject to total shareholder return (TSR) measures, with two-thirds of this component assessed against the constituents of the IHS Global Mining Index at the start of the performance period, and one-third assessed against the MSCI World Index. The strategic measures of portfolio management and climate change, comprising 20% of the award, are subject to Board assessment.

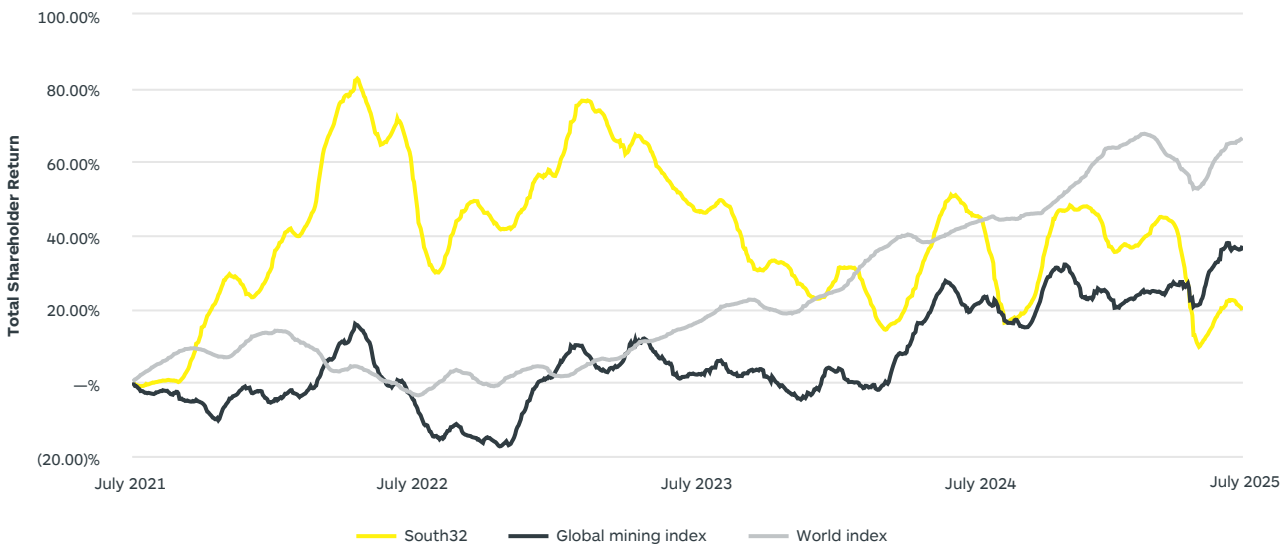
Sandy Sibenaler was granted an FY22 MSP Performance award prior to her appointment as a member of the Lead Team. This award has the same performance and vesting conditions as the FY22 LTI award.

Percentage	Measure	Weighting	Summary of vesting condition	Threshold	Maximum
80%	Total shareholder return	53.3%	TSR performance relative to the TSR of the companies that comprised the IHS Markit Global Mining Index at the start of the performance period.	>50th percentile	75th percentile
		26.7%	TSR performance relative to the TSR of the MSCI World Index.	Index TSR	Index TSR + 23.9%
20%	Strategic measures	10%	The transition of our portfolio towards commodities critical to a low-carbon future.	Board assessment	
		10%	Our response to climate change.		

Total Shareholder Return measures

Our TSR of 19.6% ranked at the 45th percentile amongst the IHS Markit Global Mining peer group constituents and was below the TSR of the MSCI World Index of 66.4% (see diagram below). As a result, our TSR did not meet the threshold level of performance against either measure, resulting in the full portion of the LTI award measured against TSR (80%) lapsing.

South32 TSR relative to LTI comparator groups



Remuneration report continued

Strategic measures

LTI strategic measures were introduced in FY22 to directly link executive remuneration to long-term business priorities; namely the transition of our portfolio towards minerals and metals critical to the world's energy transition and our response to climate change. Progressing these two critical and interdependent priorities is central to delivering our strategy and reshaping our business for the future. Alongside the introduction of strategic measures, we commenced annual performance updates to enable external stakeholders to track and judge our progress.

In the assessment of FY22 LTI strategic measures, the Board reviewed the material progression of FY22 planned activities and the shareholder experience over the four-year performance period. To ensure strategic measure activities are not assessed across multiple concurrent LTI awards, the evaluation focused on activities initiated or completed in the first year of the award and their progression over the subsequent three years. As part of its deliberations, the Board assessed how each achievement contributed to the transformation of our portfolio in accordance with our strategy and addressed climate change in line with our Climate Change Action Plan. Consequently, the Board determined a performance outcome of 15% out of 20%, with key considerations for the assessment of each measure detailed in the following table.

Strategic measure	Weighting	Vesting Outcome
Portfolio Management		
We are planning to further reshape our portfolio and increase our exposure to commodities critical for a low-carbon future.	10%	**8%**
Building a high-quality portfolio of greenfield and brownfield exploration and development options: – Greenfield activity included agreements to extend strategic alliances and create new partnerships, however no portfolio interests were progressed to a development decision during the assessed performance period; and – Drill results from Hermosa's Peake prospect were released to the market in January 2022 with the potential to add future copper production. Optimising our existing portfolio by responsibly transferring ownership of non-core operations or transitioning them to closure: – Activity continued to assess our portfolio optimisation alternatives, including the re-start of our previously idled Brazil Aluminium smelter using renewable energy. Although the smelter ramped-up slower than initially expected during the assessed performance period, its re-start contributed meaningfully to our growth in aluminium production and generated more value than the presented alternatives of closure or sale. Developing or acquiring operations which are cash generative through the cycle, improving the overall quality of our business: – Activity included the acquisition of a 45% interest in Sierra Gorda, an additional 18.2% stake in Mineração Rio do Norte (MRN) and a 16.6% interest in Mozal Aluminium. These acquisitions further balanced our portfolio towards minerals and metals critical to the global energy transition, while also helping secure the future of our integrated aluminium value chain in Brazil. Maintaining discipline by adhering to our proven capital management framework: – Our balanced approach to capital management continued in FY22 with record returns to shareholders, including US$267M through the continuation of our ongoing capital management program which included our on-market share buy-back and special dividends.		
Climate Change		
We are taking action to meet our target to reduce our operational greenhouse gas (GHG) emissions (Scope 1 and 2) by 50% by 2035, from an FY21 baseline, in accordance with our 2022 Climate Change Action Plan.	10%	**7%**
Advancing conceptual projects through our capital investment tollgates, and the successful commissioning of identified emissions reduction projects, which included: – Completed the AP3XLE energy efficiency technology feasibility study at Hillside Aluminium, progressing to conversion of 56.8% of pots; – Completed the coal to gas boiler conversion studies at Worsley Alumina, progressing to conversion of two boilers; – Completed a pilot plant scale CSIRO Ventilation Air Methane Mitigation Trial (VAMMIT) at Illawarra Metallurgical Coal (IMC) and progressed to a feasibility study on a commercial scale pilot, where, during detailed design and execution planning, the preferred technology changed to commercially available regenerative thermal oxidisers. The studies were handed over as part of the transition activities for the sale of IMC; and – Made the decision not to proceed with the mud-washing feasibility study at Worsley Alumina due to a significant increase in capital intensity that undermined the economics of the abatement business case. Lessons learned will be considered in future studies. Assessing new technologies and alternative energy sources: – Progressed assessment of low-carbon energy sources at Hillside Aluminium and established a Joint Working Group with Eskom. This enabled progress on potential use of nuclear attributes leading to a Request for Information (RFI) and a decision to pivot our approach by the end of the assessed performance period. Participation and direct investment in research and development partnerships: – Invested in a new development technology, BluVein, which progressed prototype testing of the complete BluVein rail and hammer system on an Epiroc underground mine truck and other underground vehicles[23]. Advanced collective understanding and work plans through several other partnerships, however these are still maturing, with delivery of tangible outcomes yet to occur.[23]		
Total	20%	**15%**

23. BluVein technology enables dynamic in-motion charging for underground battery-electric mining vehicles via a slotted rail system, accelerating mine electrification. The BluVein rail and hammer system includes an enclosed electrified rail that sits above or beside mining vehicle roads, while the "hammer" is an automated articulated arm which connects the electric vehicle to the rail to enable power transfer.

FY22 LTI and MSP Performance award vesting outcomes

Our Board approved a vesting outcome of 15% for the FY22 LTI and MSP Performance awards, with the remainder of each award to lapse as summarised in the below table.

Measure	Vesting condition	TSR performance[24]			Vesting Outcome	Measure weighting	Weighted vesting outcome
		Required for 40% vesting	Required for 100% vesting	South32 outcome	(C)	(D)	(C x D)
Total shareholder return (TSR)	Global mining index constituents	>50th percentile[25]	75th percentile[26]	45th percentile	0%	53.3%	**0%**
	World index	66.4%[27]	90.3%[28]	19.6%	0%	26.7%	**0%**
Strategic measures	Portfolio management	-	-	-	80%	10%	**8%**
	Climate change	-	-	-	70%	10%	**7%**
Total						**100%**	**15%**

FY23 MSP Retention award

Sandy Sibenaler was granted an FY23 Management Share Plan (MSP) Retention award prior to her appointment as a member of the Lead Team. As the service-based condition of this award was met, our Board approved this award to vest in full. The structure of the MSP is detailed on page 163.

Summary of LTI outcomes in FY25

A summary of the South32 LTI and MSP awards that have vested or lapsed for Executive KMP is detailed in the table below.

Executive KMP	Award	Number of rights granted	Number of rights vested	Number of rights lapsed / forfeited	Value at grant (A$000)[29]	Value lapsed / forfeited (A$000)[30]	Value of share price movement (A$000)[31]	Value at vesting (A$000)[32]
Graham Kerr	FY22 LTI	1,267,015	**190,052**	1,076,963	3,636	3,091	8	553
Sandy Sibenaler	FY22 MSP Performance	72,076	**10,811**	61,265	207	176	0	31
	FY23 MSP Retention	32,113	**32,113**	0	131	0	-38	93
Vanessa Torres	FY22 LTI	343,525	**51,528**	291,997	986	838	2	150
Noel Pillay	FY22 LTI	329,962	**49,494**	280,468	947	805	2	144

LTI granted in FY25

Each year we grant performance rights to our Executive KMP. Our FY25 LTI Plan awards, which were granted in December 2024, have a four-year performance period and are subject to performance hurdles (see page 141). Shareholders approved the grant of rights for the CEO at the AGM on 24 October 2024. Details of FY25 LTI grants to Executive KMP are provided below.

FY25 LTI grants

Executive KMP	Award	Maximum value (% of fixed remuneration)	Maximum value (A$'000)	Number of rights granted[33]	Anticipated vesting date
Graham Kerr	FY25 LTI	200	4,140	**1,128,065**	August 2028
Sandy Sibenaler	FY25 LTI	133	1,210	**329,782**	August 2028
Vanessa Torres	FY25 LTI	133	1,200	**326,882**	August 2028
Noel Pillay[34]	FY25 LTI	133	1,001	**272,642**	August 2028

24. TSR calculation uses June 2021 average return at the start and June 2025 average return at the end of the measurement period.
25. The TSR of the company at the 50th percentile in the constituent group over the four-year performance period was 35.7%.
26. The TSR of the company at the 75th percentile in the constituent group over the four-year performance period was 114.2%.
27. Reflects the MSCI World Index TSR over the four-year performance period.
28. Reflects the MSCI World Index TSR over the four-year performance period plus 23.9%.
29. 'Value at grant' is the number of rights granted multiplied by the grant determination price in June 2021 of A$2.87 (for the FY22 LTI/FY22 MSP Performance) and June 2022 of A$4.08 (for the FY23 MSP Retention), based on the volume weighted average price (VWAP) of South32 Limited shares traded on the ASX over the last 10 trading days in June of 2021/2022.
30. 'Value lapsed' is the number of rights lapsed/forfeited based on performance relative to the performance measures, multiplied by the grant determination price as noted above.
31. 'Value of share price movement' is the number of shares that vested, multiplied by the difference between the grant determination price as noted above, and the share price at 30 June 2025 of A$2.91. This reflects the value added/(lost) due to the change in share price over the performance period.
32. 'Value at vesting' is the number of shares approved to vest, multiplied by the closing share price of South32 shares on 30 June 2025 of A$2.91.
33. The number of awards granted is calculated by dividing the maximum value by the VWAP of South32 shares over the last 10 trading days of June 2024, being A$3.67.
34. Fixed remuneration for Noel Pillay is denominated in ZAR and was converted to A$ using an exchange rate of AUD:ZAR 12.23 to determine his FY25 award.

Remuneration report continued

FY25 LTI strategic measures performance update

Vesting outcomes for the LTI strategic measures will be determined by the Board following the end of each four-year performance period (e.g. after 30 June 2028 for the FY25 LTI award), based on our ability to make material progress in these areas, while aiming to protect and create shareholder value. The Board's rationale in assessing performance and determining the vesting outcome for each measure will be clearly articulated and shared with shareholders following the Board's assessment. The table below summarises the progress made against the strategic measures over FY25.

Measure	Progress against measure
Portfolio management	
We are planning to further reshape our portfolio and increase our exposure to commodities critical for a low-carbon future by: – Optimising our existing portfolio by responsibly transferring ownership of non-core operations or transitioning them to closure; – Developing or acquiring operations which are cash generative through the cycle, improving the overall quality of our business; – Building a high-quality portfolio of greenfield and brownfield exploration and development options; and – Maintaining discipline by adhering to our proven capital management framework.	In FY25, we continued to make significant progress in this transformative area, shifting our portfolio towards commodities critical for a low-carbon future. Key milestones have included: **Optimising our portfolio** – Streamlined the portfolio by completing the sale of Illawarra Metallurgical Coal, our 50% interest in the Eagle Downs metallurgical coal project and our 60% interest in the Metalloys manganese alloy smelter; and – Commenced a strategic review process for Cerro Matoso and conducted a divestment process. On 7 July 2025 we announced that we had entered into a binding agreement to sell Cerro Matoso to a subsidiary of CoreX Holding B.V. **Developing and acquiring operations** – Consistent with the FAST-41 permitting timeline, the United States Forest Service released a Draft Environmental Impact Assessment for the Hermosa Critical Minerals Project which includes Taylor; and – Invested in construction of a transmission line to connect Mineração Rio do Norte to the national power grid, allowing the operation to transition to renewable line power for its fixed plant. **Exploration and development options** – Progressed multiple exploration programs as we continued work to discover our next generation of base metals mines; – Progressed exploration at the Peake prospect adjacent to Taylor. Concept studies are now underway to assess the potential to produce copper concentrate from Peake using the infrastructure established at Taylor; – Announced results of initial exploration of the Catabela North East Prospect at Sierra Gorda; – Acquired a 19.9% stake in American Eagle Gold Corp, which is exploring the NAK copper-gold porphyry project in British Colombia, Canada; and – Continued to evaluate options at the Chita Valley project in Argentina, following announcement by our JV partner of a mineral resource estimate. **Adhering to our capital management framework** – Prioritised the allocation of excess capital to projects that we expect will create enduring shareholder value.
Climate change	
We are taking action to meet our target to reduce our operational greenhouse gas (GHG) emissions (Scope 1 and 2) by 50% by 2035, from an FY21 baseline, in accordance with our 2022 Climate Change Action Plan, which includes: – The advancement of conceptual projects through our capital investment tollgates, and the successful commissioning of identified emissions reduction projects; – The ongoing assessment of new technologies and alternative energy sources; and – Continued participation and direct investment in research and development partnerships. Consistent with our purpose, we will work to provide a just transition towards net zero in a way that supports our people, local communities and other stakeholders.	In FY25, we invested US$10.6 million in decarbonisation projects and studies. Our focus has been on improving energy efficiency, transitioning to low-carbon energy, and developing technology solutions with key milestones: **Advancements of conceptual projects** – Converted a further 20% of Hillside Aluminium pots to AP3XLE energy efficiency technology (bringing total to 56.8%); – Developed and successfully trialled an alternative design to workaround a technical issue in the product washing dilution reduction project; – Progressed Worsley Alumina's steam electrification concept study to pre-feasibility stage; and – Completed a concept study on ceramic-coated anodes, which found no significant emission reduction. **Assessment of new technologies and alternative energy sources** – Awarded contracts for a partial battery electric vehicle (BEV) underground fleet during Hermosa's Taylor ramp up, which includes the option to replace conventional equipment with BEVs through the 2030's. **Participation and investment in research and development partnerships** – Collaborated with ARENA on the steam electrification pre-feasibility study with an A$4.4 million grant received to support the development of steam electrification pathways at Worsley Alumina. Learnings will benefit other alumina refineries by furthering the industry's investigation and potential uptake of steam electrification technologies; – Participated in the Heavy Industry Low-Carbon Transition Cooperative Research Centre (HILT CRC) including as the Industry Lead on thermal storage and Aluminex, with research completed on thermal storage, high-temperature heat pumps, and bio-energy, and new research commenced with alumina customers; – Progressed surface trials for a battery electric integrated tool carrier; – Commenced a trial of an upgraded surface infrastructure and cooling solution for battery electric light vehicles; – Progressed prototype testing of the complete BluVein1 rail and hammer system on an Epiroc underground mine truck and other underground vehicles; and – Joined Caterpillar's Pathway to Sustainability program, a four-year program designed to help mining companies explore sustainable pathways to transition to zero-emission truck fleets. **Work to provide a just transition towards net zero** – Engaged with Eskom's new Renewable Energy division 'Eskom Green' and the South African government on developing a comprehensive low-carbon energy solution.

Terms and conditions of rights awarded under equity plans

Type of equity	We deliver deferred STI and LTI equity awards, including Transitional LTI and MSP awards, in the form of share rights. These are rights to receive fully paid ordinary shares in South32 Limited (or at the Board's discretion, a cash equivalent amount) subject to meeting specific performance and/or vesting conditions. As the rights are an element of remuneration, no amount is payable by employees to be allocated the rights. If the rights vest, no consideration or exercise price is payable for the allocation of shares. As rights are automatically exercised on vesting, they do not have an expiry date.
Dividend and voting rights	Rights carry no entitlement to voting or dividends. Deferred STI rights granted from December 2024 include an entitlement to a cash dividend equivalent payment paid in full at vesting (but only in respect of those deferred STI rights that vest). No other rights carry a dividend equivalent entitlement.
Cessation of employment:	Unless our Board determines otherwise: – All unvested rights lapse under resignation or termination for cause; and – All unvested rights vest immediately under death, serious injury, disability or illness that prevents continued employment or total permanent disability. For all other circumstances, generally: – Deferred STI awards: all unvested rights vest immediately; – LTI and MSP Performance awards: all unvested rights are pro-rated and the reduced portion remains on foot and eligible for vesting in the ordinary course, subject to any applicable performance hurdles; and – MSP Retention awards: all unvested rights are pro-rated and the reduced portion vests immediately. Where awards are pro-rated, the remaining portion lapses.
Change of control:	Our Board can determine the level of vesting (if any) having regard to the portion of the vesting period elapsed, performance to date against any applicable performance conditions and other factors they deem appropriate.
Malus and clawback:	Our Board can reduce or clawback all vested and unvested STI and LTI awards in certain circumstances so that executives do not obtain an inappropriate benefit. These circumstances are broad, and can include: – An executive engaging in misconduct; – A material misstatement of our accounts that results in vesting; – Behaviours of executives that bring South32 into disrepute; – A significant unexpected or unintended consequence or outcome; and – Any other factor our Board deems justifiable.
Rights to participate in new issues:	A participant cannot take part in new issues of securities in relation to their unvested rights. However, the relevant plan rules include specific provisions dealing with rights issues, bonus issues and corporate actions, and other capital reconstructions.

Remuneration report continued

FY25 NON-EXECUTIVE DIRECTOR REMUNERATION

Components of Non-Executive Director reward			
	Board fees	**Committee fees**	**Travel allowance**
Purpose	As a global company, it's important that we offer competitive Non-Executive Director fees to help us attract the appropriate level of experience from a diverse global pool. Our Board fees reflect the size, complexity and global nature of our business and acknowledge the responsibilities of serving on our Board. To preserve the independence of our Non-Executive Directors, their remuneration does not have an 'at risk' element.	We pay Committee fees to recognise the additional responsibilities associated with participating on a Board Committee.	Our Board meetings are ordinarily held in Australia, South Africa and North and South America. Site visits are also an important part of our Board program, giving Directors: – A better understanding of workplace culture through interactions with site based employees; – An improved understanding of local and operational risks; – A chance to participate in ongoing education; and – On-the-ground experience. As these meetings (site visits and other engagements) take time and commitment, particularly if they are in remote locations, we provide our Non-Executive Directors with a travel allowance.
Structure	Board fee is inclusive of superannuation.	We pay a fixed fee to our Board Chair for all responsibilities, including participation on any Board Committees. Other Non-Executive Directors receive Committee Chair and member fees (where applicable).	For air travel to a Board commitment that is greater than three hours but less than 10 hours to the destination, a one-off allowance of A$5,000 per trip applies. Where air travel is greater than 10 hours to the destination, the allowance per trip is A$10,000. The travel allowance is only paid where travel is undertaken and does not apply to domestic travel to a scheduled Board meeting.
Fee pool	The maximum aggregate amount we can pay our Non-Executive Directors remains unchanged at A$3.9 million per annum (fee pool). We will seek shareholder approval before making any changes to this fee pool.		
Minimum shareholding requirement	Each Non-Executive Director is required to accumulate a minimum shareholding of 100% of Board fees within a reasonable period. The valuation approach is the cost to acquire the shares, except for shares acquired at demerger which are valued based on the closing South32 share price on 18 May 2015 (A$2.05). Refer to page 163 for shareholdings of our Non-Executive Directors.		

FY25 Non-Executive Director fees

We review fees every year and may get external advice to help us do so. We based the review of FY25 fees on data provided by external consultants. This resulted in a 2.5% increase to the Board fee for the Chair and 4.0% increase to the Board fee for other Non-Executive Directors from 1 September 2024.

Fee	Description	FY24 fee (A$ per annum)	FY25 fee (A$ per annum)	Movement %
	Board of Directors			
Board fees	Chair of the Board	595,250	**610,000**	2.5
	Other Non-Executive Directors	195,000	**202,750**	4.0
	Risk and Audit, Remuneration, and Sustainability Committees			
Committee fees[35]	Committee Chair	46,000	**46,000**	0
	Members	23,000	**23,000**	0

35. No Committee chair or member fees were paid for participation on the Nomination and Governance Committee.

LOOKING FORWARD TO FY26

Executive reward framework updates

As we continue to execute our strategy and reposition our portfolio, our peer group and the competitive landscape for talent are evolving. In response, we have reviewed our executive reward framework to ensure it continues to attract and retain executive talent and aligns the interests of executives and shareholders. The Board approved the following key changes to commence in FY26.

Salary and superannuation separation

To continue attracting and retaining executive talent, our executive reward framework must remain competitive within the market. A key focus of our recent review was the structure of fixed components, particularly salary and quantum of superannuation contributions.

Our benchmarking analysis highlighted that it is common practice in our mining peer group to separate salary and superannuation payments, with incentive calculations typically based solely on the salary component. This approach also reflects the remuneration structure applied across our broader workforce.

As a result, fixed remuneration will be separated into distinct salary and superannuation components. Superannuation contributions will now be aligned with those applicable to the broader workforce in the executive's geographic location, which is currently set at 14% of salary for Australia and 12.5% of salary for South Africa. Executives will retain their current cash salary, with STI and LTI opportunity to be calculated on salary only, and any existing superannuation entitlements transitioned into the separate superannuation component.[36]

As detailed in the table below, while there is no increase to salary as a result of this separation, superannuation contributions have increased for all executives.

FY26 Executive KMP salary and superannuation – effective 1 July 2025

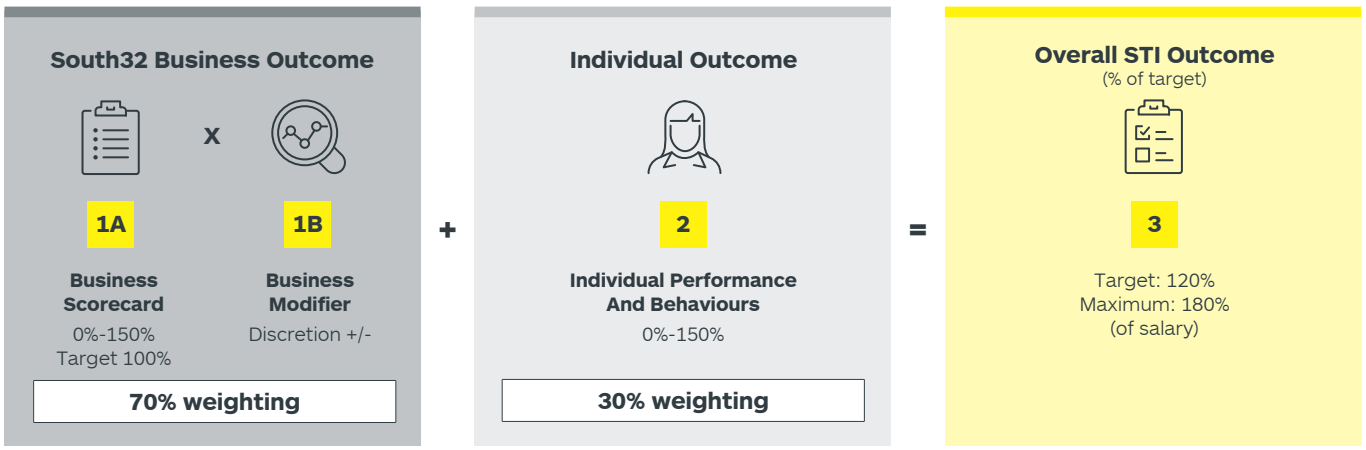
Executive KMP	Currency	FY25 fixed remuneration	FY26 salary	FY26 superannuation	Movement %
Graham Kerr	AUD	2,070,000	**2,040,000**	**285,600**	12.3
Sandy Sibenaler	AUD	910,000	**880,000**	**123,200**	10.2
Vanessa Torres	AUD	902,000	**872,000**	**122,080**	10.2
Noel Pillay[37]	ZAR	9,201,000	**9,201,000**	**1,150,125**	12.5

Short term incentive determination

Our STI plan will continue to retain the core components that have driven both business and individual performance since its inception, while maintaining appropriate Board discretion. These components include:

- **Business Scorecard** – aligned to overall business performance, with Board discretion over the final outcome;
- **Business Modifier** – applied at the Board's discretion to account for factors not captured in the Business Scorecard; and
- **Individual Performance** – CEO performance assessed by the Board Chair, with the outcome approved by the Board. The individual performance of other Executive KMP is assessed by the CEO, with the outcome approved by the Remuneration Committee.

While these components and the STI quantum remain unchanged, our review has led to one key adjustment for the Lead Team, including Executive KMP. For FY26, the individual performance component will shift from a multiplier to a weighted element within the overall STI outcome as per the diagram below. This change increases alignment with market practice while maintaining the STI plan design, ensuring that pay outcomes continue to reflect overall business performance.



With this change, we remain committed to enhancing the level of detail in our disclosures, with a particular focus for FY26 on the CEO performance assessment.

36. The existing superannuation entitlement for Australian based members of Executive KMP is A$30,000 based on Australian legislation. This value was absorbed into the new superannuation component. There was no existing superannuation entitlement in the fixed remuneration for Noel Pillay.
37. Remuneration for Noel Pillay is denominated in ZAR. Using an exchange rate of AUD:ZAR of 11.77, Noel's 1 July 2025 effective salary is AUD 781,733.

Remuneration report continued

Long term incentive

The review confirmed the LTI structure remains broadly appropriate for aligning executive and shareholder interests, with specific items identified for further review and ongoing assessment to ensure continued effectiveness and market alignment. Key features, including the performance-based design, four-year performance period, and focus on relative TSR, will continue unchanged.

However, it was determined that the MSCI World Index should be replaced as the comparator group given:

- the shift in both the geographic and sector composition of the MSCI World Index since its original inclusion in the LTI; and
- the shift in South32's shareholder composition towards Australian investors.

Following a review of alternative indices and common market practice amongst similarly sized companies, the ASX 100 was identified as the most suitable comparator group. Accordingly, 26.7% of the FY26 LTI award will be assessed by comparing our TSR performance against the TSR performance of the S&P ASX 100 constituent companies at 1 July 2025. The vesting schedule will align to that of the existing Global Mining comparator group, with threshold vesting achieved when South32's TSR performance ranks above the median constituent of the ASX 100 Index comparator group.

Percentage	Measure	Weighting	Summary of vesting condition	Threshold	Maximum
80%	Total shareholder return (TSR)	53.3%	TSR performance relative to the TSR of the companies that comprise the S&P Global Mining Index at the start of the performance period.	>50th Percentile	75th Percentile
		26.7%	TSR performance relative to the TSR of the companies that comprise the S&P ASX 100 Index at the start of the performance period.	>50th Percentile	75th Percentile
20%	Strategic	10%	The transition of our portfolio towards minerals and metals critical to the world's energy transition	Board assessment	
		10%	Our response to climate change		

Transitional long term incentive

The Transitional LTI award was included in the executive reward framework to address equity vesting shortfalls for employees promoted to the Lead Team. Further information on the Transitional LTI is provided on page 163.

Considering market practice, the review concluded that the Transitional LTI award should be removed from the executive reward framework. As such, Transitional LTI awards previously granted to executives will remain, however no new Transitional LTI awards will be granted from FY26.

Minimum shareholding requirements (MSR)

The minimum shareholding requirement aligns Directors and executives to the interests of shareholders through the requirement to hold South32 shares. Following our review, we have increased our executive MSR to better align executive and shareholder interests as well as increase alignment with the equivalent policies amongst mining peer companies. There are no changes to the timeframe required to achieve the required share ownership.

Role	Current requirement	New requirement	Time to comply
Non-Executive Directors	100% of Board fees	100% of Board fees	A reasonable time
Chief Executive Officer	100% of fixed remuneration	400% of salary	5 years
Other Executive KMP	100% of fixed remuneration	200% of salary	5 years

CEO transition

Matthew Daley will join South32 as Deputy Chief Executive Officer on 2 February 2026 and will assume the role of Chief Executive Officer when Graham Kerr steps down from the role later in 2026. Matthew's remuneration includes:

- A$2,000,000 salary and 14% superannuation contributions per annum,
- STI target opportunity of 120% of salary; and
- LTI maximum opportunity of 200% of salary.

Matthew is also eligible for commencement benefits to compensate for benefits forfeited due to cessation of his previous employment. As detailed in our ASX announcement released 12 May 2025, the benefits provided include a cash payment of A$2,000,000 and equity as detailed below. We will be seeking shareholder approval at the 2025 Annual General Meeting for the commencement benefits that are to be provided in equity.

Allocation	Eligible vesting date	Number
Commencement shares	Feb 2026	285,714
Service rights[38]	Aug 2027	1,242,857
Service rights[38]	Aug 2028	240,000
Performance rights (FY25 LTI vesting conditions)	Aug 2028	857,143
Performance rights (FY26 LTI vesting conditions)	Aug 2029	857,143
Total		**3,482,857**

FY26 salary review

The Board awarded a 7.8% salary increase to Graham. Without an adjustment to Graham's remuneration, the salary for the incoming Deputy CEO, which the Board is satisfied is fair and reflects the current market, would be almost the same. Given Graham has been in the role for more than 10 years, the Board believes a differential to the Deputy CEO salary is appropriate. Although Graham's tenure will conclude in 2026, the Board believes fairness necessitates a 10% differential, bringing Graham's salary to A$2,200,000. This salary adjustment and increased superannuation contribution together result in a 21% uplift in fixed remuneration (comprising salary and superannuation) from FY25 to FY26. It is intended that the salary for Matthew will remain unchanged once he assumes the role of CEO.

FY26 Executive KMP salary – effective 1 September 2025

Executive KMP	Currency	1 July 2025 salary	1 September 2025 salary	Movement %
Graham Kerr	AUD	2,040,000	**2,200,000**	7.8
Sandy Sibenaler	AUD	880,000	**880,000**	0
Vanessa Torres	AUD	872,000	**872,000**	0
Noel Pillay[39]	ZAR	9,201,000	**9,201,000**	0

38. A dividend equivalent cash payment will be provided on any service rights that vest.
39. Remuneration for Noel Pillay is denominated in ZAR. Using an exchange rate of AUD:ZAR of 11.77, Noel's 1 September 2025 effective salary is AUD 781,733.

Remuneration report continued

FY26 Business Scorecard

As part of the ongoing refinement of the Business Scorecard, the following updates have been made to enhance performance and better align with shareholder interests in FY26:

- Fewer and more impactful measures through a 40% reduction in the number of scorecard metrics;
- Strengthened focus on safety and health by increasing the metric weight;
- Transitioned the water performance metric to a broader environment metric to capture a wider scope of key environmental initiatives;
- Refined the financial metrics through the replacement of adjusted ROIC with adjusted EBITDA to better reflect operational performance, and removed capital expenditure to increase focus on priority measures; and
- Increased weighting on the Taylor Project metric to reflect the critical phase and strategic importance of delivering the project.

Performance metric	Scorecard measure	Performance target (100%)	Scorecard weighting
Safety and culture			**25.0%**
Safety and health	Workplace Interaction Frequency (WPIF) and the percentage of Coached Interactions (CI). [40]	3,000 WPIF and 5% CI	20.0%
	Significant hazard reporting to exposure hours. [41]	150	
	Reduction in material health exposures above 200% occupational exposure limit (OEL) against the FY25 baseline.	20%	
	Reduction in the number of injuries and acute illnesses associated with a potential fatality from FY25 baseline.	50%	
	Total recordable injury frequency (TRIF).	3.4	
People	Representation of women in leadership.	24.1%	5.0%
	Performance against local diversity targets.[42]	80%	
	Inclusion score (as measured by the annual employee survey, Your Voice).	82.1%	
Environmental and social			**10.0%**
Environment	Performance against nature-related action plans set across water, biodiversity and/or pollution initiatives.	85%	5.0%
Social performance	Targets achieved against economic development plan context specific targets in procurement, business and skills development, and related initiatives.	85%	5.0%
Financial			**57.5%**
Production[43]	Percentage of FY26 budget revenue equivalent tonnes achieved.	Achieve FY26 budget	15.0%
Controllable cost[43 44]	Percentage of FY26 budget controllable costs.	Achieve FY26 budget	10.0%
Adjusted Underlying EBITDA[45]	Percentage of FY26 budget Underlying EBITDA achieved.	Achieve FY26 budget	32.5%
Major project delivery			**7.5%**
Taylor Project	Surface Construction - surface critical path civil works.	Progression to plan and engineering complete	7.5%
	Shaft Development.	Vent shaft reaches planned development level	
Total			**100.0%**

40. This measure embeds the concepts of our Lead Safely Every Day (LSED) program through a continued emphasis on visible safety leadership activities and coached safety interactions. Workplace Interaction Frequency (WPIF) is measured by the number of interactions divided by exposure hours, multiplied by 1,000,000. The number of leader coached interactions (CI) are divided by the workplace interactions to obtain the CI per cent.
41. The significant hazard frequency rate incentivises proactive reporting of significant hazards and is calculated by the number of significant hazards reported divided by exposure hours, multiplied by 1,000,000.
42. The local diversity targets include Aboriginal and Torres Strait Islander peoples representation in Australian operations, Black People representation in management in South Africa, Black People representation in the total South Africa workforce, Mozambique nationals representation in the total Mozambique workforce and neighbouring community employees hired into Cerro Matoso Unionised Positions.
43. Excludes non-operated entities.
44. Controllable cost measurement bases remove the impact of uncontrollable items such as commodity prices, foreign exchange and price-linked costs.
45. Calculated as Underlying EBITDA (being Earnings before interest, tax, depreciation and amortisation, including the proportional consolidation of our material equity accounted investments), adjusted for uncontrollable impacts (commodity prices, foreign exchange, and price-linked costs) and other adjustments.

Non-Executive Director fees

Effective 1 September 2025, Committee Chair and Member fees will increase by 8.7%. This adjustment reflects external benchmarking and is the first increase in Committee fees since 2018. There will be no changes to Board fees and the travel allowance. Total fees paid to Non-Executive Directors in FY26 will not exceed the A$3.9M fee pool.

Fee	Description	FY25 fee (A$ per annum)	FY26 fee (A$ per annum)	Movement %
	Board of Directors			
Board fees	Chair of the Board	610,000	**610,000**	0
	Other Non-Executive Directors	202,750	**202,750**	0
	Risk and Audit, Remuneration, and Sustainability Committees			
Committee fees[46]	Committee chair	46,000	**50,000**	8.7
	Members	23,000	**25,000**	8.7

46. No Committee chair or member fees are paid for participation on the Nomination and Governance Committee.

Remuneration report continued

STATUTORY DISCLOSURES

Statutory remuneration for Non-Executive Directors

The below table sets out the statutory disclosures required under the Act and in accordance with Australian Accounting Standards, in respect of FY25 remuneration paid to Non-Executive Directors.

Non-Executive Director remuneration (A$'000)

			Short-term benefits			Post-employment benefits	
Non Executive Director	FY25 term		Board and Committee fees	Non-monetary benefits[47]	Other cash allowances and benefits[48]	Superannuation	Total
Karen Wood AM	Full year	**FY25**	**578**	**—**	**25**	**30**	**633**
		FY24	568	—	15	27	610
Frank Cooper AO	Full year	**FY25**	**241**	**—**	**25**	**29**	**295**
		FY24	237	—	15	27	279
Xiaoling Liu	Full year	**FY25**	**240**	**—**	**25**	**30**	**295**
		FY24	219	—	15	27	261
Carlos Mesquita	Full year	**FY25**	**223**	**3**	**60**	**2**	**288**
		FY24	215	4	60	3	282
Mandla Msimang	Part year	**FY25**	**99**	**—**	**20**	**1**	**120**
		FY24	—	—	—	—	—
Ntombifuthi Mtoba	Full year	**FY25**	**222**	**3**	**50**	**2**	**277**
		FY24	215	3	40	3	261
Jane Nelson	Full year	**FY25**	**223**	**2**	**45**	**2**	**272**
		FY24	215	2	60	3	280
Wayne Osborn	Full year	**FY25**	**241**	**—**	**40**	**30**	**311**
		FY24	254	—	20	27	301
Stephen Pearce	Part year	**FY25**	**88**	**—**	**15**	**11**	**114**
		FY24	—	—	—	—	—
Keith Rumble	Part year	**FY25**	**76**	**3**	**20**	**1**	**100**
		FY24	255	3	50	3	311
Sharon Warburton	Full year	**FY25**	**224**	**—**	**25**	**—**	**249**
		FY24	105	—	15	16	136
Total		**FY25**	**2,455**	**11**	**350**	**138**	**2,954**
		FY24	2,283	12	290	136	2,721

47. Non-monetary benefits include tax return preparation as well as other fringe benefits and associated fringe benefits tax.
48. Includes travel allowances paid.

Statutory remuneration for Executive KMP

In the following table, we have set out the statutory disclosures required under the Act and in accordance with the Australian Accounting Standards. The amounts shown reflect remuneration that relates to their period of service as an Executive KMP.

Statutory remuneration of Executive KMP in FY25 (A$'000)

Executive KMP		Short-term benefits			Post employment benefits			Share based payments[49]			
		Salary[50]	Cash bonus[51]	Non-monetary benefits[52]	Superannuation	Termination benefits	Other long-term benefits[53]	LTI/MSP	STI	Total remuneration	Percentage of total remuneration which is performance tested
Graham Kerr	**FY25**	**2,023**	**1,202**	**53**	**32**		**42**	**2,138**	**1,065**	**6,555**	**67%**
	FY24	1,949	1,306	56	29		48	2,674	1,025	7,087	71%
Sandy Sibenaler	**FY25**	**871**	**627**	**7**	**32**		**1**	**414**	**430**	**2,382**	**62%**
	FY24	833	640	8	29		62	334	235	2,141	56%
Vanessa Torres	**FY25**	**865**	**518**	**31**	**32**		**4**	**655**	**517**	**2,622**	**64%**
	FY24	249	141	9	9		23	217	123	771	62%
Noel Pillay[54]	**FY25**	**774**	**468**	**22**	**—**		**11**	**529**	**385**	**2,189**	**63%**
	FY24	701	445	27	—		11	607	290	2,081	64%
Total	**FY25**	**4,533**	**2,815**	**113**	**96**		**58**	**3,736**	**2,397**	**13,748**	
	FY24	3,732	2,532	100	67		144	3,832	1,673	12,080	

49. Share based payments figures are calculated in accordance with Australian Accounting Standards and are the amortised fair values of equity and equity-related instruments that have been granted to Executive KMP.
50. Salary figures now include the value of annual and long service leave taken during the year. Previously, this taken leave was reported under 'Other Long-Term Benefits' which has been revised to reflect only the accounting expense of accrued but unused leave and renamed to 'Movement in leave provision'. For consistency, FY24 salary and movement in leave provision figures have been restated using this updated approach and therefore differ from those published in the 2024 Annual Report.
51. STI is provided half in cash (which is included in the cash bonus column of the table) in September following the end of the performance period and half in deferred rights (which is included in the share-based payments column of the table). The value of the deferred equity portion is amortised over the vesting period.
52. Non-monetary benefits include items such as insurances, car parking and personal tax assistance.
53. Other long term benefits is the accounting expense of annual and long-service leave accrued but unused in the year.
54. Noel Pillay's FY25 remuneration has been converted using an exchange rate of AUD:ZAR of 11.77. The FY24 exchange rate used was AUD:ZAR 12.27.

Remuneration report continued

Details of rights held by Executive KMP

In the following table, we have set out more information about the rights over South32 shares held by Executive KMP, including the movements in rights held during FY25. No closely related parties of any Executive KMP are issued rights over South32 shares.

Refer to page 153 and page 163 for terms and conditions of rights awarded under our equity plans. Further details regarding each of the prior year equity grants are described in past Annual Reports.

Detail and movement of rights over South32 shares held by Executive KMP during FY25

Award[55]	Opening balance at 1 July 2024	Grant date	Granted in FY25[56]	Vested in FY25		Lapsed / forfeited or other change in FY25		Closing balance at 30 June 2025	Anticipated vesting date
Executive KMP	Number		Number	Number[57]	%[58]	Number	%[58]	Number	
Graham Kerr	**6,461,601**		**1,476,251**	**1,181,803**	**40**	**1,797,030**	**60**	**4,959,019**	
FY24 Deferred STI (S)		3-Dec-24	348,186					348,186	Aug-26
FY25 LTI (P)		3-Dec-24	1,128,065					1,128,065	Aug-28
FY23 Deferred STI (S)	233,546	4-Dec-23						233,546	Aug-25
FY24 LTI (P)	1,047,894	4-Dec-23						1,047,894	Aug-27
FY22 Deferred STI (S)	283,289	8-Dec-22		283,289	100			—	Aug-24
FY23 LTI (P)	934,313	8-Dec-22						934,313	Aug-26
FY22 LTI (P)	1,267,015	6-Dec-21						1,267,015	Aug-25
FY21 LTI (P)	2,695,544	4-Dec-20		898,514	33	1,797,030	67	—	Aug-24
Sandy Sibenaler	**676,661**		**500,407**	**63,047**	**61**	**39,604**	**39**	**1,074,417**	
FY24 Deferred STI (S)		3-Dec-24	170,625					170,625	Aug-26
FY25 LTI (P)		3-Dec-24	329,782					329,782	Aug-28
FY23 Deferred STI (S)	27,290	4-Dec-23						27,290	Aug-25
FY24 LTI (P)	303,450	4-Dec-23						303,450	Aug-27
FY24 Transitional LTI (P)	85,559	4-Dec-23						85,559	Aug-26
FY23 MSP Retention (S)	32,113	8-Dec-22						32,113	Aug-25
FY23 MSP Performance (P)	53,522	8-Dec-22						53,522	Aug-26
FY22 MSP Retention (S)	43,246	6-Dec-21		43,246	100			—	Aug-24
FY22 MSP Performance (P)	72,076	6-Dec-21						72,076	Aug-25
FY21 MSP Performance (P)	59,405	6-May-21		19,801	33	39,604	67	—	Aug-24
Vanessa Torres	**1,847,582**		**453,255**	**336,437**	**42**	**459,406**	**58**	**1,504,994**	
FY24 Deferred STI (S)		3-Dec-24	126,373					126,373	Aug-26
FY25 LTI (P)		3-Dec-24	326,882					326,882	Aug-28
FY23 Deferred STI (S)	134,201	4-Dec-23						134,201	Aug-25
FY24 LTI (P)	303,450	4-Dec-23						303,450	Aug-27
FY22 Deferred STI (S)	106,735	8-Dec-22		106,735	100			—	Aug-24
FY23 LTI (P)	270,563	8-Dec-22						270,563	Aug-26
FY22 LTI (P)	343,525	6-Dec-21						343,525	Aug-25
FY21 LTI (P)	689,108	4-Dec-20		229,702	33	459,406	67	—	Aug-24
Noel Pillay	**1,261,763**		**396,300**	**198,716**	**54**	**171,309**	**46**	**1,288,038**	
FY24 Deferred STI (S)		3-Dec-24	123,658					123,658	Aug-26
FY25 LTI (P)		3-Dec-24	272,642					272,642	Aug-28
FY23 Deferred STI (S)	77,710	4-Dec-23						77,710	Aug-25
FY24 LTI (P)	243,820	4-Dec-23						243,820	Aug-27
FY22 Deferred STI (S)	61,336	8-Dec-22		61,336	100			—	Aug-24
FY23 LTI (P)	240,246	8-Dec-22						240,246	Aug-26
FY22 LTI (P)	329,962	6-Dec-21						329,962	Aug-25
FY22 Transitional LTI (P)	93,034	6-Dec-21		65,495	70	27,539	30	—	Aug-24
FY21 MSP Performance (P)	215,655	4-Dec-20		71,885	33	143,770	67	—	Aug-24

55. At the time of vesting, the quantum of all awards that vest based on performance and/or service conditions will automatically convert to South32 ordinary shares, in the participant's name, for nil consideration (unless the Board exercises its discretion to settle awards in cash instead of allocating shares). Any rights that do not vest will immediately lapse, hence there is no expiry date associated with the awards. (S) - Service only or (P) - Performance and Service conditions apply. As rights are subject to service and/or performance conditions, the minimum possible total value of rights granted under South32 equity plans for future financial years is nil and the maximum possible total value is the number of rights multiplied by the market price of South32 shares on the date of vesting.

56. The fair value for awards granted in FY25 is the grant date fair value for accounting purposes being; A$3.75 for the FY24 Deferred STI award and A$2.28 for the FY25 LTI award.

57. Rights that vested in FY25 converted to South32 ordinary shares for nil consideration on 30 August 2024. The South32 closing share price on this date was A$3.14. The vesting outcome for awards scheduled to vest in August 2025 is summarised on page 151.

58. The percentage is based on the maximum number of rights available to vest in the year.

Details of MSP and Transitional LTI awards

Key terms and performance conditions of MSP and Transitional LTI awards are outlined below. For additional terms of the rights granted under the two plans, see terms and conditions of rights awarded under equity plans on page 153.

Key terms and performance conditions of awards

Award	Key Terms and Performance Conditions
MSP	The MSP is our LTI plan for eligible employees below Lead Team level. The Plan has two elements: – Retention rights with a three-year vesting and service condition from 1 July to 30 June, vesting in August three years from grant provided employees remain employed in the Group; and – Performance rights with a four-year performance and service period from 1 July to 30 June, vesting in August four years from grant, subject to the same performance and vesting conditions as the LTI for Executive KMP for that year. There is no retesting if the performance condition is not met and any rights that don't vest will immediately lapse. MSP rights do not carry any entitlement to voting, dividends or dividend equivalent payments.
Transitional LTI	When an executive is promoted to a role in the Lead Team, they move from the MSP (three-year retention rights and four-year performance rights) to the LTI plan for the Lead Team (four-year performance rights). The Transitional LTI is a one-off award that may be granted to address the potential shortfall in vesting after three years. These awards have the same TSR performance conditions as LTI awards granted in the same year except these awards have a three-year performance period. Transitional LTI rights do not carry any entitlement to voting, dividends or dividend equivalent payments. Following the executive reward review, the Transitional LTI will be removed from the executive reward framework from FY26. Transitional LTI Awards previously granted to executives will remain on foot.

Shareholdings of KMP

The minimum shareholding requirement for Non-Executive Directors and Executive KMP is detailed on pages 154 and 141 respectively.

South32 shares held by each member of KMP either directly, indirectly or beneficially, including their related parties

	Held at 1 July 2024	Received as remuneration	Received on vesting of rights	Other net changes (Purchase, sales and transfers)	Held at 30 June 2025	Progress against minimum shareholding requirement[59]
Non-Executive Directors						
Karen Wood AM	367,825	—	—	—	367,825	124%
Frank Cooper AO	128,010	—	—	—	128,010	97%
Xiaoling Liu	66,000	—	—	—	66,000	106%
Carlos Mesquita	177,440	—	—	—	177,440	179%
Mandla Msimang	—	—	—	—	—	0%
Ntombifuthi Mtoba	71,386	—	—	—	71,386	96%
Jane Nelson	—	—	—	40,000	40,000	60%
Wayne Osborn	174,104	—	—	—	174,104	144%
Stephen Pearce	—	—	—	30,000	30,000	53%
Sharon Warburton	42,870	—	—	25,000	67,870	111%
Executive KMP						
Graham Kerr	2,040,944	—	1,181,803	(141,645)	3,081,102	433%
Sandy Sibenaler	23,762	—	63,047	(29,633)	57,176	18%
Vanessa Torres	462,313	—	336,437	(242,235)	556,515	180%
Noel Pillay	369,481	—	198,716	(89,424)	478,773	178%

59. Calculated based on Board fees and fixed remuneration at 30 June 2025, with the South32 share price on 30 June 2025 of A$2.91 used for Executive KMP minimum shareholding requirement valuation. For Non-Executive Directors, shareholdings are valued in accordance with the minimum shareholding requirement, which is based on the cost to acquire the shares, except for shares acquired at demerger which are valued based on the closing South32 share price on 18 May 2015 (A$2.05). In previous annual reports, the valuation of Non-Executive Director shareholdings were based on the share price as at the end of the financial year. No Non-Executive Directors listed sold shares during FY25.

Remuneration report continued

Transactions with KMP

There are no amounts payable to any KMP and there are no loans with any KMP as at 30 June 2025.

During FY25, there were no transactions between KMP or their close family members and the Group other than as described in this report.

A number of Directors of the Group have control or joint control of other entities (also known as personal entities). During the year, there have been no transactions between those entities and the Group, and no amounts were owed by or to the Group from those entities.

This Remuneration report was approved by our Board on 28 August 2025.

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CELEBRATING 10 YEARS 2015 – 2025

Consolidated income statement

for the year ended 30 June 2025

US$M	Note	FY25	FY24 Restated[1]
Continuing operations			
Revenue:			
Group production		**5,384**	4,465
Third party products and services		**396**	458
	4	**5,780**	4,923
Other income		**202**	97
Expenses excluding finance costs	5	**(5,527)**	(5,480)
Share of profit/(loss) of equity accounted investments	25	**99**	(59)
Operating profit/(loss) from continuing operations		**554**	(519)
Comprising:			
Group production		**536**	(526)
Third party products and services		**18**	7
Operating profit/(loss) from continuing operations		**554**	(519)
Finance income		**259**	219
Finance costs		**(194)**	(227)
Net finance income/(costs)	18	**65**	(8)
Profit/(loss) before tax from continuing operations		**619**	(527)
Income tax (expense)/benefit	6	**(304)**	79
Profit/(loss) for the year from continuing operations		**315**	(448)
Discontinued operations			
Profit/(loss) after tax from discontinued operations	30, 31	**(105)**	243
Profit/(loss) for the year		**210**	(205)
Attributable to:			
Equity holders of South32 Limited		**213**	(203)
Non-controlling interests		**(3)**	(2)
Profit/(loss) for the year from continuing operations attributable to equity holders of South32 Limited:			
Basic earnings/(loss) per share (cents)	8	**7.0**	(9.9)
Diluted earnings/(loss) per share (cents)	8	**7.0**	(9.9)
Profit/(loss) for the year attributable to equity holders of South32 Limited:			
Basic earnings/(loss) per share (cents)	8	**4.7**	(4.5)
Diluted earnings/(loss) per share (cents)	8	**4.7**	(4.5)

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

The accompanying notes form part of the consolidated financial statements.

Consolidated statement of comprehensive income

for the year ended 30 June 2025

US$M	Note	FY25	FY24
Profit/(loss) for the year		**210**	(205)
Other comprehensive income			
Items that may be reclassified to the Consolidated income statement:			
Translation of foreign operations		**(4)**	3
Total items that may be reclassified to the Consolidated income statement		**(4)**	3
Items that will not be reclassified to the Consolidated income statement:			
Investments in equity instruments designated as fair value through other comprehensive income (FVOCI):			
Net fair value gains/(losses)		**30**	(27)
Income tax (expense)/benefit		**(10)**	(2)
Share of other comprehensive income/(loss) of equity accounted investments	25	**1**	–
Gains/(losses) on pension and medical schemes	15	**–**	4
Income tax (expense)/benefit recognised within other comprehensive income		**–**	(1)
Total items that will not be reclassified to the Consolidated income statement		**21**	(26)
Total other comprehensive income/(loss)		**17**	(23)
Total comprehensive income/(loss)		**227**	(228)
Attributable to:			
Equity holders of South32 Limited		**232**	(228)
Non-controlling interests		**(5)**	–

The accompanying notes form part of the consolidated financial statements.

Consolidated balance sheet

as at 30 June 2025

US$M	Note	FY25	FY24
ASSETS			
Current assets			
Cash and cash equivalents	16	**1,677**	842
Trade and other receivables	9	**809**	634
Other financial assets	19	**7**	1
Inventories	10	**935**	985
Current tax assets		**11**	69
Other assets		**54**	43
Assets held for sale	30, 31	**306**	1,825
Total current assets		**3,799**	4,399
Non-current assets			
Trade and other receivables	9	**2,000**	2,083
Other financial assets	19	**184**	89
Inventories	10	**36**	63
Property, plant and equipment	11	**6,429**	6,503
Intangible assets	12	**196**	221
Equity accounted investments	25	**590**	396
Deferred tax assets	6	**486**	481
Other assets		**7**	10
Total non-current assets		**9,928**	9,846
Total assets		**13,727**	14,245
LIABILITIES			
Current liabilities			
Trade and other payables	14	**802**	805
Interest bearing liabilities	17	**267**	223
Current tax payables		**40**	15
Provisions	15	**185**	179
Deferred income		**8**	49
Liabilities directly associated with assets held for sale	30, 31	**264**	573
Total current liabilities		**1,566**	1,844
Non-current liabilities			
Trade and other payables	14	**–**	1
Interest bearing liabilities	17	**1,367**	1,343
Other financial liabilities	19	**78**	17
Deferred tax liabilities	6	**175**	165
Provisions	15	**1,684**	1,904
Total non-current liabilities		**3,304**	3,430
Total liabilities		**4,870**	5,274
Net assets		**8,857**	8,971
EQUITY			
Share capital	20	**13,160**	13,216
Treasury shares	20	**(25)**	(43)
Reserves		**(3,567)**	(3,575)
Accumulated losses		**(723)**	(638)
Total equity attributable to equity holders of South32 Limited		**8,845**	8,960
Non-controlling interests		**12**	11
Total equity		**8,857**	8,971

The accompanying notes form part of the consolidated financial statements.

Consolidated cash flow statement

for the year ended 30 June 2025

US$M	FY25	FY24 Restated[1]
Operating activities		
Profit/(loss) before tax from continuing operations	**619**	(527)
Profit/(loss) before tax from discontinued operations	**(77)**	409
Adjustments for:		
Significant items	**(121)**	98
Depreciation and amortisation expense	**511**	643
Impairment losses/(reversals) of financial assets	**27**	29
Impairment losses/(reversals) of non-financial assets	**464**	604
Employee share awards expense	**20**	22
Net finance (income)/costs	**(49)**	21
Share of (profit)/loss of equity accounted investments	**(99)**	60
Loss on disposal of subsidiaries and joint operations	**47**	–
Unrealised (gains)/losses on derivative instruments, contingent consideration and other investments measured at fair value through profit or loss (FVTPL)	**115**	(9)
Other non-cash or non-operating items	**13**	21
Changes in assets and liabilities:		
Trade and other receivables	**87**	(120)
Inventories	**(118)**	27
Trade and other payables	**(19)**	(7)
Provisions and other liabilities	**13**	6
Cash generated from operations	**1,433**	1,277
Interest received	**244**	85
Interest paid	**(110)**	(112)
Income tax paid	**(236)**	(223)
Dividends received	**2**	2
Dividends received from equity accounted investments	**2**	90
Net cash flows from operating activities	**1,335**	1,119
Investing activities		
Purchase of property, plant and equipment	**(917)**	(1,042)
Purchase of intangible assets	**(6)**	(4)
Proceeds from sale of property, plant and equipment and intangible assets	**100**	34
Exploration expenditure	**(80)**	(75)
Exploration expenditure expensed and included in operating cash flows	**40**	41
Investment in financial assets	**(40)**	(112)
Proceeds from financial assets	**26**	42
Payments for the acquisition of subsidiaries and joint operations, net of their cash	**(4)**	(4)
Proceeds from the disposal of subsidiaries and joint operations, net of their cash	**954**	42
Investments in equity accounted investments	**(93)**	(30)
Net cash flows from investing activities	**(20)**	(1,108)
Financing activities		
Proceeds from interest bearing liabilities	**53**	200
Repayment of interest bearing liabilities	**(102)**	(410)
Purchase of shares by Employee Share Ownership Plan (ESOP) Trusts	**(10)**	(11)
Share buy-back	**(56)**	(35)
Dividends paid	**(294)**	(163)
Contributions from non-controlling interests	**4**	2
Net cash flows from financing activities	**(405)**	(417)
Net increase/(decrease) in cash and cash equivalents	**910**	(406)
Cash and cash equivalents, net of overdrafts, at the beginning of the year	**842**	1,258
Effect of foreign exchange rate changes on cash and cash equivalents	**5**	(10)
Cash and cash equivalents, net of overdrafts, at the end of the year[2]	**1,757**	842

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.
2. FY25 includes US$80 million classified as held for sale. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

The accompanying notes form part of the consolidated financial statements.

Consolidated statement of changes in equity

for the year ended 30 June 2025

US$M	Attributable to equity holders of South32 Limited								
	Share capital	Treasury shares	Financial assets reserve[1]	Employee share awards reserve[2]	Other reserves[3]	Accumulated losses	Total	Non-controlling interests[4]	Total equity
Balance as at 1 July 2024	**13,216**	**(43)**	**(43)**	**58**	**(3,590)**	**(638)**	**8,960**	**11**	**8,971**
Profit/(loss) for the year	**–**	**–**	**–**	**–**	**–**	**213**	**213**	**(3)**	**210**
Other comprehensive income/(loss)	**–**	**–**	**20**	**–**	**(2)**	**1**	**19**	**(2)**	**17**
Total comprehensive income/(loss)	**–**	**–**	**20**	**–**	**(2)**	**214**	**232**	**(5)**	**227**
Transactions with owners:									
Dividends	**–**	**–**	**–**	**–**	**–**	**(294)**	**(294)**	**–**	**(294)**
Shares bought back and cancelled	**(56)**	**–**	**–**	**–**	**–**	**–**	**(56)**	**–**	**(56)**
Employee share entitlements for unvested awards, net of tax	**–**	**–**	**–**	**18**	**–**	**–**	**18**	**–**	**18**
Employee share awards vested and lapsed, net of tax	**–**	**28**	**–**	**(30)**	**–**	**–**	**(2)**	**–**	**(2)**
Purchase of shares by ESOP Trusts	**–**	**(10)**	**–**	**–**	**–**	**–**	**(10)**	**–**	**(10)**
Transfer of cumulative fair value loss on an investment in equity instruments designated as FVOCI	**–**	**–**	**5**	**–**	**–**	**(5)**	**–**	**–**	**–**
Equity issued to holders of non-controlling interests	**–**	**–**	**–**	**–**	**(3)**	**–**	**(3)**	**6**	**3**
Balance as at 30 June 2025	**13,160**	**(25)**	**(18)**	**46**	**(3,595)**	**(723)**	**8,845**	**12**	**8,857**
Balance as at 1 July 2023	13,251	(51)	(14)	52	(3,591)	(271)	9,376	(1)	9,375
Profit/(loss) for the year	–	–	–	–	–	(203)	(203)	(2)	(205)
Other comprehensive income/(loss)	–	–	(29)	–	1	3	(25)	2	(23)
Total comprehensive income/(loss)	–	–	(29)	–	1	(200)	(228)	–	(228)
Transactions with owners:									
Dividends	–	–	–	–	–	(163)	(163)	–	(163)
Shares bought back and cancelled	(35)	–	–	–	–	–	(35)	–	(35)
Employee share entitlements for unvested awards, net of tax	–	–	–	26	–	–	26	–	26
Employee share awards vested and lapsed, net of tax	–	19	–	(20)	–	(4)	(5)	–	(5)
Purchase of shares by ESOP Trusts	–	(11)	–	–	–	–	(11)	–	(11)
Equity issued to holders of non-controlling interests	–	–	–	–	–	–	–	2	2
Acquisition of subsidiary with non-controlling interest	–	–	–	–	–	–	–	10	10
Balance as at 30 June 2024	13,216	(43)	(43)	58	(3,590)	(638)	8,960	11	8,971

1. Represents the fair value movement of investments in equity instruments designated as FVOCI.
2. Represents the accrued employee entitlements to share awards that have not yet vested.
3. Primarily consists of the common control transaction reserve of US$3,569 million, which reflects the difference between consideration paid and the carrying value of assets and liabilities acquired, as well as the gains/losses on disposal of entities as part of the demerger of the Group in 2015.
4. Primarily relates to the minority shareholder (49.9 per cent) of Minera Sud Argentina S.A. (MSA), which holds the Chita Valley copper porphyry exploration project in Argentina. The Group acquired a 50.1 per cent interest in MSA in April 2024.

The accompanying notes form part of the consolidated financial statements.

Notes to financial statements – Basis of preparation

This section sets out the accounting policies that relate to the consolidated financial statements of South32 Limited (referred to as the Company) and its subsidiaries and joint arrangements (collectively, the Group) as a whole. Where an accounting policy, critical accounting estimate, assumption or judgement is specific to a note, these are described within the note to which they relate. These policies have been consistently applied to all periods presented, except as described in note 3 New standards and interpretations.

The consolidated financial statements of the Group for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the Directors on 28 August 2025.

1. Reporting entity

South32 Limited is a for-profit company limited by shares incorporated in Australia. South32 Limited has a primary listing on the Australian Securities Exchange (ASX), a secondary listing on the Johannesburg Stock Exchange (JSE), is admitted to listing in the equity shares (international commercial companies secondary listing) category of the Official List of the UK Financial Conduct Authority and its ordinary shares are traded on the London Stock Exchange (LSE).

The nature of the operations and principal activities of the Group are described in note 4 Segment information.

2. Basis of preparation

The consolidated financial statements are general purpose financial statements which:

- Have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB), International Financial Reporting Standards (IFRS) Accounting Standards and other authoritative pronouncements of the International Accounting Standards Board (IASB);
- Have been prepared on a historical cost basis, except for post-retirement assets and obligations, derivative financial instruments and certain other financial assets and liabilities which are required to be measured at fair value;
- Are presented in US dollars, with all values rounded to the nearest million dollars (US$M or US$ million) unless otherwise stated, in accordance with *ASIC Corporations Instrument 2016/191*;
- Adopt all new and amended accounting standards and interpretations issued by the AASB and IASB that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 July 2024. Refer to note 3 New standards and interpretations for further details; and
- Do not early adopt any accounting standards and interpretations that have been issued or amended but are not yet effective as described in note 3 New standards and interpretations.

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group. A list of material subsidiaries at year end is contained in note 24 Subsidiaries.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

(b) Foreign currency translation

The functional currency of the majority of the Group's operations is the US dollar, as this is assessed to be the principal currency of the economic environments in which they operate.

Transactions denominated in foreign currencies are initially recorded in the functional currency using the exchange rate at the date of the underlying transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange at year end. Exchange gains or losses on translation are included in the Consolidated income statement, except for gains or losses on translation of foreign-denominated closure and rehabilitation provisions for operating sites, which are capitalised in property, plant and equipment, and gains or losses on translation of operations with non-USD functional currencies, which are recognised in other comprehensive income.

(c) Key estimates, assumptions and judgements

The preparation of the consolidated financial statements has required management to apply accounting policies and methodologies that are based on complex and subjective estimates, assumptions and judgements. Management based its estimates and judgements on historical experience and assumptions it believes to be reasonable and realistic based on the current environment. Actual results may differ from those reported in these statements due to the uncertainties that characterise the assumptions and conditions on which the estimates are based.

Specific sources of uncertainty identified by the Group are set out on the following pages and/or together with the applicable note, as follows:

Key estimates, assumptions and judgements	
Recognition of deferred taxes	note 6
Uncertain tax matters	note 6
Useful economic lives of assets	note 11
Impairment of non-financial assets	note 13
Closure and rehabilitation provisions	note 15
Expected credit loss on credit-impaired financial assets	note 19

Notes to financial statements – Basis of preparation continued

2. Basis of preparation continued

(c) Key estimates, assumptions and judgements continued

In addition to the specific sources of uncertainty noted, the following assumptions are considered pervasive to the financial statements as a whole:

Impact of global trade policy developments

The Group continues to monitor the global economic implications of various import tariff and trade restriction policies that have been implemented or proposed by governments globally. The potential impact of these policies has been considered in the Group's key estimates, assumptions, and judgements, particularly those relating to commodity prices, exchange rates, and costs of production, as outlined in note 13 Impairment of non-financial assets. Potential future trade restrictions or import duties could affect both product pricing and input costs. These factors represent a source of estimation uncertainty that may lead to material changes in the recoverable amount of assets in future periods.

Climate-related risks and opportunities

As a global mining and metals company, the Group has a crucial role in responding to climate change. The Group's response to climate change is set out in the Sustainability chapter of this Annual Report and the Group's Climate Change Action Plan 2025.

The key estimates, assumptions and judgements made in the Group's consolidated financial statements take into account the Group's expectations of, and approach to, climate change-related risks and opportunities, and are consistent with the Group's reporting on climate-related matters. These expectations may affect the Group's financial results and financial position in a number of ways, including the following:

- Asset recoverable amounts may be affected by changes in estimated future cash flows driven by, for example, changes in forecast commodity prices, costs of production, carbon prices, and the costs related to the physical impacts of climate change (refer to note 13 Impairment of non-financial assets and note 19(b)(iii) Credit risk: Shareholder loan receivable from Sierra Gorda);
- The commercial viability of exploration areas of interest may impact the recoverability of exploration and evaluation assets (refer to note 13 Impairment of non-financial assets);
- The useful lives of assets, and therefore the depreciation charged in the Consolidated income statement, may be impacted by changes in life of operation plans (LoOP) (refer to note 11 Property, plant and equipment); and
- Timing and cost of closure and rehabilitation activities (refer to note 15 Provisions).

The carrying amount of the associated deferred tax assets/liabilities may also change due to changes in estimates of the likely recovery of the related tax benefits.

Transition risks and opportunities

In assessing the impacts of climate-related transition risks and opportunities, the Group has assumed in its base case[1] a climate-related warming trajectory of at least 2°C above pre-industrial levels, and up to around 2.8°C by 2100, in line with current global signposts. The Group's key assumptions and estimates in relation to this reflect our expectations around the supply and demand of our commodities, regulatory changes, demographic changes and technological developments which informs the forecasts for commodity prices, carbon prices, costs of production and the Group's decarbonisation approach.

Commodity price outlook

The Group's commodity price outlook is developed on an annual basis through a bottom-up approach and is informed by prevailing market and policy signposts, study findings by established external organisations and internal research. Any change in the Group's commodity price outlook may in turn also impact the Group's Mineral Resources and Ore Reserves estimates, future costs, and LoOPs.

Portfolio resilience

The Group's transition-related climate scenario analysis, based on Accelerated Transition[2] and Fragmented Transition[3] scenarios, supports the identification and evaluation of potential risks and opportunities for our portfolio. Overall, the Group's portfolio is resilient under both scenarios, with the exception of Hillside Aluminium and Mozal Aluminium, which would no longer be competitive in the Accelerated Transition scenario without an affordable source of low-carbon energy by the mid-2030s. The current electricity supply agreements at Hillside Aluminium and Mozal Aluminium expire in 2031 and 2026 respectively.

Transition risks are most material for operations with high absolute emissions and/or emissions intensity, including exposure to potential changes in carbon pricing, regulatory policy and evolving market dynamics. The Group's cash generating units (CGU) with the highest exposure to transition risks include Worsley Alumina, Hillside Aluminium and Mozal Aluminium. Key considerations for each of these operations are as follows:

Worsley Alumina

Worsley Alumina's LoOP includes assumptions related to future decarbonisation of the alumina refinery. The near term focus on decarbonisation at Worsley Alumina is on fuel switching and energy efficiency initiatives, with the longer-term potential to progress towards full steam electrification. Some of these decarbonisation initiatives are based on emerging technologies that are still being developed. In FY24, two of the five boilers were converted to natural gas. Two of the remaining boilers which form part of the multi-fuel co-generation facility require further studies to progress with the conversion to natural gas. The cost assumptions to support this study and the conversion of the remaining three boilers have been incorporated into the Worsley Alumina LoOP.

1. By contrast, the Group's 1.5°C scenario (referred to as the Accelerated Transition scenario, see the Group's Climate Change Action Plan 2025), which was refreshed in FY25 in partnership with external experts, is utilised by the Group to assess the resilience of our portfolio under an accelerated global transition. In developing a sector-specific 1.5°C scenario, the Group incorporated revised commodity demand drivers and analysis of scrap availability, supply conditions and price impacts, alongside broader macroeconomic and policy trends relevant to our portfolio. In developing the scenario, we benchmarked our assumptions against publicly disclosed scenarios from other companies, third-party models and insights from leading industry experts. This confirmed that our assumptions fall within a credible range, reinforcing the consistency, robustness, and reliability of our approach.
2. The Group's Accelerated Transition scenario reflects a future where rapid deployment of clean energy technologies and infrastructure occurs alongside coordinated policy and regulatory shifts. Global CO_2 emissions fall below net zero by 2050.
3. The Group's Fragmented Transition scenario reflects a future characterised by delayed and uncoordinated efforts to reduce emissions. Energy efficiency gains are modest and low-carbon technology adoption is slower. Global CO_2 emissions decline over time but do not reach net zero by 2050.

2. **Basis of preparation** continued

(c) **Key estimates, assumptions and judgements** continued

Climate-related risks and opportunities continued

Portfolio resilience continued

Hillside Aluminium

Hillside Aluminium's electricity is supplied by Eskom under a contract expiring in 2031. The Group is continuing to work with Eskom and other stakeholders in the South African energy sector on pathways to secure a low-carbon electricity supply. Hillside Aluminium would be uncompetitive in the Accelerated Transition scenario without an affordable source of low-carbon energy by mid-2030s. The Hillside Aluminium LoOP is currently limited to 2031, in line with the expiry of the existing electricity supply agreement.

Mozal Aluminium

Electricity supplied to Mozal Aluminium is generated by Hidroeléctrica de Cahora Bassa (HCB), a hydro-electric power generator. Eskom also provides back-up energy to Mozal Aluminium for periods when HCB is unable to meet Mozal Aluminium's electricity requirements. The Group continues to work with the Government of the Republic of Mozambique, HCB and Eskom to secure electricity supply to Mozal Aluminium beyond March 2026 when the current electricity supply agreement expires, which will further inform the emissions intensity of Mozal Aluminium. Refer to note 13 Impairment of non-financial assets, for additional details about the impairment recognised by the Group at 30 June 2025 relating to Mozal Aluminium.

The Group invests capital expenditure in decarbonisation initiatives to improve energy efficiency and reduce emissions intensity at our operations. The full costs and benefits of decarbonisation projects are included in the Group's valuations when there is a high degree of confidence that the project will achieve an emissions reduction, which typically aligns with the related capital project being internally approved, or when it is critical for meeting regulatory licensing requirements.

The Group's valuations include the cost and benefit of identified initiatives necessary to meet its target[4] to halve its net operational emissions by FY35 from FY21 levels. The decarbonisation pathway to meet the Group's long-term goal[4] of achieving net zero emissions across all scopes by 2050 is not yet fully defined and, as such, the cost and benefit of all associated initiatives are not included in the Group's valuations.

The Group's key estimates, assumptions and judgements with respect to transition risks and opportunities are based on the Group's expectations and assessments at the date of this report, and actual results may differ. Government policies and market developments continue to drive uncertainty in commodity and carbon price outlooks, which may impact the Group's approach to climate change and assumptions and judgements, which may in turn result in material changes to financial results and the carrying values of assets and liabilities in future reporting periods.

Physical impacts of climate change

The Group's operations are located in regions that may experience climate-related extremes, including but not limited to, extreme temperatures, bushfires, tropical cyclones, flooding and/or droughts. The Group assessed the risks of the physical impacts of climate change on its operations, including completing a baseline risk assessment for our operated portfolio based on scenarios SSP2-4.5 and SSP5-8.5 as described by the Intergovernmental Panel on Climate Change (IPCC)[5].

Longer-term assets (including those that move into closure) are likely to face more significant challenges due to the expected severity of climate risks manifesting over longer timeframes. The longer life operations include Worsley Alumina, Brazil Aluminium, Brazil Alumina, Hermosa, South Africa Manganese and Sierra Gorda.

The Group continues to progress studies on physical climate risks. The key risk themes associated with the physical impacts of climate change are contemplated during the development of the Group's LoOPs, valuation estimates and closure and rehabilitation provisions. Additional capital costs and/or increases to operating costs, as well as impacts on production schedules, are incorporated into the Group's forward-looking estimates when deemed appropriate.

The Group's ongoing analysis of reasonable alternative assumptions with respect to future climate conditions has not identified any additional indicator that the carrying value of assets cannot be recovered or that useful lives of assets will be shortened. Furthermore, the key risk themes have been assessed and are not considered to have a material impact on the Group's consolidated financial statements.

The Group's key estimates, assumptions and judgements with respect to the physical impacts of climate change are based on the Group's expectations and assessments as at the date of this report, and actual results may differ. The high degree of uncertainty around the nature, timing and magnitude of weather events and long-term changes in climate patterns may result in material changes to financial results and the carrying value of assets and liabilities in future reporting periods.

4. Intended outcome in relation to which we have identified one or more pathways for delivery of that outcome, subject to certain assumptions or conditions.

5. SSP2-4.5 reflects moderate climate action and development trends, resulting in approximately +2.7°C warming by 2100 and SSP5-8.5 reflects limited climate policy action and continued reliance on fossil fuels, leading to potential warming of up to +4.4°C by 2100.

Notes to financial statements – Basis of preparation continued

2. Basis of preparation continued

(c) Key estimates, assumptions and judgements continued

Climate-related risks and opportunities continued

Sensitivity analysis

The Group's forecast commodity prices and other key assumptions represent management's expectations on likely outcomes, with a base case estimation of climate-related warming trajectory of at least 2°C above pre-industrial levels, and up to around 2.8°C by 2100. When assessing whether there is any indication of impairment or impairment reversal, management performs a sensitivity analysis by considering a range of possible scenarios, with no one scenario being conclusive in isolation. The sensitivity analysis shows that a 1.5°C scenario, reflecting a rapid, globally coordinated decarbonising world, would have a significant effect on the recoverable amount of Hillside Aluminium.

The Group utilises an internal price on carbon to inform decision-making and valuations, based on actual enacted schemes less allowable abatements, where applicable, and a long-term base case estimate of US$68 per tonne CO_2-e (real) applied to all Scope 1 and 2 emissions from FY40 onwards. In developing forecast global carbon prices, the Group considers policy and market-driven carbon prices as well as abatement costs, weighted across developed and developing countries. When assessing for impairment indicators, the Group has considered the sensitivity of operations to changes in carbon prices, noting that the Group's operations are not uniformly impacted by carbon prices. The impact is influenced by the amount of Scope 1 and 2 emissions the operation generates and the jurisdiction in which it operates, in combination with the respective LoOPs.

Mineral Resources and Ore Reserves

Estimating the quantity and/or grade of Mineral Resources requires the location, quantity, grade (or quality), continuity and other geological characteristics to be known, estimated or interpreted from specific geological evidence and knowledge, including sampling, in order to satisfy the requirement that there are reasonable prospects for eventual economic extraction. This process may require complex geological assessments to interpret the data.

An Ore Reserve is the economically mineable part of the Measured and/or Indicated Mineral Resource that can be legally extracted, or where there is a reasonable expectation that approvals for extraction will be granted. Whilst future approval conditions may be more onerous than current operating conditions, any such conditions are expected to be reasonable, scientifically based and aligned with prevailing legislation. In order to estimate Ore Reserves, consideration is required for a range of modifying factors, including mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental. When reporting Ore Reserves, the relevant studies, to at least a pre-feasibility level, must demonstrate that, at the time of reporting, extraction could be reasonably justified, including a consideration of forecast sales prices.

The Group reports Mineral Resources and Ore Reserves in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code), and the ASX Listing Rules Chapter 5: Additional reporting on mining and oil and gas production and exploration activities.

Because the economic assumptions used to estimate the Ore Reserves change from period to period, and because additional geological data is generated during the course of operations, estimates of the Mineral Resources and Ore Reserves may change from period to period. The Group's planning processes consider the impacts of climate change on its Ore Reserves, including assessments of operating costs and the impact of potential extreme weather events on the expectation of economic extraction.

The Group may also include Exploration Targets in determining the recoverable amount of a CGU or an exploration area of interest.

Similar to climate-related risks and opportunities, changes in the Group's estimates of Mineral Resources and Ore Reserves, including exploration targets, may affect the Group's financial results and financial position in a number of ways, including asset recoverable amounts, useful lives of assets, commercial viability of exploration areas of interest, timing and cost of closure and rehabilitation activities, and the recovery of any associated deferred tax assets.

3. New standards and interpretations

(a) New accounting standards and interpretations effective from 1 July 2024

The following new accounting standards and interpretations have been published and are effective for the year ended 30 June 2025:

- Amendments to AASB 101 – *Classification of Liabilities as Current or Non-current*;
- Amendments to AASB 107 and AASB 7 – *Supplier Finance Arrangements*;
- Amendments to AASB 16 – *Lease Liability in a Sale and Leaseback*; and
- Amendments to AASB 121 – *The Lack of Exchangeability*.

The Group has reviewed these amendments and concluded that none have a material impact on the Group.

(b) New accounting standards and interpretations issued but not effective

The following new accounting standards and interpretations have been published but are not yet effective for the year ended 30 June 2025:

- Amendments to AASB 9 – *Classification and Measurement of Financial Instruments*;
- Amendments to AASB 1, AASB 7, AASB 9, AASB 10 and AASB 107 – *Annual Improvements Volume 11*;
- Amendments to AASB 10 and AASB 128 – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*;
- Amendments to AASB 7 and AASB 9 – *Contracts Referencing Nature dependent Electricity*; and
- AASB 18 – *Presentation and Disclosure in Financial Statements.*

The Group has reviewed these amendments and improvements, and with the exception of the item listed below, does not expect them to have a material impact on the Group.

AASB 18 - Presentation and Disclosure in Financial Statements

AASB 18 was issued in June 2024 and will replace AASB 101 *Presentation of Financial Statements*, effective for annual periods beginning on/or after 1 January 2027. The new standard introduces new classification and presentation requirements, primarily impacting the Consolidated income statement and related notes, as well as introducing additional disclosure requirements for management-defined performance measures.

The Group is in the process of assessing the impact of the new standard, however it is not expected to have an impact on the recognition and measurement of assets, liabilities, income and expenses, and is expected to only result in changes in the classification and presentation of these in the financial statements, as well as some additional disclosures in the notes.

The Group does not intend to early adopt any of the new standards or interpretations. It is expected that where applicable, these standards and interpretations will be adopted on each of the respective effective dates.

Notes to financial statements – Results for the year

This section focuses on the financial performance of the Group, covering both profitability and the resulting return to shareholders via earnings per share.

4. Segment information

(a) Description of segments

The operating segments (also referred to as operations) are organised and managed separately according to their location and the nature of products produced.

The Lead Team (the chief operating decision makers) and the Board of Directors monitor the segment results regularly for the purpose of making decisions about resource allocation and assessing performance.

The principal activities of each operating segment are summarised as follows:

Operating segment	Principal activities
Worsley Alumina	Integrated bauxite mine and alumina refinery in Australia
Brazil Alumina	Integrated bauxite mine and alumina refinery in Brazil
Brazil Aluminium	Aluminium smelter in Brazil
Hillside Aluminium	Aluminium smelter in South Africa
Mozal Aluminium	Aluminium smelter in Mozambique
Sierra Gorda	Copper mine in Chile
Cannington	Silver, lead and zinc mine in Australia
Hermosa	Base metals exploration and development project in the United States
Australia Manganese	Manganese ore mine in Australia
South Africa Manganese	Manganese ore mines in South Africa
Cerro Matoso[1]	Integrated laterite ferronickel mine and smelting complex in Colombia
Illawarra Metallurgical Coal[2]	Metallurgical coal mines in Australia

1. In July 2025, the Group announced its decision to enter into a binding agreement for the sale of Cerro Matoso, which is expected to complete in FY26. Refer to note 30 Assets and liabilities held for sale and discontinued operations.
2. On 29 August 2024, the Group completed the sale of Illawarra Metallurgical Coal. Refer to note 31 Disposal of subsidiaries and joint operations.

All operations are operated by the Group except Brazil Alumina, Brazil Aluminium and Sierra Gorda.

(b) Segment results

The underlying information presented in the Group's segment results include non-IFRS financial measures and differs from the statutory financial information as it reflects the Group's interest in material equity accounted joint ventures on a proportional consolidation basis.

The Group's material equity accounted joint ventures are Australia Manganese and South Africa Manganese, inclusive of an allocation of Manganese Marketing, and Sierra Gorda. Refer to note 25 Equity accounted investments.

Segment performance is measured by Underlying revenue, Underlying EBIT and Underlying EBITDA. Underlying revenue is revenue, adjusted to reflect material equity accounted joint ventures on a proportional consolidation basis. Underlying EBIT is profit/(loss) before net finance income/(costs), income tax (expense)/benefit, and other earnings adjustment items, all adjusted to reflect material equity accounted joint ventures on a proportional consolidation basis. Underlying EBITDA is Underlying EBIT before depreciation and amortisation, adjusted to reflect material equity accounted joint ventures on a proportional consolidation basis.

Reconciliations of the underlying information to the statutory information included in the Group's consolidated financial statements are set out in note 4(b)(i) Underlying results reconciliation, including joint venture adjustments which reconcile the proportional consolidation of the material equity accounted joint ventures back to their statutory equity accounting positions.

The Group separately discloses sales of group production from sales of third party products and services because of the significant difference in profit margin earned on these sales.

It is the Group's policy that inter-segment transactions are made on an arm's length basis.

Group and unallocated items/eliminations represent group centre functions and consolidation adjustments.

Group financing and income taxes are primarily managed on a Group basis and are not allocated to operating segments.

Total assets and liabilities for each continuing operating segment represent operating assets and liabilities which predominantly exclude the carrying amount of non-material equity accounted investments, cash, interest bearing liabilities, tax balances and certain other financial assets and liabilities.

4. Segment information continued

(b) Segment results continued

Revenue recognition

Revenue is measured based on the consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties. Revenue is not reduced for royalties and other taxes payable from Group production.

The following is a description of the principal activities from which the Group generates its revenue:

Revenue from the sale of commodities

The Group primarily sells the following commodities: alumina, aluminium, copper, silver, lead, zinc, nickel, metallurgical coal and manganese ore. The sales of these commodities are considered to be performance obligations as they are the contractual promises by the Group to transfer distinct goods to customers.

The transaction price allocated to each performance obligation is recognised as the performance obligation is satisfied. Satisfaction occurs when control of the promised commodity is transferred to the customer.

For the sale of commodities, revenue is therefore recognised at a point in time, net of treatment and refining charges (where applicable). The majority of the Group's sales agreements specify that title passes on the bill of lading date (the date the commodity is delivered to the shipping agent) and is assessed to be the point of time in which control over the commodity passes to the customer. For these sales, revenue is recognised on the bill of lading date. For certain sales, title passes and revenue is recognised when the goods have been delivered to the customer.

For certain commodities, the sales price is determined on a provisional basis at the date of sale and adjustments to the sales price subsequently occur based on movements in quoted market or contractual prices up to the date of final pricing. The period between provisional invoicing and final pricing is up to 180 days. Revenue on provisionally priced sales is recognised based on the estimated fair value of the total consideration receivable. The revenue adjustment mechanism embedded within provisionally priced sales arrangements has the characteristics of a commodity derivative. Accordingly, the fair value of the final sales price adjustment is re-estimated continuously and changes in fair value are disclosed separately as 'other' revenue within the segment results. In all cases, fair value is estimated by reference to forward market prices.

Revenue from the provision of freight services

The Group sells most of its commodities on either Free On Board (FOB) or Cost, Insurance, and Freight (CIF) Incoterms. In the case of CIF Incoterms, the Group is responsible for shipping services after the date at which control of the commodities passes to the customer at the port of loading. The provision of shipping services in these types of arrangements are a distinct service (and therefore a separate performance obligation) to which a portion of the transaction price should be allocated and recognised over time as the shipping services are provided. The Group also provides third party freight services which are recognised as the shipping service is provided.

The Group does not separately disclose sales revenue from freight services as it does not consider this necessary in order to understand the impact on the Group.

Notes to financial statements – Results for the year continued

4. Segment information continued

(b) Segment results continued

FY25 US$M	Worsley Alumina	Brazil Alumina	Brazil Aluminium	Hillside Aluminium	Mozal Aluminium
Revenue from customers	1,918	746	355	1,995	980
Other revenue[3]	(1)	3	–	(6)	(1)
Total underlying revenue	1,917	749	355	1,989	979
Comprising:					
Group production	877	525	355	1,989	979
Third party products and services[4]	–	–	–	–	–
Inter-segment revenue	1,040	224	–	–	–
Total underlying revenue	1,917	749	355	1,989	979
Underlying EBITDA	795	283	(92)	154	125
Underlying depreciation and amortisation	(176)	(57)	(5)	(69)	(70)
Underlying EBIT	619	226	(97)	85	55
Comprising:					
Group production	621	233	(97)	85	55
Exploration expenditure expensed	(2)	–	–	–	–
Third party products and services[4]	–	–	–	–	–
Share of profit/(loss) of equity accounted investments	–	(7)	–	–	–
Underlying EBIT	619	226	(97)	85	55
Underlying net finance costs					
Underlying income tax expense					
Underlying royalty related tax expense					
Underlying earnings					
Total adjustments to profit/(loss)[5]					
Profit/(loss) for the year					
Underlying exploration expenditure	2	–	–	–	–
Underlying capital expenditure[6]	106	41	9	67	21
Underlying equity accounted investments	–	15	–	–	–
Total underlying assets[7]	2,767	842	130	1,157	353
Total underlying liabilities[7]	1,060	204	59	369	201

1. The segment information reflects the Group's interest in material equity accounted joint ventures and is presented on a proportional consolidation basis, which is the measure used by the Group's management to assess their performance. The Group's underlying results includes the proportional elimination of revenue and corresponding expenses relating to freight services provided by the Group to material joint ventures of US$61 million, and third party product revenue of US$35 million included in Group and unallocated items/eliminations. Refer to note 4(b)(i) Underlying results reconciliation for the joint venture adjustments that reconcile the underlying proportional consolidation to the statutory financial information.
2. The Cerro Matoso and Illawarra Metallurgical Coal operating segments have been classified as discontinued operations. Refer to note 30 Assets and liabilities held for sale and discontinued operations and note 31 Disposal of subsidiaries and joint operations.
3. Underlying other revenue relates to fair value movements on provisionally priced contracts.
4. Underlying revenue on third party products and services sold from continuing operations comprises US$142 million for aluminium, US$28 million for alumina, US$35 million for manganese, US$50 million for freight services and US$115 million for raw materials. Underlying EBIT on third party products and services sold from continuing operations comprises US$3 million for aluminium, US$16 million for alumina and US$(1) million for raw materials.
5. Represents the total of all adjustments made to profit/(loss) from operations, net finance income/(costs) and income tax (expense)/benefit. Refer to note 4(b)(i) Underlying results reconciliation for further details.
6. Underlying capital expenditure excludes the purchase of intangibles and capitalised exploration expenditure.
7. Total underlying assets and liabilities for each continuing operating segment represent operating assets and liabilities which predominantly exclude the carrying amount of non-material equity accounted investments, cash, interest bearing liabilities, tax balances and certain other financial assets and liabilities.

Continuing operations							Discontinued operations		
Sierra Gorda[1]	Cannington	Hermosa	Australia Manganese[1]	South Africa Manganese[1]	Group and unallocated items/ eliminations	Group underlying results from continuing operations[1]	Cerro Matoso[2]	Illawarra Metallurgical Coal[2]	Group underlying results[1]
821	644	–	46	366	(893)	6,978	484	145	7,607
11	15	–	(4)	(13)	(1)	3	1	(1)	3
832	659	–	42	353	(894)	6,981	485	144	7,610
832	659	–	42	353	–	6,611	485	116	7,212
–	–	–	–	–	370	370	–	28	398
–	–	–	–	–	(1,264)	–	–	–	–
832	659	–	42	353	(894)	6,981	485	144	7,610
482	281	(41)	(105)	46	(134)	1,794	84	50	1,928
(164)	(77)	(4)	(20)	(22)	(27)	(691)	(26)	–	(717)
318	204	(45)	(125)	24	(161)	1,103	58	50	1,211
318	206	(45)	(120)	24	(144)	1,136	59	50	1,245
–	(2)	–	(5)	–	(35)	(44)	(1)	–	(45)
–	–	–	–	–	18	18	–	–	18
–	–	–	–	–	–	(7)	–	–	(7)
318	204	(45)	(125)	24	(161)	1,103	58	50	1,211
						(173)	(13)	(2)	(188)
						(315)	(17)	(14)	(346)
						(14)	–	–	(14)
						601	28	34	663
						(286)	(119)	(48)	(453)
						315	(91)	(14)	210
13	6	35	5	–	35	96	1	1	98
216	49	517	115	44	20	1,205	30	57	1,292
–	–	–	–	–	–	15	–	–	15
1,982	576	2,228	737	385	3,259	14,416	330	–	14,746
213	445	196	497	133	2,246	5,623	266	–	5,889

Notes to financial statements – Results for the year continued

4. Segment information continued

(b) Segment results continued

FY24 Restated[1] US$M	Worsley Alumina	Brazil Alumina	Brazil Aluminium	Hillside Aluminium	Mozal Aluminium
Revenue from customers	1,355	483	242	1,717	812
Other revenue[4]	1	1	–	3	–
Total underlying revenue	1,356	484	242	1,720	812
Comprising:					
Group production	717	343	242	1,720	812
Third party products and services[5]	–	–	–	–	–
Inter-segment revenue	639	141	–	–	–
Total underlying revenue	1,356	484	242	1,720	812
Underlying EBITDA	324	40	(115)	197	39
Underlying depreciation and amortisation	(193)	(51)	(6)	(67)	(69)
Underlying EBIT	131	(11)	(121)	130	(30)
Comprising:					
Group production	131	19	(121)	130	(30)
Exploration expenditure expensed	–	–	–	–	–
Third party products and services[5]	–	–	–	–	–
Share of profit/(loss) of equity accounted investments	–	(30)	–	–	–
Underlying EBIT	131	(11)	(121)	130	(30)
Underlying net finance costs					
Underlying income tax expense					
Underlying royalty related tax expense					
Underlying earnings					
Total adjustments to profit/(loss)[6]					
Profit/(loss) for the year					
Underlying exploration expenditure	–	–	–	–	–
Underlying capital expenditure[7]	106	80	8	40	23
Underlying equity accounted investments	–	20	–	–	–
Total underlying assets[8]	3,009	898	119	1,100	663
Total underlying liabilities[8]	1,196	162	51	295	165

1. The Cerro Matoso operating segment has been reclassified as a discontinued operation. Refer to note 30 Assets and liabilities held for sale and discontinued operations.
2. The segment information reflects the Group's interest in material equity accounted joint ventures and is presented on a proportional consolidation basis, which is the measure used by the Group's management to assess their performance. The Group's underlying results includes the proportional elimination of revenue and corresponding expenses relating to freight services provided by the Group to material joint ventures of US$104 million, and third party product revenue of US$34 million included in Group and unallocated items/eliminations. Refer to note 4(b)(i) Underlying results reconciliation for the joint venture adjustments that reconcile the underlying proportional consolidation to the statutory financial information.
3. The Illawarra Metallurgical Coal operating segment has been classified as a discontinued operation. Refer to note 31 Disposal of subsidiaries and joint operations.
4. Underlying other revenue relates to fair value movements on provisionally priced contracts.
5. Underlying revenue on third party products and services sold from continuing operations comprises US$170 million for aluminium, US$3 million for alumina, US$34 million for manganese, US$79 million for freight services and US$102 million for raw materials. Underlying EBIT on third party products and services sold from continuing operations comprises US$10 million for alumina, US$(2) million for freight services and US$(1) million for raw materials.
6. Represents the total of all adjustments made to profit/(loss) from operations, net finance income/(costs) and income tax (expense)/benefit. Refer to note 4(b)(i) Underlying results reconciliation for further details.
7. Underlying capital expenditure excludes the purchase of intangibles and capitalised exploration expenditure.
8. Total underlying assets and liabilities for each continuing operating segment represent operating assets and liabilities which predominantly exclude the carrying amount of non-material equity accounted investments, cash, interest bearing liabilities, tax balances and certain other financial assets and liabilities.

Continuing operations							Discontinued operations		
Sierra Gorda[2]	Cannington	Hermosa	Australia Manganese[2]	South Africa Manganese[2]	Group and unallocated items/ eliminations	Group underlying results from continuing operations[2]	Cerro Matoso[1]	Illawarra Metallurgical Coal[3]	Group underlying results[2]
632	611	–	447	337	(391)	6,245	562	1,469	8,276
15	20	–	(11)	6	(1)	34	(6)	(8)	20
647	631	–	436	343	(392)	6,279	556	1,461	8,296
647	631	–	436	343	–	5,891	556	1,224	7,671
–	–	–	–	–	388	388	–	237	625
–	–	–	–	–	(780)	–	–	–	–
647	631	–	436	343	(392)	6,279	556	1,461	8,296
275	289	(24)	182	65	(102)	1,170	110	522	1,802
(132)	(83)	(4)	(121)	(20)	(28)	(774)	(61)	(81)	(916)
143	206	(28)	61	45	(130)	396	49	441	886
143	212	(28)	61	45	(110)	452	52	419	923
–	(6)	–	–	–	(27)	(33)	(3)	(5)	(41)
–	–	–	–	–	7	7	–	28	35
–	–	–	–	–	–	(30)	–	(1)	(31)
143	206	(28)	61	45	(130)	396	49	441	886
						(234)	(5)	(10)	(249)
						(100)	8	(131)	(223)
						(36)	–	–	(36)
						26	52	300	378
						(474)	(244)	135	(583)
						(448)	(192)	435	(205)
13	9	24	1	–	29	76	3	10	89
207	38	372	65	43	1	983	34	340	1,357
–	–	–	–	–	–	20	–	6	26
1,878	569	1,571	596	390	2,153	12,946	506	1,794	15,246
214	419	136	430	190	2,212	5,470	247	558	6,275

Notes to financial statements – Results for the year continued

4. Segment information continued

(b) Segment results continued

(i) Underlying results reconciliation

The following tables reconcile the underlying segment information to the statutory information included in the Group's consolidated financial statements:

FY25 US$M	Note	Continuing operations	Discontinued operations[1]	Total
Underlying EBIT		**1,103**	**108**	**1,211**
Significant items	4(b)(ii)	**71**	**–**	**71**
Joint venture adjustments[2,3]		**(122)**	**–**	**(122)**
Exchange rate gains/(losses) on restatement of monetary items[4]		**(4)**	**(4)**	**(8)**
Impairment (losses)/reversals of financial assets[4]	19	**(27)**	**–**	**(27)**
Impairment (losses)/reversals of non-financial assets[4]	13	**(346)**	**(118)**	**(464)**
Loss on the disposal of subsidiaries and joint operations	31	**–**	**(47)**	**(47)**
Gains/(losses) on non-trading derivative instruments, contingent consideration and other investments measured at FVTPL[4]		**(121)**	**–**	**(121)**
Operating profit/(loss)		**554**	**(61)**	**493**
Underlying net finance cost		**(173)**	**(15)**	**(188)**
Joint venture adjustments[2,3]		**225**	**–**	**225**
Exchange rate variations on net cash/(debt)		**13**	**(1)**	**12**
Net finance income/(costs)		**65**	**(16)**	**49**
Underlying income tax expense		**(315)**	**(31)**	**(346)**
Underlying royalty related tax expense		**(14)**	**–**	**(14)**
Tax effect of significant items	4(b)(ii)	**1**	**–**	**1**
Joint venture adjustments relating to income tax expense[2,3]		**(3)**	**–**	**(3)**
Joint venture adjustments relating to royalty related tax expense[2,3]		**14**	**–**	**14**
Tax effect of other adjustments to derive Underlying EBIT		**4**	**1**	**5**
Tax effect of other adjustments to derive Underlying net finance costs		**(3)**	**–**	**(3)**
Exchange rate variations on tax balances		**12**	**2**	**14**
Income tax (expense)/benefit		**(304)**	**(28)**	**(332)**
Underlying earnings		**601**	**62**	**663**
Total adjustments to profit/(loss)		**(286)**	**(167)**	**(453)**
Profit/(loss) for the year		**315**	**(105)**	**210**
Underlying earnings attributable to:				
Equity holders of South32 Limited		**604**	**62**	**666**
Non-controlling interests		**(3)**	**–**	**(3)**

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations and note 31 Disposal of subsidiaries and joint operations.
2. The segment information reflects the Group's interest in material equity accounted joint ventures and is presented on a proportional consolidation basis, which is the measure used by the Group's management to assess their performance. Joint venture adjustments reconcile the proportional consolidation to the statutory equity accounting positions, recognised in share of profit/(loss) of equity accounted investments in the Consolidated income statement.
3. The net impact of all joint venture adjustments to the Group's profit/(loss) for the year amounted to US$114 million of which US$18 million related to the Sierra Gorda segment, US$51 million related to the Australia Manganese segment and US$45 million related to the South Africa Manganese segment. The Sierra Gorda joint venture adjustments include a revaluation gain of US$27 million (US$20 million post-tax) relating to the shareholder loan payable that was eliminated from the Group's Underlying earnings upon proportional consolidation. The Australia Manganese joint venture adjustments include significant items of US$77 million (US$56 million post-tax) as outlined in note 4(b)(ii) Significant items. The South Africa Manganese joint venture adjustments include a US$44 million (US$46 million post-tax) profit on disposal of the Metalloys manganese alloy smelter.
4. Recognised in expenses excluding finance costs in the Consolidated income statement.

4. Segment information continued

(b) Segment results continued

(i) Underlying results reconciliation continued

FY24 Restated[1] US$M	Note	Continuing operations	Discontinued operations[1,2]	Total
Underlying EBIT		396	490	886
Significant items	4(b)(ii)	(50)	–	(50)
Joint venture adjustments[3,4]		(284)	–	(284)
Exchange rate gains/(losses) on restatement of monetary items[5]		(23)	(1)	(24)
Impairment (losses)/reversals of financial assets[5]	19	(29)	–	(29)
Impairment (losses)/reversals of non-financial assets[5]	13	(537)	(67)	(604)
Gains/(losses) on non-trading derivative instruments, contingent consideration and other investments measured at FVTPL[5]		8	–	8
Operating profit/(loss)		(519)	422	(97)
Underlying net finance cost		(234)	(15)	(249)
Joint venture adjustments[3,4]		220	–	220
Exchange rate variations on net cash/(debt)		6	2	8
Net finance income/(costs)		(8)	(13)	(21)
Underlying income tax expense		(100)	(123)	(223)
Underlying royalty related tax expense		(36)	–	(36)
Tax effect of significant items	4(b)(ii)	15	–	15
Joint venture adjustments relating to income tax expense[3,4]		21	–	21
Joint venture adjustments relating to royalty related tax expense[3,4]		36	–	36
Tax effect of other adjustments to derive Underlying EBIT		164	(42)	122
Tax effect of other adjustments to derive Underlying net finance costs		(1)	(1)	(2)
Exchange rate variations on tax balances		(20)	–	(20)
Income tax (expense)/benefit		79	(166)	(87)
Underlying earnings		26	352	378
Total adjustments to profit/(loss)		(474)	(109)	(583)
Profit/(loss) for the year		(448)	243	(205)
Underlying earnings attributable to:				
Equity holders of South32 Limited		28	352	380
Non-controlling interests		(2)	–	(2)

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.
2. Refer to note 31 Disposal of subsidiaries and joint operations.
3. The segment information reflects the Group's interest in material equity accounted joint ventures and is presented on a proportional consolidation basis, which is the measure used by the Group's management to assess their performance. Joint venture adjustments reconcile the proportional consolidation to the statutory equity accounting positions, recognised in share of profit/(loss) of equity accounted investments in the Consolidated income statement.
4. The net impact of all joint venture adjustments to the Group's profit/(loss) for the year amounted to US$(7) million of which US$28 million related to the Sierra Gorda segment, US$(27) million related to the Australia Manganese segment and US$(8) million related to the South Africa Manganese segment. The Sierra Gorda joint venture adjustments include a revaluation gain of US$29 million (US$22 million post-tax) relating to the shareholder loan payable that was eliminated from the Group's Underlying earnings upon proportional consolidation. The Australia Manganese joint venture adjustments include significant items of US$(63) million (US$(28) million post-tax) as outlined in note 4(b)(ii) Significant items.
5. Recognised in expenses excluding finance costs in the Consolidated income statement.

Notes to financial statements – Results for the year continued

4. Segment information continued

(b) Segment results continued

(i) Underlying results reconciliation continued

FY25 US$M	Group underlying results	Joint venture adjustments	Discontinued operations adjustments[1]	Group statutory results
Total revenue[2]	**7,610**	**(1,201)**	**(629)**	**5,780**
Depreciation and amortisation	**717**	**(206)**	**(26)**	**485**
Share of profit/(loss) of equity accounted investments	**(7)**	**106**	**–**	**99**
Exploration expenditure[3]	**98**	**(18)**	**–**	**80**
Capital expenditure[3]	**1,292**	**(375)**	**–**	**917**
Equity accounted investments	**15**	**575**	**–**	**590**
Total assets	**14,746**	**(1,019)**	**–**	**13,727**
Total liabilities	**5,889**	**(1,019)**	**–**	**4,870**

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations and note 31 Disposal of subsidiaries and joint operations.
2. Group statutory total revenue includes other revenue related to fair value movements on provisionally priced contracts of US$10 million.
3. The Group statutory results include the cash flows from discontinued operations, consistent with the Consolidated cash flow statement.

FY24 Restated[1] US$M	Group underlying results	Joint venture adjustments	Discontinued operations adjustments[1,2]	Group statutory results
Total revenue[3]	8,296	(1,356)	(2,017)	4,923
Depreciation and amortisation	916	(273)	(142)	501
Share of profit/(loss) of equity accounted investments	(31)	(29)	1	(59)
Exploration expenditure[4]	89	(14)	–	75
Capital expenditure[4]	1,357	(315)	–	1,042
Equity accounted investments	26	376	(6)	396
Total assets	15,246	(1,001)	–	14,245
Total liabilities	6,275	(1,001)	–	5,274

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.
2. Refer to note 31 Disposal of subsidiaries and joint operations.
3. Group statutory total revenue includes other revenue related to fair value movements on provisionally priced contracts of US$23 million.
4. The Group statutory results include the cash flows from discontinued operations, consistent with the Consolidated cash flow statement.

(ii) Significant items

Significant items are those items, not separately identified in note 4(b)(i) Underlying results reconciliation, whose nature and amount are considered material to the Group's consolidated financial statements.

FY25 US$M	Gross	Tax	Net
Worsley access compensation agreement	**97**	**1**	**98**
Mozal Aluminium inventory write-down[1]	**(26)**	**–**	**(26)**
Total significant items[2]	**71**	**1**	**72**

1. Relates to the impairment of Mozal Aluminium. Refer to note 13 Impairment of non-financial assets.
2. Excludes significant items relating to material equity accounted investments which are included in the joint venture adjustments in the Underlying results reconciliation.

FY24 US$M	Gross	Tax	Net
Tropical Cyclone Megan impacts	(50)	15	(35)
Total significant items[1]	(50)	15	(35)

1. Excludes significant items relating to material equity accounted investments which are included in the joint venture adjustments in the Underlying results reconciliation.

Worsley access compensation agreement (FY25)

In March 2025, Worsley Alumina received US$100 million in relation to agreements with a subsidiary of Newmont Corporation (Newmont). The agreements enable Worsley Alumina and Newmont's Boddington gold mine to safely operate in close proximity, and compensate Worsley Alumina for impacts on its priority access to small areas containing bauxite Mineral Resource. The Group recorded a profit on disposal of other mineral assets of US$97 million (US$98 million post-tax), recognised as other income in the Consolidated income statement.

4. Segment information continued

(b) Segment results continued

(ii) Significant items continued

Tropical Cyclone Megan impacts (FY25 and FY24)

In March 2024, Tropical Cyclone Megan severely impacted operations at GEMCO. The weather system resulted in widespread flooding and significant damage to infrastructure, including the wharf, port and a critical bridge, resulting in the temporary suspension of operations. Amounts incurred directly or indirectly as a result of Tropical Cyclone Megan, including insurance income and expenses, do not reflect the performance of the underlying operation and have been classified as significant items. GEMCO has since resumed operations, with export shipments re-commencing from May 2025.

Australia Manganese incurred a net gain as a result of Tropical Cyclone Megan in FY25 of US$77 million (US$56 million post-tax) (FY24: net loss of US$63 million (US$28 million post-tax)) which was recognised in share of profit/(loss) of equity accounted investments in the Consolidated income statement. The net gain of US$56 million (FY24: loss of US$28 million) includes insurance income, partially offset by expenses related to idle capacity charges, repairs and clean-up costs and was included in the joint venture adjustments in the Underlying results reconciliation.

The Group operates a captive insurance program, in which a wholly owned subsidiary within the Group insures a number of our operations, including GEMCO. As a result of Tropical Cyclone Megan, the Group recognised an insurance expense incurred by its captive insurer in FY24 of US$50 million (US$35 million post-tax) in expenses excluding finance costs in the Consolidated income statement, and was included within Group and unallocated items/eliminations.

The Group considers it probable to recover further amounts through insurance, which will also be classified as significant items. No contingent asset has been disclosed for any further anticipated insurance recoveries as a reliable estimate cannot be made at present.

(c) Geographical information

The geographical information below analyses statutory Group revenue from continuing operations and non-current assets by location. Revenue is primarily presented by the geographical destination of the product and non-current assets are presented by the geographical location of the operations.

	Revenue[1]		Non-current assets	
US$M	FY25	FY24 Restated[2]	FY25	FY24
Australia	**279**	359	**3,352**	3,350
Bahrain	**346**	198	**–**	–
Brazil	**294**	112	**725**	797
China	**248**	306	**–**	–
Italy	**268**	311	**–**	–
Japan	**415**	276	**–**	–
Mozambique	**357**	274	**34**	435
Netherlands[3]	**887**	862	**1,554**	1,769
South Africa	**422**	392	**959**	868
South Korea	**259**	251	**–**	–
United States of America	**530**	382	**2,299**	1,661
Rest of Africa	**–**	9	**–**	–
Rest of Asia	**372**	303	**72**	79
Rest of Europe	**545**	430	**8**	8
Rest of Middle East	**144**	121	**–**	–
Rest of North America	**286**	244	**19**	2
Rest of Oceania	**128**	93	**–**	–
Rest of South America	**–**	–	**236**	307
Unallocated assets[4]	**–**	–	**670**	570
Total	**5,780**	4,923	**9,928**	9,846

1. Includes other revenue related to fair value movements on provisionally priced contracts of US$10 million (FY24: US$23 million).
2. Refer to note 30 Assets and liabilities held for sale and discontinued operations.
3. Non-current assets include the non-current portion of the shareholder loan receivable from Sierra Gorda.
4. Comprises other financial assets and deferred tax assets.

Notes to financial statements – Results for the year continued

5. Expenses excluding finance costs

US$M	Note	FY25	FY24 Restated[1]
Changes in inventories of finished goods and work in progress		**28**	40
Raw materials and consumables used		**2,316**	2,229
Wages, salaries and redundancies		**561**	498
Pension and other post-retirement obligations		**46**	42
External services (including transportation)		**944**	839
Third party products and services		**362**	436
Depreciation and amortisation		**485**	501
Exchange rate (gains)/losses on restatement of monetary items		**4**	23
(Gains)/losses on derivative instruments, contingent consideration and other investments measured at FVTPL		**111**	(3)
Government and other royalties paid and payable		**68**	58
Exploration expenditure expensed		**39**	33
Impairment losses/(reversals) of financial assets	19	**27**	29
Impairment losses/(reversals) of non-financial assets	13	**346**	537
Short-term, low-value and variable lease rentals		**58**	43
All other operating expenses		**132**	175
Total		**5,527**	5,480

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

6. Tax

Income tax expense comprises current and deferred tax and is recognised in the Consolidated income statement except to the extent that it relates to items recognised directly in the Consolidated statement of comprehensive income.

(a) Income tax expense

US$M	Note	FY25	FY24 Restated[1]
Current income tax (expense)/benefit		**(319)**	(213)
Deferred income tax (expense)/benefit		**(13)**	126
Total income tax (expense)/benefit		**(332)**	(87)
Income tax (expense)/benefit attributable to:			
Continuing operations		**(304)**	79
Discontinued operations	30, 31	**(28)**	(166)
Total income tax (expense)/benefit		**(332)**	(87)

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

(b) Reconciliation of prima facie tax expense to income tax expense

US$M	Note	FY25	FY24 Restated[1]
Profit/(loss) before tax from continuing operations		**619**	(527)
Profit/(loss) before tax from discontinued operations	30, 31	**(77)**	409
Deduct: Share of profit/(loss) of equity accounted investments included in continuing operations		**99**	(59)
Deduct: Share of profit/(loss) of equity accounted investments included in discontinued operations	30, 31	**–**	(1)
Profit/(loss) subject to tax		**443**	(58)
Income tax on profit/(loss) calculated at 30 per cent		**(133)**	18
Tax rate differential on non-Australian income		**(100)**	4
Exchange variations and other translation adjustments		**14**	(20)
Derecognition of future tax benefits[2]		**(28)**	(14)
Non-deductible impairment charges[2]		**(42)**	(77)
Colombian royalty expense		**–**	23
Prior year adjustments		**7**	(10)
Other		**(50)**	(11)
Total income tax (expense)/benefit		**(332)**	(87)

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.
2. FY25 primarily relates to the FY25 impairment of Cerro Matoso, which resulted in the Group incurring US$41 million of non-deductible expenses. FY24 primarily relates to the FY24 impairment of Cerro Matoso, which resulted in the Group derecognising US$38 million of deferred tax assets and incurring US$38 million of non-deductible expenses. Refer to note 13 Impairment of non-financial assets.

Profit/(loss) from equity accounted investments has been taxed in companies other than South32 Limited, being the companies whose results are disclosed as equity accounted investments in the consolidated financial statements. Refer to note 25 Equity accounted investments for further details of the Group's equity accounted investments.

6. **Tax** continued

(c) Movement in deferred tax balances

The composition of the Group's net deferred tax assets and liabilities recognised on the Consolidated balance sheet, including amounts classified as held for sale, and the deferred tax expense (charged)/credited to the Consolidated income statement, including from discontinued operations, is as follows:

	Deferred tax assets		Deferred tax liabilities		Deferred tax (charged)/credited to the Consolidated income statement[1]	
US$M	FY25	FY24	FY25	FY24[1]	FY25	FY24
Type of temporary difference						
Depreciation	**84**	96	**98**	103	**(6)**	1
Employee benefits	**47**	45	**(5)**	(21)	**–**	5
Closure and rehabilitation	**278**	251	**(7)**	(56)	**32**	14
Other provisions	**17**	14	**(3)**	(3)	**3**	4
Deferred charges	**–**	–	**–**	83	**(4)**	(31)
Non tax-depreciable fair value adjustments, revaluations and mineral rights	**(17)**	(8)	**5**	2	**(12)**	96
Tax-effected losses	**82**	94	**–**	–	**(12)**	25
Brazil deferral incentive[2]	**–**	–	**88**	61	**(27)**	9
Leases	**19**	20	**(1)**	(2)	**(1)**	22
Other	**(24)**	(31)	**–**	9	**14**	(19)
Total	**486**	481	**175**	176	**(13)**	126

1. Deferred tax liabilities include US$11 million classified as held for sale on the Consolidated balance sheet in FY24. Deferred tax expense charged/(credited) to the Consolidated income statement includes US$10 million (FY24: US$103 million) from discontinued operations. Refer to note 30 Assets and liabilities held for sale and discontinued operations and note 31 Disposal of subsidiaries and joint operations.
2. Our Brazilian subsidiary has received a 75 per cent corporate income tax deferral due to the reinvestment of capital in the North East regions of Brazil. The tax is deferred until earnings are repatriated from Brazil.

Deferred tax is calculated using the balance sheet liability method, providing for the tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for tax assessment or deduction purposes.

To the extent that an item's tax base is solely derived from the amount deductible under capital gains tax legislation, deferred tax is determined as if such amounts are not deductible in determining future assessable income.

(d) Unrecognised deferred tax assets and liabilities

The composition of the Group's unrecognised deferred tax assets and liabilities is as follows:

US$M	FY25	FY24
Unrecognised deferred tax assets		
Tax-effected losses[1]	**308**	61
Mineral rights	**587**	617
Impairment of investments in subsidiaries	**1,228**	1,233
Closure and rehabilitation	**64**	99
Depreciable assets	**30**	70
Other temporary differences	**3**	6
Total unrecognised deferred tax assets	**2,220**	2,086
Unrecognised deferred tax liabilities		
Taxable temporary differences associated with investments and undistributed earnings in subsidiaries	**36**	36
Total unrecognised deferred tax liabilities	**36**	36

1. Represents tax losses that have no expiry.

Notes to financial statements – Results for the year continued

6. Tax continued

(e) Tax consolidation

South32 Limited and its 100 per cent owned Australian resident subsidiaries have formed a tax consolidated group with effect from 25 May 2015. South32 Limited is the head entity of the tax consolidated group. Members of the Group have entered into a tax sharing agreement in order to allocate income tax expense to the wholly-owned subsidiaries on a stand-alone basis. The tax sharing arrangement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. The possibility of such a default is considered remote at the date of this report.

Members of the tax consolidated group have also entered into a tax funding agreement. The Group has applied its allocation approach in determining the appropriate amount of current taxes to allocate to members of the tax consolidated group. The tax funding agreement provides for each member of the tax consolidated group to pay or receive a tax equivalent amount to or from the head entity in accordance with their notional current tax liability or current tax asset. Such amounts are reflected in amounts receivable from, or payable to, the head entity in their accounts and are settled as soon as practicable after lodgement of the consolidated return and payment of the tax liability.

(f) Pillar Two tax

The Organisation for Economic Cooperation and Development Pillar Two rules have been enacted and are effective in Australia for the financial year beginning 1 July 2024.

The Group has applied the mandatory exception to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes in accordance with AASB 112 Income Taxes. The impact on the Group's current tax expense is not material.

(g) Tax transparency report

More detail of the Group's tax outcomes, including country-by-country reporting, is included in the 2025 Tax Transparency and Payments to Government Report.

Key estimates, assumptions and judgements

Deferred tax

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the Consolidated balance sheet. Deferred tax assets are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Deferred tax liabilities arising from temporary differences in investments, caused principally by retained earnings held in foreign tax jurisdictions, are recognised unless repatriation of retained earnings can be controlled and are not expected to occur in the foreseeable future.

Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, commodity prices, climate-related impacts, Mineral Resources and Ore Reserves, operating costs, closure and rehabilitation costs, capital expenditure, dividends and other capital management transactions.

Uncertain tax matters

Judgements are required about the application of the inherently complex income tax legislation in jurisdictions where we operate. These judgements are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the Consolidated balance sheet and the amount of other tax losses and temporary differences not yet recognised.

Where the final tax outcomes are different from the amounts that were initially recorded, these differences impact the current and deferred tax provisions in the period in which the determination is made. Measurement of uncertain tax and royalty matters considers a range of possible outcomes, including assessments received from tax authorities. Where management is of the view that potential liabilities have a low probability of crystallising, or it is not possible to quantify them reliably, they are disclosed as contingent liabilities.

7. Dividends

US$M	FY25	FY24
Prior year final dividend[1]	**140**	145
Interim dividend[2]	**154**	18
Total dividends declared and paid during the year	**294**	163

1. On 29 August 2024, the Directors resolved to pay a fully franked final dividend of US 3.1 cents per share (US$140 million) in respect of the 2024 financial year. The dividend was paid on 17 October 2024.
2. On 13 February 2025, the Directors resolved to pay a fully franked interim dividend of US 3.4 cents per share (US$154 million) in respect of the 2025 financial half year. The dividend was paid on 3 April 2025.

Franking account

US$M	FY25	FY24
Franking credits at the beginning of the financial year	**635**	538
Credits arising from tax paid/payable by South32 Limited[1]	**207**	137
Credits arising from receipt of franked dividends	**–**	32
Utilisation of credits arising from the payment of franked dividends	**(127)**	(72)
Exchange rate variations	**(9)**	–
Total franking credits available at the end of the financial year[2]	**706**	635

1. Includes the Australia FY25 income tax liability of US$22 million.
2. The payment of the final franked FY25 dividend declared after 30 June 2025 will decrease the franking account balance by US$50 million. Refer to note 32 Subsequent events.

8. Earnings per share

Basic earnings/(loss) per share amounts are calculated based on profit or loss attributable to equity holders of South32 Limited and the weighted average number of shares outstanding during the year.

Diluted earnings/(loss) per share amounts are calculated based on profit or loss attributable to equity holders of South32 Limited and the weighted average number of shares outstanding after adjustment for the effects of all dilutive potential shares.

The following reflects the profit or loss and share data used in the basic and diluted earnings/(loss) per share computations:

Profit/(loss) attributable to equity holders US$M	Note	FY25	FY24 Restated[1]
Continuing operations		**318**	(446)
Discontinued operations	30, 31	**(105)**	243
Profit/(loss) attributable to equity holders of South32 Limited (basic)		**213**	(203)
Profit/(loss) attributable to equity holders of South32 Limited (diluted)		**213**	(203)

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

Weighted average number of shares Million	FY25	FY24
Basic earnings/(loss) per share denominator[1]	**4,510**	4,519
Shares contingently issuable under ESOPs	**14**	–
Diluted earnings/(loss) per share denominator[2]	**4,524**	4,519

1. The basic earnings/(loss) per share denominator is the aggregate of the weighted average number of shares after deduction of the weighted average number of treasury shares outstanding and shares permanently cancelled through the on-market share buy-back program.
2. The FY24 diluted earnings/(loss) per share calculation excludes 17,831,040 shares contingently issuable under ESOPs, subject to service and performance conditions, which are considered anti-dilutive.

Earnings/(loss) per share US cents	FY25	FY24 Restated[1]
Continuing operations		
Basic earnings/(loss) per share	**7.0**	(9.9)
Diluted earnings/(loss) per share	**7.0**	(9.9)
Attributable to ordinary equity holders of South32 Limited		
Basic earnings/(loss) per share	**4.7**	(4.5)
Diluted earnings/(loss) per share	**4.7**	(4.5)

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

Notes to financial statements – Operating assets and liabilities

This section shows the assets used to generate the Group's trading performance and the liabilities incurred. Assets and liabilities relating to the Group's financing activities are addressed in the capital structure and financing section, notes 16 to 20.

9. Trade and other receivables

US$M	Note	FY25	FY24
Current			
Trade receivables		**408**	398
Loans to equity accounted investments[1]	28	**233**	73
Other receivables		**168**	163
Total current trade and other receivables[2]		**809**	634
Non-current			
Loans to equity accounted investments[1]	28	**1,737**	1,933
Other receivables		**263**	150
Total non-current trade and other receivables[2]		**2,000**	2,083

1. Includes a purchased credit-impaired receivable which is classified as current of US$220 million and non-current of US$1,554 million (FY24: current of US$45 million and non-current of US$1,769 million). Refer to note 19 Financial assets and financial liabilities.
2. Net of allowances for expected credit losses of US$1 million (FY24: US$2 million).

Trade receivables generally have terms of up to 30 days.

10. Inventories

US$M	FY25	FY24
Current		
Raw materials and consumables	**474**	484
Work in progress	**296**	299
Finished goods	**165**	202
Total current inventories	**935**	985
Non-current		
Raw materials and consumables	**36**	41
Work in progress	**–**	22
Total non-current inventories	**36**	63

The value of inventories carried at net realisable value as at 30 June 2025 was US$12 million (FY24: US$15 million). Inventory write-downs of US$32 million (FY24: US$3 million) were recognised in the year, including US$26 million related to the impairment of Mozal Aluminium, refer to note 13 Impairment of non-financial assets.

Inventories are valued at the lower of cost and net realisable value. Cost is determined primarily on the basis of average cost. For processed inventories, cost is derived on an absorption costing basis. Cost comprises the cost of purchasing raw materials and the cost of production, including attributable overheads.

11. Property, plant and equipment

FY25 US$M	Note	Land and buildings		Plant and equipment		Other mineral assets[1]	Assets under construction	Exploration and evaluation	Total
		Right-of-use assets	Owned assets	Right-of-use assets	Owned assets				
Cost									
At the beginning of the year		**37**	**2,343**	**1,094**	**11,642**	**3,331**	**1,324**	**80**	**19,851**
Additions		**9**	**–**	**114**	**–**	**–**	**959**	**48**	**1,130**
Changes in closure and rehabilitation provisions capitalised	15	**–**	**–**	**–**	**(147)**	**–**	**–**	**–**	**(147)**
Disposals		**(11)**	**(14)**	**–**	**(53)**	**(29)**	**–**	**–**	**(107)**
Reclassified as held for sale	30	**–**	**(172)**	**–**	**(1,174)**	**(269)**	**(26)**	**–**	**(1,641)**
Transfers and other movements		**–**	**182**	**13**	**198**	**15**	**(392)**	**(16)**	**–**
At the end of the year		**35**	**2,339**	**1,221**	**10,466**	**3,048**	**1,865**	**112**	**19,086**
Accumulated depreciation and impairments									
At the beginning of the year		**19**	**1,582**	**481**	**8,497**	**2,518**	**251**	**–**	**13,348**
Depreciation[2]		**6**	**70**	**86**	**354**	**15**	**–**	**–**	**531**
Net impairments	13	**–**	**75**	**4**	**340**	**8**	**19**	**–**	**446**
Disposals		**(11)**	**(4)**	**–**	**(49)**	**(26)**	**–**	**–**	**(90)**
Reclassified as held for sale	30	**–**	**(166)**	**–**	**(1,145)**	**(267)**	**–**	**–**	**(1,578)**
At the end of the year		**14**	**1,557**	**571**	**7,997**	**2,248**	**270**	**–**	**12,657**
Net book value at the end of the year		**21**	**782**	**650**	**2,469**	**800**	**1,595**	**112**	**6,429**

1. Other mineral assets include US$482 million relating to acquired mineral deposits still in the exploration and evaluation phase.
2. Includes depreciation charges relating to discontinued operations of US$23 million. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

FY24 US$M	Note	Land and buildings		Plant and equipment		Other mineral assets[1]	Assets under construction	Exploration and evaluation	Total
		Right-of-use assets	Owned assets	Right-of-use assets	Owned assets				
Cost									
At the beginning of the year		43	2,413	1,051	13,408	4,470	1,235	245	22,865
Additions		2	–	72	–	–	901	53	1,028
Changes in closure and rehabilitation provisions capitalised	15	–	–	–	40	–	–	–	40
Disposals		(2)	–	–	(50)	(54)	(21)	–	(127)
Reclassified as held for sale	31	(6)	(125)	(29)	(2,093)	(1,187)	(477)	(38)	(3,955)
Transfers and other movements		–	55	–	337	102	(314)	(180)	–
At the end of the year		37	2,343	1,094	11,642	3,331	1,324	80	19,851
Accumulated depreciation and impairments									
At the beginning of the year		18	1,516	380	9,533	3,053	170	145	14,815
Depreciation[2]		7	77	67	417	69	–	–	637
Net impairments	13	–	61	53	233	225	(4)	–	568
Disposals		(2)	–	–	(48)	(54)	–	–	(104)
Reclassified as held for sale	31	(4)	(72)	(19)	(1,638)	(775)	(47)	(13)	(2,568)
Transfers and other movements		–	–	–	–	–	132	(132)	–
At the end of the year		19	1,582	481	8,497	2,518	251	–	13,348
Net book value at the end of the year		18	761	613	3,145	813	1,073	80	6,503

1. Other mineral assets include US$482 million relating to acquired mineral deposits still in the exploration and evaluation phase.
2. Includes depreciation charges relating to discontinued operations of US$137 million. Refer to note 30 Assets and liabilities held for sale and discontinued operations and note 31 Disposal of subsidiaries and joint operations.

Capital expenditure commitments as at 30 June 2025 were US$163 million (FY24: US$154 million).

Notes to financial statements – Operating assets and liabilities continued

11. Property, plant and equipment continued

(a) Property, plant and equipment

Property, plant and equipment is held at cost less accumulated depreciation and impairment charges.

(b) Assets under construction

All assets included in assets under construction are reclassified to other categories in property, plant and equipment when the asset is available and ready for use in the location and condition necessary for it to be capable of operating in the manner intended.

When Ore Reserves are estimated and development of commercial production is approved, capitalised exploration and evaluation expenditure is reclassified to assets under construction. All subsequent development expenditure is capitalised and classified as assets under construction, provided commercial viability conditions continue to be satisfied.

(c) Exploration and evaluation expenditure

Exploration is defined as the search for potential mineralisation after the Group has obtained legal rights to explore in a specific area. This includes topographical, geological, geochemical and geophysical studies and exploratory drilling, trenching and sampling.

Evaluation is defined as the determination of the technical feasibility and commercial viability of a particular prospect. Activities conducted during the evaluation phase include the determination of the tonnage and grade and/or quality of the deposit, examination and testing of extraction methods and metallurgical or treatment process, surveys of transportation and infrastructure requirements, and market and finance studies.

Exploration and evaluation expenditure is charged to the Consolidated income statement as incurred except in the following circumstances, in which case the expenditure may be capitalised:

- The exploration and evaluation activity is within an area of interest which was previously acquired as an asset acquisition or in a business combination and was measured at fair value on acquisition;
- The right to tenure within the exploration area is current and ongoing; and
- The economics indicates a positive net present value and the region's fiscal terms are established and stable enough to sustain an expectation that future development is unlikely to be compromised by such fiscal terms.

In addition, drilling costs incurred at a producing mine for the purpose of improving confidence of the existing resource may be capitalised when the following criteria are satisfied:

- The drilling occurs within the existing physical boundaries of the area defined as the resource; and
- The drilling costs are incurred in resources which are economically recoverable.

Capitalised exploration and evaluation expenditure considered to be a tangible asset is recognised as a component of property, plant and equipment at cost less impairment charges. Otherwise, it is recognised as an intangible asset (such as certain licence and lease arrangements). Licences or leases purchased which allow exploration over an extended period of time meet the definition of an intangible exploration lease asset where they cannot be reasonably associated with a known Mineral Resource.

(d) Other mineral assets

Other mineral assets comprise:

- Capitalised exploration and evaluation expenditure for areas now in production;
- Development expenditure for areas now in production; and
- Mineral rights acquired.

In underground mines, when production and development activity occur concurrently, development activity is separated from production activity, and is capitalised as development expenditure in other mineral assets. Underground mine development activity includes the cost associated with gaining access to an ore deposit which gives rise to a substantive change in the future productive capacity of the mine.

11. Property, plant and equipment continued

(e) Leases

At inception of a contract, the Group assesses whether the contract contains a lease.

The Group recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability, plus any initial direct costs incurred and estimated future cost of closure or rehabilitation, less any lease incentives received.

The corresponding lease liability is included within interest bearing liabilities. The lease liability is initially measured based on the value of lease payments not yet paid at the commencement date, discounted to a present value using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The nature of the Group's leases predominantly relates to mining equipment and assets supporting the operations in line with the Group's principal activities.

Leased assets are pledged as security for the related lease liabilities.

Short-term, low-value and variable leases

The Group has elected not to recognise ROU assets and lease liabilities for short-term and low-value leases. The Group recognises the lease payments associated with short-term, low-value and variable leases within expenses excluding finance costs in the Consolidated income statement on a straight-line basis over the lease term. If variable leases have a fixed component, this component is recognised as a lease liability within interest bearing liabilities on the Consolidated balance sheet.

Total cash outflows for lease obligations consist of US$130 million (FY24: US$108 million) for lease liabilities recognised on the Consolidated balance sheet and US$77 million (FY24: US$80 million) for short-term, low-value and variable leases recognised in the Consolidated income statement.

(f) Depreciation and amortisation

The major categories of property, plant and equipment are depreciated on a units of production or straight-line basis using the estimated lives indicated below. However, where assets are dedicated to an operation or lease and are not readily transferable, the below useful lives are subject to the lesser of the asset category's useful life and the life of the operation or lease.

Category	Useful life
Buildings	25 to 40 years straight-line
Land	not depreciated, unless held for biodiversity offsets
Plant and equipment	3 to 30 years straight-line
ROU assets	based on the shorter of the useful life or the lease term (straight-line)
Mineral rights	based on Ore Reserves on a units of production basis
Capitalised exploration, evaluation and development expenditure	based on Ore Reserves on a units of production basis

Key estimates, assumptions and judgements

Useful economic lives of assets

The useful lives of our property, plant and equipment are often dependent, either directly or indirectly, on the reserve life of the orebody to which they relate. Changes in economic assumptions used to estimate Ore Reserves and/or the timing of closure of operations, including the Group's expectations with respect to climate-related risks and opportunities, may impact the estimated useful lives of the specific assets concerned. Refer to note 2(c) Key estimates, assumptions and judgements for further details regarding Mineral Resources and Ore Reserves, and climate-related risks and opportunities as sources of estimation uncertainty.

Also refer to note 13 Impairment of non-financial assets, for disclosure of the key estimates and assumptions applied in assessing impairment indicators, which are also relevant to determining the useful economic lives of asset assumptions.

Notes to financial statements – Operating assets and liabilities continued

12. Intangible assets

FY25 US$M	Note	Goodwill	Other intangibles	Total
Cost				
At the beginning of the year		**139**	**352**	**491**
Translation adjustments		**–**	**2**	**2**
Additions		**–**	**6**	**6**
Disposals		**–**	**(91)**	**(91)**
Reclassified as held for sale	30	**–**	**(81)**	**(81)**
At the end of the year		**139**	**188**	**327**
Accumulated amortisation and impairments				
At the beginning of the year		**–**	**270**	**270**
Amortisation[1]		**–**	**9**	**9**
Net impairments	13	**–**	**18**	**18**
Disposals		**–**	**(90)**	**(90)**
Reclassified as held for sale	30	**–**	**(76)**	**(76)**
At the end of the year		**–**	**131**	**131**
Net book value at the end of the year		**139**	**57**	**196**

1. Includes amortisation charges relating to discontinued operations of US$3 million. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

FY24 US$M	Note	Goodwill	Other intangibles	Total
Cost				
At the beginning of the year		139	328	467
Translation adjustments		–	1	1
Additions		–	4	4
Acquisition of a subsidiary[1]		–	20	20
Reclassified as held for sale	31	–	(1)	(1)
At the end of the year		139	352	491
Accumulated amortisation and impairments				
At the beginning of the year		–	225	225
Amortisation[2]		–	10	10
Net impairments	13	–	36	36
Reclassified as held for sale	31	–	(1)	(1)
At the end of the year		–	270	270
Net book value at the end of the year		139	82	221

1. In April 2024, the Group acquired a 50.1 per cent ownership interest in MSA, which holds the Chita Valley copper porphyry exploration prospect. The acquisition was completed in exchange for cash consideration of US$10 million. As a result of the acquisition, the Group recognised an intangible exploration asset of US$20 million and a non-controlling interest of US$10 million within total equity.
2. Includes amortisation charges relating to discontinued operations of US$5 million. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

Amounts paid for the acquisition of identifiable intangible assets, such as software, licences and contract based intangible assets are capitalised at the fair value of consideration paid and are recognised at cost less accumulated amortisation and impairment charges. Identifiable intangible assets with a finite life are amortised on a straight-line basis over their expected useful life from when the asset is ready for use, except for intangible exploration assets, which are not amortised until the area is in production. The useful lives are as follows:

Category	Useful life
Software and licences	5 years
Contract based intangible assets	up to 35 years

The Group has no identifiable intangible assets in use for which the expected useful life is indefinite.

13. Impairment of non-financial assets

In testing for indications of impairment and performing impairment calculations, assets are considered as collective groups and referred to as CGUs. Impairment tests are carried out annually for CGUs containing goodwill and when there is an indication of impairment or impairment reversal for all other CGUs. The Group typically uses discounted cash flow valuation ranges to assess whether there is an indicator of impairment or impairment reversal for its CGUs.

If the carrying value of a CGU exceeds its recoverable amount, the CGU is impaired. Impairment reversals cannot exceed the carrying value that would have been determined (net of depreciation) had no impairment loss been recognised for the CGU. Goodwill is not subject to impairment reversal.

For areas not yet in production, any mineral rights acquired, together with subsequent capitalised exploration and evaluation expenditure, are reviewed to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Once the technical feasibility and commercial viability of an area of interest are demonstrated, exploration and evaluation assets attributable to that area of interest are tested for impairment.

Impairments and impairment reversals are recognised within expenses excluding finance costs for continuing operations, or within profit/(loss) after tax from discontinued operations for discontinued operations, in the Consolidated income statement. Impairments and impairment reversals for the year are as follows:

US$M	Note	FY25	FY24
Impairment			
Property, plant and equipment - owned assets	11	**442**	729
Property, plant and equipment - ROU assets	11	**4**	53
Intangible assets	12	**18**	36
Impairment reversal			
Property, plant and equipment - owned assets	11	**–**	(214)
Total net impairment[1,2]		**464**	604

1. FY25 relates to a US$346 million impairment loss from continuing operations relating to Mozal Aluminium and a US$118 million impairment loss from the Cerro Matoso discontinued operation.
2. FY24 relates to a US$554 million impairment loss from continuing operations relating to Worsley Alumina and a US$50 million net impairment loss from discontinued operations. The net impairment loss from discontinued operations includes a US$264 million impairment of Cerro Matoso, a US$197 million impairment reversal of Illawarra Metallurgical Coal, and a US$17 million impairment reversal in respect of Eagle Downs Metallurgical Coal.

(a) Impairments - 30 June 2025

Mozal Aluminium

The Group jointly controls Mozal Aluminium together with the Industrial Development Corporation of South Africa Limited and the Government of the Republic of Mozambique. Mozal Aluminium is an aluminium smelter in Mozambique, which is also an operating segment. Electricity supplied to Mozal Aluminium is generated by HCB, a hydro-electric power generator. Eskom also provides back-up energy to Mozal Aluminium for periods when HCB is unable to meet Mozal Aluminium's electricity requirements. The Group continues to work with the Government of the Republic of Mozambique, HCB and Eskom to secure electricity supply to Mozal Aluminium beyond March 2026 when the current electricity supply agreement expires.

The Group identified indicators of impairment for the Mozal Aluminium CGU, including a recent notification from HCB that ongoing drought conditions may affect its ability to generate and supply sufficient electricity to Mozal Aluminium, and the Group's continued inability to secure an electricity supply agreement on commercial terms beyond March 2026. As a result, the Group recognised an impairment of US$372 million in respect of its share in the joint operation, representing the maximum impairment amount after considering the recoverable amount of individual assets within the Mozal Aluminium CGU, reducing the CGU's carrying value to US$68 million. In the event of a care-and-maintenance or closure scenario, costs such as employee redundancies would be incurred but, in accordance with accounting standards, have not been recognised at 30 June 2025.

The impairment of US$372 million includes US$339 million of property, plant and equipment, US$7 million of intangible assets and US$26 million of raw materials and consumables, reflected as a write-down of inventory, refer to note 10 Inventories. The US$339 million impairment of property, plant and equipment includes US$4 million recognised in right-of-use lease assets, US$59 million recognised in land and buildings, US$257 million recognised in plant and equipment and US$19 million recognised in assets under construction.

The recoverable amount of Mozal Aluminium was determined to be US$35 million, based on its estimated fair value less costs of disposal (FVLCD). This valuation was derived from a probability-weighted assessment of various operational and market scenarios, reflecting different assumptions for the expected operating life of the smelter, the timing of closure and rehabilitation activities, and the cost and availability of electricity supply beyond the current agreement. The weighting assigned to each scenario reflects management's current expectations, informed by the progress of commercial negotiations and prevailing market conditions. If an electricity supply agreement cannot be secured beyond March 2026, the recoverable amount is expected to approximate nil.

The fair value measurement was categorised as a Level 3 fair value based on the inputs in the discounted cash flow valuation model (refer to note 19 Financial assets and financial liabilities) and was determined using a real US$ post tax discount rate of nine per cent. The key financial assumptions used in the determination of the FVLCD were:

- Alumina price;
- Aluminium price; and
- Foreign exchange rates.

Notes to financial statements – Operating assets and liabilities continued

13. Impairment of non-financial assets continued

(a) Impairments - 30 June 2025 continued

Mozal Aluminium continued

The alumina and aluminium price, in real terms, and exchange rate forecasts used in the FVLCD determinations were within the following ranges as published by market commentators:

FY25	Assumptions used
Aluminium price (US$/t)	**2,450 to 2,750**
Alumina price (US$/t)	**340 to 410**
Foreign exchange rates (ZAR to US$)	**17.5 to 18.5**

The following table illustrates the sensitivity of the recoverable amount of Mozal Aluminium to a reasonable possible change in the aforementioned assumptions. Owing to the complexity of the relationships between each key assumption, the analysis was performed for each assumption individually with all other assumptions held constant.

		Impact on recoverable amount (US$M)	
FY25	Change in key assumption	Favourable	Unfavourable
Aluminium price (US$/t)	10%	**86**	**(100)**
Alumina price (US$/t)	10%	**12**	**(14)**
Foreign exchange rates (ZAR to US$)	10%	**18**	**(23)**

Cerro Matoso

In July 2025, the Group announced its decision to enter into a binding agreement to sell Cerro Matoso. The related Cerro Matoso disposal group has been reclassified as held for sale at 30 June 2025.

The recoverable amount of the Cerro Matoso disposal group, which includes the Cerro Matoso CGU, and is also an operating segment, was assessed and as a result a US$118 million impairment was recognised. The impairment of US$118 million includes US$107 million of property, plant and equipment and US$11 million of intangible assets. The impairment of property, plant and equipment includes US$16 million recognised in land and buildings, US$83 million recognised in plant and equipment and US$8 million recognised in other mineral assets.

The recoverable amount of the disposal group of US$51 million was determined using the FVLCD methodology, informed by the consideration expected to be received, less costs of disposal, inclusive of the fair value of contingent price-linked consideration determined to be US$6 million. Refer to note 30 Assets and liabilities held for sale and discontinued operations for further details.

As at 30 June 2025, the recoverable amount approximates the carrying value of the disposal group held for sale.

(b) Impairments and impairment reversals - 30 June 2024

Worsley Alumina

In 2019, Worsley Alumina commenced the environmental approval process with the Western Australian Environmental Protection Authority (WA EPA) for the Worsley Mine Development Project to enable access to bauxite to sustain production. On 8 July 2024, the WA EPA published its recommendation that the proposal may be implemented, subject to conditions.

Having regard to the increased uncertainty created by the WA EPA's recommended conditions and the associated operating impacts for Worsley Alumina, the Group identified an impairment indicator for the Worsley Alumina CGU and recognised a resulting impairment of US$554 million. The recoverable amount of Worsley Alumina was determined as US$2,027 million based on its FVLCD.

Worsley Alumina, which is also an operating segment, consists of an integrated bauxite mine and alumina refinery in Western Australia. The impairment of US$554 million of property, plant and equipment includes US$30 million recognised in land and buildings, US$229 million recognised in plant and equipment and US$295 million recognised in other mineral assets.

The fair value measurement was categorised as a Level 3 fair value based on the inputs in the discounted cash flow valuation model (refer to note 19 Financial assets and financial liabilities), and was determined using a real US$ post tax discount rate of seven per cent. The recoverable amount was informed by a production profile and costs based on management's planning processes. The key assumptions used in the determination of the FVLCD were:

- Alumina price;
- Foreign exchange rates;
- Costs of production;
- Discount rate;
- Regulatory approvals; and
- Mineral Resource estimation.

13. Impairment of non-financial assets continued

(b) Impairments and impairment reversals - 30 June 2024 continued

Worsley Alumina continued

Alumina price and foreign exchange rates – The alumina price, in real terms, and exchange rates used in the FVLCD determinations were within the following ranges:

FY24	Assumptions used
Alumina price (US$/t)	395 to 480
Foreign exchange rates (AU$ to US$)	0.67 to 0.75

Costs of production – Estimated costs of production are based on management's planning processes, which include assumptions on forecast operating, energy and raw materials expenditures.

Regulatory approvals – The LoOP which informed the production profile includes the assumption that Worsley Alumina will be able to obtain the necessary future regulatory approvals required to continue operating to plan.

Mineral Resource estimation – The Mineral Resource estimate of Worsley Alumina is reported in accordance with the JORC Code, and the ASX Listing Rules (Chapter 5): Additional reporting on mining and oil and gas production and exploration activities. Refer to the Mineral Resources and Ore Reserves section of note 2(c) for further information on these estimates.

Cerro Matoso

During FY24, the Group commenced a strategic review of Cerro Matoso to evaluate options to enhance the operation's competitive position. During this review, the Group identified an impairment indicator for the Cerro Matoso CGU and recognised a resulting impairment of US$264 million. The recoverable amount of the Cerro Matoso CGU was determined as US$54 million based on its FVLCD.

The impairment of US$264 million includes US$228 million of property, plant and equipment and US$36 million of intangible assets. The impairment of property, plant and equipment includes US$45 million recognised in land and buildings, US$154 million recognised in plant and equipment and US$29 million recognised in other mineral assets.

The fair value measurement was categorised as a Level 3 fair value based on the inputs in the discounted cash flow valuation model (refer to note 19 Financial assets and financial liabilities), and was determined using a real US$ post tax discount rate of seven per cent with a country risk premium of two per cent. The recoverable amount was informed by a production profile and costs based on management's planning processes. The key assumptions used in the determination of the FVLCD were:

- Ferronickel price;
- Foreign exchange rates; and
- Mineral Resource estimation.

Ferronickel price and foreign exchange rates – The ferronickel price, in real terms, and exchange rates used in the FVLCD determinations were within the following ranges:

FY24	Assumptions used
Ferronickel price (US$/lb)	6.30 to 7.00
Foreign exchange rates (US$ to COP)	4,180 to 4,295

Mineral Resource estimation – The Mineral Resource estimate of Cerro Matoso is reported in accordance with the JORC Code, and the ASX Listing Rules (Chapter 5): Additional reporting on mining and oil and gas production and exploration activities. Refer to the Mineral Resources and Ore Reserves section of note 2(c) for further information on these estimates.

Illawarra Metallurgical Coal

In February 2024, the Group announced its decision to enter into a binding agreement to sell Illawarra Metallurgical Coal and reclassified the related disposal group as held for sale.

The recoverable amount of the Illawarra Metallurgical Coal disposal group was assessed and as a result a US$197 million impairment reversal of property, plant and equipment was recognised. The impairment reversal includes US$14 million of land and buildings, US$97 million of plant and equipment and US$86 million of other mineral assets.

The recoverable amount of US$1,236 million was determined using the FVLCD methodology, informed by the consideration expected to be received, less costs of disposal, inclusive of the fair value of contingent price-linked consideration determined to be US$115 million. Refer to note 31 Disposal of subsidiaries and joint operations for further details.

The fair value of the contingent price-linked consideration was categorised as a Level 3 fair value based on the inputs used in the valuation (refer to note 19 Financial assets and financial liabilities), including metallurgical coal prices within a range of US$190/t to US$225/t and a real US$ post tax discount rate of seven per cent.

Notes to financial statements – Operating assets and liabilities continued

13. Impairment of non-financial assets continued

(b) Impairments and impairment reversals - 30 June 2024 continued

Eagle Downs Metallurgical Coal

In February 2024, the Group announced its decision to enter into a binding agreement to sell its 50 per cent interest in Eagle Downs Metallurgical Coal and reclassified the related disposal group as held for sale.

The recoverable amount of the Group's interest in Eagle Downs Metallurgical Coal was assessed and as a result a US$17 million impairment reversal of property, plant and equipment was recognised. The impairment reversal includes US$13 million of other mineral assets and US$4 million of assets under construction.

The recoverable amount of US$16 million was determined using the FVLCD methodology, informed by the consideration expected to be received, less costs of disposal, inclusive of the fair value of contingent price-linked consideration. The contingent price-linked consideration was valued at nil based on the Group's assessment of development risk which is a prerequisite for the contingent payment and price-linked royalty to be applied. Refer to note 31 Disposal of subsidiaries and joint operations for further details.

(c) Impairment test for CGUs containing goodwill

The carrying amount of goodwill has been allocated to the following CGU:

US$M	Note	FY25	FY24
Hillside Aluminium		**139**	139
Total goodwill	12	**139**	139

The goodwill arose from the acquisition of Alusaf in Hillside Aluminium (Pty) Ltd and has been allocated to the Hillside Aluminium CGU which comprises the Hillside aluminium smelter. The recoverable amount of the Hillside Aluminium CGU was determined based on a FVLCD calculation, using a real US$ post tax discount rate of seven per cent, and a country risk premium of two per cent applied to discount future cash flows expressed in real terms, and was categorised as a Level 3 fair value based on the inputs in the valuation technique (refer to note 19 Financial assets and financial liabilities). The key assumptions used in the determination of FVLCD were:

- Aluminium and alumina prices;
- Foreign exchange rates;
- Production volumes;
- Carbon pricing and timing; and
- Discount rate.

Aluminium and alumina prices, and foreign exchange rates – The aluminium and alumina price, in real terms, and exchange rate forecasts used in the FVLCD determinations were within the following ranges as published by market commentators, along with the sensitivity of the recoverable amount of Hillside Aluminium to a reasonable possible change in these assumptions, based on unfavourably changing these assumptions by 10 per cent whilst holding all other variables constant, are shown in the table below:

FY25	Assumptions used	Impact on recoverable amount (US$M)
Alumina price (US$/t)	**340 to 410**	**(162)**
Aluminium price (US$/t)	**2,450 to 2,750**	**(595)**
Foreign exchange rates (US$ to ZAR)	**17.5 to 18.5**	**(288)**

Production volumes – Estimated production volumes are based on the life of the smelter as determined by management as part of its long-term planning process. Production volumes are influenced by production input costs such as electricity prices, jurisdiction-based carbon pricing, and the selling price of aluminium.

Carbon pricing and timing – In determining the FVLCD, the current jurisdiction enacted carbon price, in real terms, of ZAR277 to ZAR471 per tonne CO_2-e was applied for the life of the smelter for Scope 1 and 2 emissions, net of operation specific allowances.

At 30 June 2025, the carrying value of the Hillside Aluminium CGU approximates its recoverable amount. As such any material long-term unfavourable change in the aforementioned key assumptions could lead to the carrying value exceeding the recoverable amount. The relationships between each key assumption are complex, such that a change in one may cause a change in several other inputs.

13. Impairment of non-financial assets continued

Key estimates, assumptions and judgements

An assessment as to whether there is any indication of impairment and the calculation of a CGU's recoverable amount requires management to make estimates and assumptions about expected production and sales volumes, commodity prices, foreign exchange rates, Mineral Resources and Ore Reserves, regulatory approvals, operating costs, closure and rehabilitation costs, capital expenditure, allocation of corporate costs, jurisdiction-specific carbon prices and global carbon pricing. These estimates and assumptions are subject to risk and uncertainty. There is a possibility that changes in circumstances will alter these projections, which may impact the recoverable amount. In such circumstances, some or all of the carrying amount may be impaired or a previously recognised impairment charge may be reversed with the impact recognised in the Consolidated income statement.

The key estimates and assumptions used in the assessment of impairment indicators are as follows:

Future production	LoOPs based on Mineral Resource and Ore Reserve estimates, economic life of smelters and refineries and, in certain cases, Exploration Targets and expansion projects, including future cost of production. Refer to note 2(c) Key estimates, assumptions and judgements for further details regarding Mineral Resources and Ore Reserves as sources of estimation uncertainty.
Commodity prices and market traded consumables	Short-term price assumptions are based on an assessment of market signposts including observed prices such as forwards, futures and reported transactions. Long-term price estimates are typically developed based on the demand and supply drivers of a commodity, refer to note 2(c) Key estimates, assumptions and judgements for further details regarding our base case commodity price outlook.
Exchange rates	Short-term exchange rate estimates are guided primarily by spot or forward exchange rates. Longer term estimates are based on an assessment of available market data and economic indicators.
Discount rates	Risk-adjusted cost of capital appropriate to the operation.
Regulatory approvals	LoOPs include assumptions associated with the successful application, and timing thereof, of ongoing and future regulatory approvals.
Carbon prices	Carbon price assumptions are based on actual enacted schemes less allowable abatements, where applicable, and a long-term base case estimate of US$68 per tonne CO_2-e (real) applied to all Scope 1 and 2 emissions from FY40 onwards.

Where impairment testing is undertaken, a range of external sources are considered as further input to the above assumptions.

Exploration and evaluation

For areas not yet in production, judgement is required to determine the likelihood of future economic benefits from future development, and whether sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset (including associated acquired mineral rights) is unlikely to be recovered in full. At or before the final investment decision for a given area of interest, and once technical feasibility and commercial viability has been demonstrated, the Group assesses the carrying value of that area of interest for impairment or, for an area of interest previously impaired, impairment reversal.

Worsley Alumina

The LoOP for Worsley Alumina incorporates the assumption that the operation will secure all necessary future regulatory approvals to continue activities beyond currently approved mining areas. The Group expects that approvals will be obtained within appropriate timeframes to support the forecast production profile. Continuing operations beyond the currently approved mining areas is expected to require significant capital investment and emissions reduction expenditure. Any material change to these assumptions, whether in timing, regulatory conditions, or expenditure estimates, could impact the recoverable amount and economic useful life of Worsley Alumina.

Hermosa - Taylor Deposit

In February 2024, the Directors approved a final investment decision to develop the Taylor Deposit when the project's technical feasibility and commercial viability was demonstrated, and the project entered the development and construction phase. In addition to the key estimates and assumptions pervasive across most of the Group's operations outlined above, the Taylor Deposit project carries risk typically associated with greenfield projects in the construction phase, including delivery to project schedule and pre-production capital expenditure escalation. Key capital costs, such as steel, cement and electrical components, are subject to uncertainty, including the impact of industry-wide inflation. In addition, the cost and availability of these inputs may be further affected by evolving U.S. trade policy and potential changes to tariffs on imported goods, which remain uncertain in the current economic and political environment. Changes to these assumptions could impact the recoverable amount of the Taylor Deposit.

Notes to financial statements – Operating assets and liabilities continued

14. Trade and other payables

US$M	FY25	FY24
Current		
Trade creditors	**752**	665
Other creditors	**50**	140
Total current trade and other payables	**802**	805
Non-current		
Other creditors	**–**	1
Total non-current trade and other payables	**–**	1

Trade and other payables generally represent liabilities for goods and services provided to the Group prior to the end of the year which were unpaid at the end of the year. These amounts are unsecured.

Trade and other payables, other than financial liabilities held at FVTPL, are stated at their amortised cost and are non-interest bearing. The carrying value of these trade and other payables is considered to approximate its fair value due to the short-term nature of the payables.

15. Provisions

US$M	FY25	FY24
Current		
Employee benefits	**163**	159
Closure and rehabilitation	**16**	9
Other	**6**	11
Total current provisions	**185**	179
Non-current		
Employee benefits	**7**	7
Closure and rehabilitation	**1,653**	1,858
Post-retirement employee benefits	**15**	30
Other	**9**	9
Total non-current provisions	**1,684**	1,904

FY25 US$M	Note	Employee benefits	Closure and rehabilitation	Post-retirement employee benefits	Other	Total
At the beginning of the year		**166**	**1,867**	**30**	**20**	**2,083**
Charge/(credit) to the Consolidated income statement:						
Underlying		**141**	**1**	**1**	**11**	**154**
Discounting[1]		**–**	**106**	**–**	**–**	**106**
Net interest expense[2]		**–**	**–**	**3**	**–**	**3**
Exchange rate variations		**1**	**7**	**–**	**–**	**8**
Released during the year		**(9)**	**(3)**	**(3)**	**–**	**(15)**
Amounts capitalised for change in costs and estimates		**–**	**15**	**–**	**–**	**15**
Amounts capitalised for change in discount rate		**–**	**(152)**	**–**	**–**	**(152)**
Foreign exchange amounts capitalised		**–**	**(10)**	**–**	**–**	**(10)**
Utilisation		**(122)**	**(4)**	**(5)**	**(6)**	**(137)**
Reclassified as held for sale	30	**(7)**	**(158)**	**(11)**	**(10)**	**(186)**
At the end of the year		**170**	**1,669**	**15**	**15**	**1,869**

1. Includes discounting charges relating to discontinued operations of US$14 million. Refer to note 30 Assets and liabilities held for sale and discontinued operations.
2. Includes interest expense relating to discontinued operations of US$1 million. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

15. **Provisions** continued

FY24 US$M	Note	Employee benefits	Closure and rehabilitation	Post-retirement employee benefits	Other	Total
At the beginning of the year		183	1,938	33	26	2,180
Charge/(credit) to the Consolidated income statement:						
Underlying		156	12	3	3	174
Discounting[1]		–	132	–	–	132
Change in discount rate		–	(3)	–	–	(3)
Net interest expense		–	–	2	–	2
Released during the year		(15)	(2)	–	–	(17)
Amounts capitalised for change in costs and estimates		–	68	–	–	68
Amounts capitalised for change in discount rate		–	(17)	–	–	(17)
Foreign exchange amounts capitalised		–	(11)	–	–	(11)
Amounts taken to retained earnings		–	–	(4)	–	(4)
Utilisation		(132)	(15)	(4)	(7)	(158)
Reclassified as held for sale	31	(26)	(235)	–	(2)	(263)
At the end of the year		166	1,867	30	20	2,083

1. Includes discounting charges relating to discontinued operations of US$15 million. Refer to note 30 Assets and liabilities held for sale and discontinued operations and note 31 Disposal of subsidiaries and joint operations.

(a) Employee benefits

Liabilities for unpaid wages and salaries are recognised in other creditors. Current entitlements to annual leave and accumulating sick leave accrued for services up to the reporting date are recognised in the provision for employee benefits and are measured at the amounts expected to be paid. Entitlements to non-accumulated sick leave are recognised when the leave is taken.

The current liability for long service leave (for which settlement within 12 months of the reporting date cannot be deferred) is recognised in the current provision for employee benefits and is measured in accordance with annual leave described above.

(b) Closure and rehabilitation

The mining, extraction and processing activities of the Group normally give rise to obligations for site closure or rehabilitation. Closure and rehabilitation works can include facility decommissioning and dismantling, removal or treatment of waste materials, and site and land rehabilitation.

Provisions for the cost of each closure and rehabilitation program are recognised at the time that environmental disturbance occurs. When the extent of disturbance increases over the life of an operation, the provision is increased accordingly. Costs included in the provision encompass all closure and rehabilitation activity expected to occur progressively over the life of the operation and at, or after, the time of closure, for disturbance existing at the reporting date. Routine operating costs that may impact the ultimate closure and rehabilitation activities, such as waste material handling conducted as an integral part of a mining or production process, are not included in the provision. Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognised as an expense and liability when the event gives rise to an obligation which is probable and capable of reliable estimation.

The timing of the actual closure and rehabilitation expenditure is dependent upon a number of factors such as:

- The life and nature of the operation;
- The operating licence conditions; and
- The environment in which the operation operates.

Expenditure may occur before and after closure, and can continue for an extended period of time depending on closure and rehabilitation requirements.

Closure and rehabilitation provisions are measured based on the expected value of future cash flows, discounted to their present value and determined according to the probability of alternative estimates of cash flows occurring for each operation.

Discount rates used are risk-free interest rates specific to the country in which the operations are located and the expected timing of the closure and rehabilitation expenditure. Material changes in country specific risk-free interest rates may affect the discount rates applied. The Group reviews its discount rates used periodically, with any corresponding change in the provision as a result of revising discount rates capitalised as an asset in the case of open sites or charged/(credited) to the Consolidated income statement in the case of closed sites.

When provisions for closure and rehabilitation are initially recognised, the corresponding cost is capitalised as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalised cost of closure and rehabilitation activities is recognised in property, plant and equipment and depreciated accordingly. The value of the provision is progressively increased over time due to the effect of discounting unwind and inflation, creating an expense recognised in finance costs.

Closure and rehabilitation provisions are also adjusted for changes in cost estimates. Those adjustments are accounted for as a change in the corresponding capitalised cost, except where a reduction in the provision is greater than the depreciated capitalised cost of the related assets, in which case the carrying value is reduced to nil and the remaining adjustment is recognised in the Consolidated income statement. In the case of closed sites, changes to cost estimates are recognised immediately in the Consolidated income statement. Changes to the capitalised cost result in an adjustment to future depreciation. Adjustments to the estimated amount and timing of future closure and rehabilitation cash flows are a normal occurrence in light of the significant judgements and estimates involved.

Notes to financial statements – Operating assets and liabilities continued

15. Provisions continued

(c) Post-retirement employee benefits

This relates to the provision for post-employment defined benefit pension and medical schemes. Refer to note 28(d) Pension and other post-retirement obligations.

Key estimates, assumptions and judgements

The recognition of closure and rehabilitation provisions requires judgement and is based on significant estimates and assumptions, such as:

- The requirements and interpretations of the relevant local legal and regulatory framework;
- The magnitude of possible contamination;
- The timing, extent and cost of required closure and rehabilitation activity; and
- Potential changes in physical and climate conditions.

These uncertainties may result in future actual expenditure differing from the amounts currently provided.

The local legal and regulatory frameworks used to estimate the Group's obligations are complex, and vary across the different jurisdictions in which the Group operates. The timing and extent of closure and rehabilitation activities are determined by applying judgement and leveraging industry experience. The Group has made assumptions made about certain assets, areas of disturbance and key infrastructure, such as ports and roads, that are not expected to require rehabilitation at the end of the related operation's life. Changes to these assumptions and judgements could have a material impact on the provision amounts recognised.

In addition to the uncertainties noted above, certain closure and rehabilitation activities may be subject to regulatory approval and legal disputes. Depending on the resolution of these matters, the final liability may vary.

The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Also refer to note 13 Impairment of non-financial assets, for disclosure of the key estimates and assumptions applied in assessing impairment indicators, which are also relevant to determining the expected timing of closure activities.

The Group's expectations and approach in relation to climate change-related risks and opportunities are reflected in the estimates and assumptions noted above. Refer to section 2(c) Key estimates, assumptions and judgements.

If risk-free interest rates were decreased by 0.5 per cent (in real terms), the provision would increase by approximately US$212 million.

Notes to financial statements – Capital structure and financing

This section outlines how the Group manages its capital and related financing activities.

16. Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand as well as short-term deposits.

US$M	FY25	FY24
Cash	**681**	663
Short-term deposits	**996**	179
Cash and cash equivalents[1]	**1,677**	842

1. Cash and cash equivalents include US$1 million (FY24: US$2 million) which is restricted by legal or contractual arrangements.

17. Interest bearing liabilities

US$M	Note	FY25	FY24
Current			
Lease liabilities		**92**	58
Unsecured loans from equity accounted investments	28	**160**	138
Unsecured other		**15**	27
Total current interest bearing liabilities		**267**	223
Non-current			
Lease liabilities		**621**	614
Senior unsecured notes		**693**	692
Unsecured other		**53**	37
Total non-current interest bearing liabilities		**1,367**	1,343

In April 2022, the Group completed the issuance of US$700 million of senior unsecured notes pursuant to Rule 144A and Regulation S of the United States Securities Act of 1933. The notes pay interest in April and October each year at a rate of 4.35 per cent per annum and mature in 2032.

A reconciliation of movements in interest bearing liabilities to cash flows arising from financing activities is set out below:

FY25 US$M	Lease liabilities	Other interest bearing liabilities	Total interest bearing liabilities
At the beginning of the year	**672**	**894**	**1,566**
Cash movements:			
Proceeds from interest bearing liabilities	**–**	**53**	**53**
Repayment of interest bearing liabilities[1]	**(75)**	**(26)**	**(101)**
Interest paid	**(54)**	**(56)**	**(110)**
Non-cash movements:			
Interest charged[2]	**54**	**56**	**110**
Net increase/(decrease) of interest bearing liabilities	**123**	**–**	**123**
Exchange rate variations	**(7)**	**–**	**(7)**
At the end of the year	**713**	**921**	**1,634**

1. Excludes US$1 million of repayments of liabilities classified as held for sale. Refer to note 31 Disposal of subsidiaries and joint operations.
2. Includes US$2 million of interest capitalised to property, plant and equipment.

FY24 US$M	Note	Lease liabilities	Other interest bearing liabilities	Total interest bearing liabilities
At the beginning of the year		674	1,067	1,741
Cash movements:				
Proceeds from interest bearing liabilities		–	200	200
Repayment of interest bearing liabilities[1]		(54)	(355)	(409)
Interest paid		(53)	(59)	(112)
Non-cash movements:				
Interest charged		53	59	112
Net increase/(decrease) of interest bearing liabilities		72	–	72
Reclassified as held for sale	31	(20)	–	(20)
Exchange rate variations		–	(18)	(18)
At the end of the year		672	894	1,566

1. Excludes US$1 million of repayments of liabilities classified as held for sale. Refer to note 31 Disposal of subsidiaries and joint operations.

Notes to financial statements – Capital structure and financing continued

18. Net finance income/(costs)

US$M	FY25	FY24 Restated[1]
Finance income		
Interest on loans to equity accounted investments	**177**	178
Other interest income	**82**	41
Total finance income	**259**	219
Finance costs		
Interest on borrowings	**(61)**	(65)
Interest on lease liabilities	**(52)**	(52)
Discounting on provisions and other liabilities	**(94)**	(119)
Change in discount rate on closure and rehabilitation provisions	**–**	3
Exchange rate variations on net cash/(debt)	**13**	6
Total finance costs	**(194)**	(227)
Net finance income/(costs)	**65**	(8)

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.

19. Financial assets and financial liabilities

The following table presents the financial assets and liabilities by class at their carrying amounts:

FY25 US$M	Note	Held at FVTPL	Designated as FVOCI	Amortised cost	Total
Financial assets					
Cash and cash equivalents	16	**–**	**–**	**1,677**	**1,677**
Trade and other receivables[1]	9	**133**	**–**	**578**	**711**
Other financial assets:					
Derivative contracts		**7**	**–**	**–**	**7**
Total current financial assets		**140**	**–**	**2,255**	**2,395**
Trade and other receivables[1]	9	**–**	**–**	**1,927**	**1,927**
Other financial assets:					
Investments in equity instruments designated as FVOCI		**–**	**130**	**–**	**130**
Contingent consideration receivable		**54**	**–**	**–**	**54**
Total non-current financial assets		**54**	**130**	**1,927**	**2,111**
Total financial assets		**194**	**130**	**4,182**	**4,506**
Financial liabilities					
Trade and other payables[2]	14	**2**	**–**	**796**	**798**
Interest bearing liabilities	17	**–**	**–**	**267**	**267**
Total current financial liabilities		**2**	**–**	**1,063**	**1,065**
Interest bearing liabilities	17	**–**	**–**	**1,367**	**1,367**
Other financial liabilities:					
Contingent consideration payable		**78**	**–**	**–**	**78**
Total non-current financial liabilities		**78**	**–**	**1,367**	**1,445**
Total financial liabilities		**80**	**–**	**2,430**	**2,510**

1. Excludes current input taxes of US$98 million and non-current input and other taxes of US$73 million included in other receivables. Refer to note 9 Trade and other receivables.
2. Excludes current input taxes of US$4 million included in other creditors. Refer to note 14 Trade and other payables.

19. Financial assets and financial liabilities continued

FY24 US$M	Note	Held at FVTPL	Designated as FVOCI	Amortised cost	Total
Financial assets					
Cash and cash equivalents	16	–	–	842	842
Trade and other receivables[1]	9	120	–	403	523
Other financial assets:					
Derivative contracts		1	–	–	1
Total current financial assets		121	–	1,245	1,366
Trade and other receivables[1]	9	–	–	1,951	1,951
Other financial assets:					
Investments in equity instruments designated as FVOCI		–	89	–	89
Total non-current financial assets		–	89	1,951	2,040
Total financial assets		121	89	3,196	3,406
Financial liabilities					
Trade and other payables[2]	14	3	–	782	785
Interest bearing liabilities	17	–	–	223	223
Total current financial liabilities		3	–	1,005	1,008
Interest bearing liabilities	17	–	–	1,343	1,343
Other financial liabilities:					
Contingent consideration payable		17	–	–	17
Total non-current financial liabilities[2]		17	–	1,343	1,360
Total financial liabilities		20	–	2,348	2,368

1. Excludes current input taxes of US$111 million and non-current input and other taxes of US$132 million included in other receivables. Refer to note 9 Trade and other receivables.
2. Excludes current input taxes of US$20 million and non-current input and other taxes of US$1 million included in other creditors. Refer to note 14 Trade and other payables.

For certain investments in equity instruments, the Group has made an irrevocable election to present fair value changes in other comprehensive income and are therefore designated as FVOCI. Dividends received from these investments are recognised as other income in the Consolidated income statement unless the dividend clearly represents a recovery of part of the cost of the investment.

Financial assets and liabilities are otherwise held at FVTPL or amortised cost based on the business model for managing the financial asset or liabilities and the contractual terms of the cash flows.

(a) Fair value measurement

The carrying values of the Group's financial assets and liabilities measured at amortised cost are equal to or approximate their respective fair values, except for senior unsecured notes which have a carrying value of US$693 million (FY24: US$692 million) and a fair value of US$655 million (FY24: US$636 million), and lease liabilities with a carrying value of US$713 million (FY24: US$672 million), for which a fair value has not been determined. The fair value of the Group's senior unsecured notes is estimated based on quoted market prices at the reporting date and are classified as Level 1 on the fair value hierarchy as shown below.

For financial assets and liabilities measured at fair value, the Group uses quoted marked prices in active markets for identical assets where available. Where no price information is available from a quoted market source, alternative market mechanisms or recent comparable transactions, the fair value is estimated based on the Group's views on relevant future prices, net of valuation allowances, to accommodate for liquidity, modelling, credit and other risks implicit in such estimates.

The following table shows the Group's financial assets and liabilities carried at fair value with reference to the nature of valuation inputs used:

Level 1	Valuation is based on unadjusted quoted prices in active markets for identical financial assets and liabilities.
Level 2	Valuation is based on inputs (other than quoted prices included in Level 1) that are observable for the financial asset or liability, either directly (i.e. as unquoted prices) or indirectly (i.e. derived from prices).
Level 3	Valuation includes inputs that are not based on observable market data.

Notes to financial statements – Capital structure and financing continued

19. Financial assets and financial liabilities continued

(a) Fair value measurement continued

FY25 US$M	Level 1	Level 2	Level 3	Total
Financial assets and liabilities				
Trade and other receivables	**–**	**133**	**–**	**133**
Trade and other payables	**–**	**(2)**	**–**	**(2)**
Derivative contract assets	**7**	**–**	**–**	**7**
Investments in equity instruments designated as FVOCI	**119**	**–**	**11**	**130**
Contingent consideration receivable	**–**	**–**	**54**	**54**
Contingent consideration payable	**–**	**–**	**(78)**	**(78)**
Total	**126**	**131**	**(13)**	**244**

FY24 US$M	Level 1	Level 2	Level 3	Total
Financial assets and liabilities				
Trade and other receivables	–	120	–	120
Trade and other payables	–	(3)	–	(3)
Derivative contract assets	1	–	–	1
Investments in equity instruments designated as FVOCI	80	–	9	89
Contingent consideration payable	–	–	(17)	(17)
Total	81	117	(8)	190

The following table shows the movements in the Group's Level 3 financial assets and liabilities:

US$M	FY25	FY24
At the beginning of the year	**(8)**	(20)
Addition of financial assets	**115**	1
Net unrealised gains/(losses) recognised in the Consolidated income statement[1]	**(122)**	10
Unrealised gains recognised in the Consolidated statement of comprehensive income[2]	**2**	1
At the end of the year	**(13)**	(8)

1. Recognised in expenses excluding finance costs in the Consolidated income statement.
2. Recognised in the financial assets reserve in the Consolidated statement of comprehensive income.

The fair value of the Level 3 financial assets and liabilities is determined using inputs other than observable market data and is calculated using appropriate valuation models, including discounted cash flow modelling, with inputs such as commodity prices, production forecasts and inflation. The potential effect of using reasonably possible alternative assumptions in these models, for those which have materially sensitive level 3 valuation inputs, based on directionally changing all these inputs either favourably or unfavourably by 10 per cent while holding all other variables constant, is disclosed below:

FY25 US$M	Carrying amount	Significant inputs	Impact on carrying amount	
			Favourable	Unfavourable
Financial assets				
Contingent consideration receivable	**54**	**Coal price[1]** **Production volumes[2]**	**121**	**(54)**
Financial liabilities				
Contingent consideration payable	**(55)**	**Production volumes[2]**	**55**	**(3)**

1. Coal price inputs reflect estimates of future commodity prices.
2. Production volumes inputs reflect estimates of future production.

19. Financial assets and financial liabilities continued

(b) Financial risk management objectives and policies

The Group is exposed to market, liquidity and credit risk. These risks are managed in accordance with the Group's portfolio risk management strategy which supports the delivery of the Group's financial targets while protecting its future financial security and flexibility by taking advantage of the natural diversification of the Group's operations and activities. Deterministic analysis across a range of operational, commodity price and foreign exchange rate scenarios is used to measure the aggregate impact of financial risks and the potential impact on financial targets.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, foreign currency risk and other price risk, such as commodity price risk.

The Group's activities expose it to market risks associated with movements in interest rates, foreign currencies and commodity prices. The Group predominantly manages currency impacts, input costs and commodity prices on a floating or index basis. This strategy gives rise to a risk of variability in earnings, which is continually assessed under our deterministic analysis.

In executing the Group's strategy, financial instruments may be employed for risk mitigation purposes within a strict Board of Directors approved mandate, or to align the total Group exposure to the relevant index target in the case of commodity sales, operating costs or debt issuance.

Interest rate risk

The Group has the following exposure to interest rate risk:

US$M	FY25	FY24
Financial assets		
Cash and cash equivalents	**1,664**	788
Trade and other receivables	**32**	28
Financial liabilities		
Interest bearing liabilities	**(190)**	(138)
Net exposure	**1,506**	678

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on that portion of financial assets and liabilities affected. With all other variables held constant, the Group's profit/(loss) after tax would increase/(decrease) as follows:

	Impact on profit/(loss) after tax	
US$M	FY25	FY24
Increase of 100 basis points	**11**	5
Decrease of 100 basis points	**(11)**	(5)

The sensitivity analysis assumes that the change in interest rates is effective from the beginning of the year and the fixed/floating mix and balances are constant over the year. However, interest rates and the profile of the Group's financial assets and liabilities may not remain constant over the coming year and therefore such sensitivity analysis should be used with care.

Foreign currency risk

The Group's potential currency exposures comprise:

- Translational exposure in respect of non-functional currency monetary items; and
- Transactional exposure in respect of non-functional currency expenditure and revenues.

The functional currency of the Group's operations is primarily the US dollar. Certain operating and capital expenditure is incurred by operations in currencies other than their functional currency. To a lesser extent, certain sales revenue is earned in currencies other than the US dollar, and certain exchange control restrictions may require funds to be maintained in other currencies. When required, the Group may enter into forward exchange contracts.

The following table sets out the Group's principal foreign currency risks, by currency of denomination, arising from financial assets and liabilities:

US$M	FY25	FY24
Australian dollar	**(796)**	(779)
Brazilian real	**(74)**	(52)
Canadian dollar	**110**	37

Notes to financial statements – Capital structure and financing continued

19. Financial assets and financial liabilities continued

(b) Financial risk management objectives and policies continued

(i) Market risk continued

Foreign currency risk continued

Based on the Group's net financial assets and liabilities as at 30 June, a weakening of the US dollar against the currencies as illustrated in the table below, with all other variables held constant, would impact the Group, as follows:

	Profit/(loss) after tax		Other comprehensive income, net of tax	
US$M	FY25	FY24	FY25	FY24
10% strengthening in Australian dollar	**(56)**	(55)	**–**	–
10% strengthening in Brazilian real	**(7)**	(5)	**–**	–
10% strengthening in Canadian dollar	**3**	4	**8**	4

Commodity price risk

Contracts for the sale and physical delivery of commodities are executed whenever possible on a pricing basis intended to achieve a relevant index target. Where pricing terms deviate from the index, the Group may choose to use derivative commodity contracts to realise the index price. Contracts for the physical delivery of commodities are not typically financial instruments and are not recognised on the Consolidated balance sheet.

Other financial assets and financial liabilities of the Group which are exposed to commodity price risks include the Shareholder loan receivable from Sierra Gorda, refer to part (b) Financial risk management objectives and policies, (iii) Credit risk section, of this note, and contingent consideration receivable and contingent consideration payable amounts held at FVTPL, refer to part (a) Fair value measurement of this note.

Provisionally priced commodity sales and purchases contracts

Provisionally priced sale and purchase contracts are those for which price finalisation, referenced to the relevant index, is outstanding at the reporting date. Provisional pricing mechanisms embedded within these sale and purchase arrangements have the character of a commodity derivative and are carried at FVTPL as part of trade receivables or trade creditors. Fair value movements on provisionally priced sale contracts are disclosed as other revenue in the Group's segment results, refer to note 4(b) Segment results. The Group's exposure at 30 June 2025 to the impact of movements in commodity prices on provisionally invoiced sale and purchase volumes was predominantly around nickel, silver, lead, zinc, aluminium and alumina.

The Group had 2.8kt of nickel, 1.6Moz of silver, 18.0kt of lead, 3.9kt of zinc, 6.7kt of aluminium and 16.1kt of alumina exposure at 30 June 2025 (FY24: 4.3kt of nickel, 1.8Moz of silver, 19.2kt of lead, 9.7kt of zinc, 11.2kt of aluminium and 25.8kt of alumina) that was provisionally priced. The final price of these sales or purchases will be determined during the first half of FY26. A 10 per cent change in the realised price of these commodities, with all other factors held constant, would increase or decrease profit/(loss) after tax by US$14 million (FY24: US$19 million).

The relationship between commodity prices and foreign currencies is complex and foreign exchange rates and commodity prices may move concurrently in response to market conditions. These sensitivities should therefore be used with care.

(ii) Liquidity risk

The Group's liquidity risk arises from the possibility that it may not be able to settle or meet its obligations as they fall due. Operational, capital and regulatory requirements are considered in the management of liquidity risk, in conjunction with short and long-term forecast information.

In line with the Group's policy on counterparty credit exposure, the Group only uses counterparties of a high credit standing for the investment of any excess cash.

The entities in the Group are funded by a combination of cash generated by the Group's operations, working capital facilities and intercompany loans provided by the Group. Intercompany loans may be funded by a combination of cash, short and long-term debt. Details of the Group's major standby arrangement are as follows:

FY25 US$M	Available	Used	Unused
Revolving credit facility[1]	**1,400**	**–**	**1,400**

1. The Group has an undrawn revolving credit facility which expires in December 2028.

19. Financial assets and financial liabilities continued

(b) Financial risk management objectives and policies continued

(ii) Liquidity risk continued

Maturity profile of financial liabilities

The maturity profiles of financial liabilities, based on the contractual amounts, are as follows:

FY25 US$M	Carrying amount	Total	On demand or less than 1 year	1 to 5 years	More than 5 years
Trade and other payables[1]	**798**	**798**	**798**	**–**	**–**
Senior unsecured notes	**693**	**913**	**30**	**122**	**761**
Lease liabilities	**713**	**1,112**	**145**	**364**	**603**
Other interest bearing liabilities	**228**	**230**	**175**	**55**	**–**
Other financial liabilities - contingent consideration payable	**78**	**83**	**–**	**83**	**–**
Total	**2,510**	**3,136**	**1,148**	**624**	**1,364**

1. Excludes current input taxes of US$4 million included in other creditors. Refer to note 14 Trade and other payables.

FY24 US$M	Carrying amount	Total	On demand or less than 1 year	1 to 5 years	More than 5 years
Trade and other payables[1]	785	785	784	1	–
Senior unsecured notes	692	944	30	122	792
Lease liabilities	672	1,104	111	337	656
Other interest bearing liabilities	202	205	165	40	–
Other financial liabilities - contingent consideration payable	17	22	–	22	–
Total	2,368	3,060	1,090	522	1,448

1. Excludes current input taxes of US$20 million and non-current input and other taxes of US$1 million included in other creditors. Refer to note 14 Trade and other payables.

(iii) Credit risk

Credit risk management

The Group has credit risk management policies in place covering the credit analysis, approvals and monitoring of counterparty exposures. As part of these processes the ongoing creditworthiness of counterparties is regularly assessed. Credit limits are established for customers and reviewed annually or with the release of new information materially impacting the customer's creditworthiness.

Mitigation methods are defined and implemented for higher-risk counterparties to protect revenues, with more than half of the Group's sales of physical commodities occurring via secured payment terms including prepayments, letters of credit, guarantees and other risk mitigation instruments. Mitigation methods include credit exposure management and overdue accounts monitoring. In addition, leading key risk indicators are actively monitored for all customers to identify any emerging risks.

There are no material concentrations of credit risk, either with individual counterparties or groups of counterparties, by industry or geography. The carrying amounts of financial assets represent the maximum credit exposure.

Expected credit losses

Impairment allowances are based on a forward-looking expected credit loss model. For trade receivables, the Group uses the simplified approach to recognise impairments based on the lifetime expected credit loss. For other receivables, the Group applies the general approach and recognises impairments based on a 12-month expected credit loss.

Exposures are grouped by external credit rating and security options and an expected credit loss rate is calculated accordingly. Where applicable, actual credit loss experience is also taken into account. For remaining receivables without an external credit rating or security option, a rating of BB (S&P Global Ratings) is used, on the basis that there is no support that it is investment grade, nor is there any evidence of default.

Shareholder loan receivable from Sierra Gorda

Purchased credit-impaired financial assets are initially recognised at fair value. They are subsequently measured at amortised cost using the credit-adjusted effective interest method, less an allowance for changes in lifetime expected credit losses since initial recognition. The credit-adjusted effective interest rate is determined at initial recognition and not amended for subsequent changes to lifetime expected credit losses since acquisition. Changes in lifetime expected credit losses are recognised as impairment and reversals of impairment of financials assets.

The Group's investment in the Sierra Gorda operation is represented by the carrying value of an equity accounted investment of US$212 million (FY24: US$94 million), and the carrying value of a purchased credit-impaired receivable of US$1,774 million (FY24: US$1,814 million) classified as a loan to an equity accounted investment within trade and other receivables on the Consolidated balance sheet.

Notes to financial statements – Capital structure and financing continued

19. Financial assets and financial liabilities continued

(b) Financial risk management objectives and policies continued

(iii) Credit risk continued

Shareholder loan receivable from Sierra Gorda continued

The loan has a contractual interest rate of 8 per cent and the repayment of the loan by the Sierra Gorda operation is dependent on its financial performance. At 30 June 2025, the Group updated its estimated timing of the loan repayments and as a result recognised an impairment of US$27 million (FY24: impairment of US$29 million) which is included in expenses excluding finance costs in the Consolidated income statement. The net present value of the expected future cash flows of the loan was determined as US$1,774 million (FY24: US$1,814 million) using a measurement methodology consistent with a Level 3 fair value based on the inputs in the valuation technique.

The following table shows the movement in the carrying amount of this receivable:

US$M	FY25	FY24
At the beginning of the year	**1,814**	1,711
Interest accrued	**163**	159
Net impairment	**(27)**	(29)
Repayment of accrued interest	**(176)**	(27)
At the end of the year	**1,774**	1,814

The future loan repayments were informed by a production profile and costs based on management's planning processes. Refer to the Mineral Resources and Ore Reserves section of note 2(c) for further information on the estimates which underpin the production profile.

An effective interest rate of 9 per cent, as determined on the date of acquisition, was applied to discount the future loan repayments.

Determining the net present value requires management to make certain key estimates, assumptions and judgements, which are consistent with those outlined in note 13 Impairment of non-financial assets.

The net present value of the expected future cash flows of the loan is most sensitive to the copper price assumption, with the copper price forecasts used within the range of US$4.36/lb - US$4.82/lb, in real terms, as published by market commentators. The following table illustrates the sensitivity of the net present value of the loan to a reasonable possible change in the copper price assumption, based on changing this assumption by 10 per cent while holding all other variables constant.

FY25 US$M			Impact on profit/(loss) after tax	
	Face value	Carrying value	Favourable	Unfavourable
Trade and other receivables				
Loans to equity accounted investments	**2,228**	**1,774**	**62**	**(110)**

(c) Capital management

The Group allocates capital in line with its strategy and capital management framework. The Group's priorities for allocating capital are to:

- Maintain safe and reliable operations and an investment grade credit rating through the cycle;
- Distribute to shareholders a minimum of 40 per cent of Underlying earnings attributable to equity holders of South32 Limited as dividends following each six-month reporting period; and
- Maximise total shareholder returns through competition for excess capital, which may include special dividends, share buy-backs and other high return investment opportunities.

20. Share capital

	FY25		FY24	
	Shares	US$M	Shares	US$M
Share capital				
At the beginning of the year	**4,529,258,568**	**13,216**	4,545,413,695	13,251
Shares bought back and cancelled	**(25,623,447)**	**(56)**	(16,155,127)	(35)
At the end of the year	**4,503,635,121**	**13,160**	4,529,258,568	13,216
Treasury shares				
At the beginning of the year	**(15,687,464)**	**(43)**	(17,263,473)	(51)
Purchase of shares by ESOP Trusts	**(3,968,685)**	**(10)**	(4,345,048)	(11)
Employee share awards vested	**9,936,644**	**28**	5,921,057	19
At the end of the year	**(9,719,505)**	**(25)**	(15,687,464)	(43)

Shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. On a show of hands every holder of shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Incremental costs directly attributable to the issuance of shares, net of any income tax effects, are recognised as a deduction from equity.

Notes to financial statements – Other notes

21. Auditor's remuneration

The auditor of the Group is KPMG.

US$'000	FY25	FY24
Fees payable to the Group's auditor for assurance services		
Audit and review of financial statements	**4,052**	4,446
Other assurance services[1]	**767**	823
Total auditor's remuneration	**4,819**	5,269

1. Primarily comprises assurance services in respect of the Group's sustainability and tax reporting.

22. Employee share ownership plans

At 30 June 2025, the Group had the following employee share ownership plans:

Plan	Overview	Vesting conditions[1]	Vesting dates
Long-Term Incentive Plan[2] (FY22 - FY25)	Recurring long-term incentive plan for Lead Team members.	Awards subject to performance and service conditions over a four-year vesting period.	August 2025 August 2026 August 2027 August 2028
Deferred Short-Term Incentive Plan[2] (FY23, FY24)	Recurring short-term incentive plan for Lead Team members.	Awards subject to service conditions over a two-year vesting period.	August 2025 August 2026
Management Share Plan[3] (FY22 - FY25)	Recurring long-term incentive plan for eligible employees below the Lead Team. The Management Share Plan comprises retention rights and performance rights.	Retention rights: Awards subject to service conditions over a three-year vesting period. Performance rights: Awards subject to performance and service conditions over a four-year vesting period.	August 2025 August 2026 August 2027 August 2028
AllShare Plan[4] (2022 - 2024)	Recurring employee share plan for employees not eligible to participate in the other employee share plans. Awards to the value of at least US$1,250 per employee are granted annually.	Awards subject to service conditions over a three-year vesting period in Africa and a two-year vesting period elsewhere.	August 2025 August 2026 August 2027
Executive Transitional Award Plan[5] (FY24, FY25)	A one-off grant made to Lead Team members in recognition of their adjustment from the Management Share Plan (three-year retention rights and four-year performance rights) to the four-year plan at the Group.	Awards subject to performance and service conditions over a three-year vesting period.	August 2026 August 2027
Management Share Plan Sign-on Award[6] (FY25)	One-off grants made to employees on joining the Group. Awards may comprise retention rights and/or performance rights.	Awards subject to service and/or performance conditions over various vesting periods.	August 2025 August 2026 August 2027

1. Performance conditions are based on performance for the year ended 30 June of the relevant year prior to the vesting date.
2. Awards granted on 6 December 2021, 8 December 2022, 4 December 2023 and 3 December 2024.
3. Awards granted on 6 December 2021, 9 May 2022, 8 December 2022, 15 May 2023, 4 December 2023, 7 May 2024, 3 December 2024 and 6 May 2025.
4. Awards granted on 8 December 2022, 4 December 2023 and 3 December 2024.
5. Awards granted on 4 December 2023 and 3 December 2024.
6. Awards granted on 3 December 2024.

Awards may be granted annually subject to approval by shareholders at the annual general meeting for awards to the Chief Executive Officer, and by the Board of Directors, for all other awards. All awards take the form of rights to receive one share in South32 Limited for each right granted, subject to Board of Directors discretion and performance and/or service conditions being met.

Performance conditions include total shareholder return relative to peer groups, climate change, and portfolio management performance hurdles. Further information on the vesting conditions of performance rights granted in FY25 is disclosed in the Remuneration Report.

A portion of the 2022, 2023 and 2024 AllShare Plan awards (participants located in Colombia and Mozambique) take the form of rights to receive a cash payment equivalent to the value of South32 Limited shares at the time of payment. Employees in Africa are granted rights on the JSE and all other employees are granted rights on the ASX.

Awards do not confer any dividend or voting rights until they convert into shares at vesting. In addition, the awards do not confer any rights to participate in a share issue, however, there is discretion under the plans to adjust the awards in response to a variation in South32 Limited's share capital.

The FY24 Deferred Short-term Incentive Plan and the AllShare JSE Plan are eligible to receive a payment equal to the dividend amount that would have been earned on the underlying shares awarded to those participants (a Dividend Equivalent Payment). The Dividend Equivalent Payment is made in cash to participants once the underlying shares are issued or transferred to them. No Dividend Equivalent Payment is made in respect of awards that have lapsed or have been forfeited. No other awards are eligible for a Dividend Equivalent Payment.

Notes to financial statements – Other notes continued

22. Employee share ownership plans continued

(a) Employee Share Ownership Plan Trusts

The South32 Limited Employee Incentive Plan Trust (the Australian Trust) and the South32 South African AllShare Trust (the South African Trust) are discretionary trusts for the benefit of employees of South32 Limited and its subsidiaries.

The trustee for the Australian Trust (CPU Share Plans Pty Ltd) is an independent company, resident in Australia. The trustees for the South African Trust are made up of employer and employee representatives per the Broad-Based Black Economic Empowerment (B-BBEE) requirements under South African law.

The Trusts use funds provided by South32 Limited and/or its subsidiaries to acquire shares to enable awards to be made or satisfied under the Group employee share ownership plans. Shares may be acquired by purchase in the market or by subscription at not less than nominal value.

(b) Measurement of fair values

The fair value at grant date of equity-settled share awards is charged to the Consolidated income statement, net of tax, over the period for which the benefits of employee services are expected to be derived. The corresponding accrued employee entitlement is recorded in the employee share awards reserve.

Where awards are forfeited because non-market based vesting conditions are not satisfied, the expense previously recognised is proportionally reversed. If awards do not vest due to a market performance condition not being met, the expense is recognised in full, and the share awards reserve is released to retained earnings. Where shares in South32 Limited are acquired by on-market purchases prior to settling the vested entitlement, the cost of the acquired shares is carried as treasury shares and deducted from equity. Where awards are settled through the delivery of acquired shares, any difference between the acquisition cost and the cumulative remuneration expense recognised is charged directly to retained earnings, net of tax.

The fair value of market-based performance rights is measured using a Monte Carlo methodology and the fair value of retention and other non-market-based performance rights is measured using a Black Scholes methodology. The models considers the following:

- Expected life of the award;
- Current market price of the underlying shares;
- Expected volatility (of the individual company and of each peer group);
- Expected dividends;
- Risk-free interest rate; and
- Market based performance hurdles (performance rights only).

The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans were as follows:

FY25	Fair value at grant date (US$)	Share price at grant date (US$)	Expected volatility (%)	Expected life (in years)	Risk-free interest rate based on government bonds (%)
Recurring plans					
FY25 Long-Term Incentive Plan	**1.48**	**2.34**	**35**	**4**	**3.28**
FY24 Deferred Short-Term Incentive Plan	**2.43**	**2.34**	**35**	**2**	**3.81**
FY25 Management Share Plan - Retention rights	**2.17 - 2.22**	**1.83 - 2.36**	**35**	**3**	**3.77 - 7.81**
FY25 Management Share Plan - Performance rights	**1.45 - 1.48**	**1.83 - 2.36**	**35**	**4**	**3.28 - 7.53**
2024 AllShare Plan	**2.29 - 2.37**	**2.34 - 2.36**	**35**	**2 - 3**	**3.81 - 7.81**
Transitional and other plans					
FY25 Executive Transitional Award Plan	**1.27**	**2.34**	**35**	**3**	**3.77**
FY25 Management Share Plan Sign-on Award - Retention rights	**2.29 - 2.38**	**2.34**	**35**	**1 - 2**	**3.81 - 4.58**
FY25 Management Share Plan Sign-on Award - Performance rights	**1.19 - 1.27**	**2.34**	**35**	**2 - 3**	**3.77 - 3.81**

The fair value at grant date, expected life, and risk-free interest rates shown represent the ranges based on the amounts of rights granted on the ASX or the JSE during the year, and the variations in offer terms and grant dates of each plan where applicable. Expected volatility is based on the historical South32 Limited share price volatility at the grant date. The risk-free interest rate and expected volatility does not materially impact service-based awards.

22. Employee share ownership plans continued

(c) Reconciliation of outstanding share awards

None of the awards listed below have an exercise price or are exercisable at 30 June 2025.

FY25 Number of rights	Rights at beginning of the year	Granted during the year	Vested during the year	Forfeited during the year	Lapsed during the year	Rights at end of the year
Recurring plans						
Long-Term Incentive Plan	**15,337,353**	**3,368,928**	**(2,094,476)**	**(410,903)**	**(4,188,960)**	**12,011,942**
Deferred Short-Term Incentive Plan	**2,031,995**	**1,271,766**	**(1,063,491)**	**–**	**–**	**2,240,270**
Management Share Plan - Retention rights	**5,534,876**	**2,378,614**	**(1,972,561)**	**(486,159)**	**–**	**5,454,770**
Management Share Plan - Performance rights	**16,230,818**	**3,985,217**	**(2,175,504)**	**(1,176,028)**	**(4,408,911)**	**12,455,592**
AllShare Plan	**11,052,410**	**4,836,220**	**(4,955,080)**	**(480,270)**	**–**	**10,453,280**
Transitional and other plans						
Executive Transitional Award Plan	**280,687**	**86,341**	**(137,369)**	**(57,759)**	**–**	**171,900**
Management Share Plan Sign-on Award - Retention rights	**–**	**103,600**	**–**	**–**	**–**	**103,600**
Management Share Plan Sign-on Award - Performance rights	**–**	**42,000**	**–**	**–**	**–**	**42,000**
Total awards	**50,468,139**	**16,072,686**	**(12,398,481)**	**(2,611,119)**	**(8,597,871)**	**42,933,354**

23. Contingent assets and liabilities

Contingent assets and liabilities not otherwise provided for in the consolidated financial statements are as follows:

US$M	FY25	FY24
Actual or potential litigation	**318**	342
Total contingent liabilities	**318**	342
Actual or potential litigation	**15**	102
Total contingent assets	**15**	102

Actual or potential litigation liabilities primarily relate to numerous tax assessments or matters relating to transactions in prior years in Colombia and Brazil.

The Group's operations are subject to complex legislative regimes, including various environmental laws and regulations. From time to time there may be legal and regulatory claims, or potential claims, that have arisen in the course of business against entities in the Group. The Group only recognises amounts as liabilities when they are probable, or as contingencies when they are possible, and only where a reliable estimate can be made. The Group is not aware of any non-compliance or potential claims that are unrecognised, or have not been disclosed, which are expected to result in a material financial impact. Such disclosures are adjusted as new information develops or circumstances change.

The Group has entered into various counter-indemnities for bank and performance guarantees related to its own future performance which are in the normal course of business. Additionally, the Group has provided indemnities against certain liabilities as part of agreements for the disposal of business operations. The Group considers the likelihood of a material liability arising from the indemnities provided as remote.

Notes to financial statements – Other notes continued

24. Subsidiaries

The Group's material subsidiaries are as follows:

Material subsidiaries	Country of incorporation	Principal activity	Effective interest %	
			FY25	FY24
African Metals (Pty) Ltd	South Africa	Investment holding company	**100**	100
Cerro Matoso S.A.[1]	Colombia	Integrated laterite ferronickel mining and smelting complex	**99.9**	99.9
Dendrobium Coal Pty Ltd[2]	Australia	Metallurgical coal mine	**–**	100
Endeavour Coal Pty Limited[2]	Australia	Metallurgical coal mine	**–**	100
Hillside Aluminium (Pty) Ltd	South Africa	Aluminium smelter	**100**	100
Illawarra Coal Holdings Pty Ltd[2]	Australia	Investment holding company	**–**	100
Illawarra Services Proprietary Limited[2]	Australia	Coal washery, rail and road transportation	**–**	100
South32 Aluminium (Holdings) Pty Ltd	Australia	Investment holding company	**100**	100
South32 Aluminium (RAA) Pty Ltd	Australia	Interest in a joint operation	**100**	100
South32 Aluminium (Worsley) Pty Ltd	Australia	Interest in a joint operation	**100**	100
South32 Cannington Proprietary Limited	Australia	Silver, lead and zinc mine	**100**	100
South32 Eagle Downs Pty Ltd[2]	Australia	Interest in a joint operation	**–**	100
South32 Finance 1 B.V.	Netherlands	Financing company	**100**	100
South32 Finance 2 B.V.	Netherlands	Financing company	**100**	100
South32 Group Operations Pty Ltd	Australia	Administrative, management and support services	**100**	100
South32 Hermosa Inc.	United States	Base metals exploration and development project	**100**	100
South32 Investment 1 B.V.	Netherlands	Interest in a joint operation	**100**	100
South32 Marketing Pte. Ltd.	Singapore	Sales, marketing and distribution	**100**	100
South32 Minerals SA	Brazil	Interest in a joint operation	**100**	100
South32 SA Investments Limited	United Kingdom	Investment holding company	**100**	100
South32 Sierra Gorda SpA	Chile	Investment holding company	**100**	100
South32 Treasury Limited	Australia	Financing company	**100**	100
South32 USA Exploration Inc.	United States	Interest in a joint operation and exploration	**100**	100

1. Refer to note 30 Assets and liabilities held for sale and discontinued operations.
2. Refer to note 31 Disposal of subsidiaries and joint operations.

25. Equity accounted investments

The Group's material interests in equity accounted investments are as follows:

Material joint ventures	Country of incorporation	Principal activity	Ownership interest % FY25	Ownership interest % FY24
Australia Manganese[1,2]	Australia	Manganese ore mine	**60**	60
South Africa Manganese[1,3]	South Africa	Manganese ore mines	**60**	60
Manganese Marketing[1,4]	Singapore	Sales, marketing and distribution	**60**	60
Sierra Gorda[1,5]	Chile	Copper mine	**45**	45

1. Joint control is contractually achieved as joint venture parties unanimously consent on decisions over the joint venture's relevant activities.
2. Australia Manganese consists of an investment in GEMCO.
3. The Group holds a 60 per cent interest in Samancor Holdings (Pty) Ltd (Samancor). Samancor indirectly owns 74 per cent of Hotazel Manganese Mines (Pty) Ltd (HMM), which gives the Group its indirect ownership interest of 44.4 per cent. Of the remaining 26 per cent of HMM, 17 per cent of the interests were acquired by B-BBEE entities using vendor finance with the loans repayable via distributions attributable to these parties, pro rata to their share in HMM. Until these loans are repaid, the Group's interest in HMM is accounted for at 54.6 per cent.
4. Manganese Marketing consists of an investment in Samancor Marketing Pte Ltd.
5. Sierra Gorda consists of an investment in Sierra Gorda Sociedad Contractual Minera.

A reconciliation of the carrying amount of the equity accounted investments is set out below:

US$M	FY25	FY24
At the beginning of the year	**396**	499
Share of profit/(loss)[1]	**99**	(60)
Share of other comprehensive income	**1**	–
Dividends received	**(2)**	(90)
Investments	**96**	53
Reclassified as held for sale[2]	**–**	(6)
At the end of the year	**590**	396

1. FY24 includes share of profit/(loss) relating to discontinued operations of US$(1) million. Refer to note 31 Disposal of subsidiaries and joint operations.
2. Refer to note 31 Disposal of subsidiaries and joint operations.

Carrying amount of equity accounted investments US$M	FY25	FY24
Australia Manganese	**67**	29
South Africa Manganese	**236**	189
Manganese Marketing	**60**	64
Sierra Gorda	**212**	94
Individually immaterial[1]	**15**	20
Total	**590**	396

1. Individually immaterial consists of an investment in Mineração Rio do Norte (33 per cent).

Share of profit/(loss) of equity accounted investments US$M	FY25	FY24
Australia Manganese	**(58)**	(44)
South Africa Manganese	**47**	15
Manganese Marketing	**(1)**	6
Sierra Gorda	**118**	(6)
Individually immaterial[1]	**(7)**	(30)
Total	**99**	(59)

1. Individually immaterial consists of an investment in Mineração Rio do Norte (33 per cent).

Notes to financial statements – Other notes continued

25. Equity accounted investments continued

The following table summarises the financial information relating to each material equity accounted investment:

FY25 US$M	Joint ventures			
	Australia Manganese[1]	South Africa Manganese[1]	Manganese Marketing	Sierra Gorda
Reconciliation of the carrying amount of equity accounted investments				
Current assets	**370**	**223**	**131**	**548**
Non-current assets	**860**	**604**	**60**	**4,858**
Current liabilities	**(183)**	**(119)**	**(91)**	**(336)**
Non-current liabilities	**(936)**	**(203)**	**–**	**(4,598)**
Net assets - 100%	**111**	**505**	**100**	**472**
Net assets - the Group's share	**67**	**236**	**60**	**212**
Carrying amount of equity accounted investments	**67**	**236**	**60**	**212**
Reconciliation of share of profit/(loss) of equity accounted investments				
Revenue - 100%	**61**	**541**	**710**	**1,850**
Profit/(loss) after tax - 100%	**(97)**	**79**	**(2)**	**261**
Profit/(loss) after tax - the Group's share	**(58)**	**47**	**(1)**	**118**
Share of profit/(loss) of equity accounted investments	**(58)**	**47**	**(1)**	**118**
Other balances of equity accounted investments presented on a 100% basis				
Cash and cash equivalents[2]	**–**	**16**	**–**	**123**
Current financial liabilities (excluding trade and other payables and provisions)	**(5)**	**(34)**	**–**	**(22)**
Non-current financial liabilities (excluding trade and other payables and provisions)	**(277)**	**(23)**	**–**	**(4,445)**
Depreciation and amortisation	**(29)**	**(37)**	**(7)**	**(364)**
Interest income	**4**	**6**	**3**	**5**
Interest expense	**(50)**	**(28)**	**–**	**(425)**
Income tax (expense)/benefit (excluding royalty related tax)	**14**	**(5)**	**–**	**(77)**
Royalty related tax (expense)/benefit	**5**	**–**	**–**	**(33)**

1. The financial information presented includes sales and purchases between Manganese Marketing, and Australia Manganese and South Africa Manganese respectively.
2. South Africa Manganese cash and cash equivalents include US$14 million, on a 100 per cent basis, which is restricted by legal or contractual arrangements.

FY24 US$M	Joint ventures			
	Australia Manganese[1]	South Africa Manganese[1]	Manganese Marketing	Sierra Gorda
Reconciliation of the carrying amount of equity accounted investments				
Current assets	271	255	125	584
Non-current assets	792	567	67	4,688
Current liabilities	(118)	(129)	(86)	(769)
Non-current liabilities	(897)	(268)	–	(4,295)
Net assets - 100%	48	425	106	208
Net assets - the Group's share	29	189	64	94
Carrying amount of equity accounted investments	29	189	64	94
Reconciliation of share of profit/(loss) of equity accounted investments				
Revenue - 100%	649	515	1,318	1,438
Profit/(loss) after tax - 100%	(73)	27	10	(13)
Profit/(loss) after tax - the Group's share	(44)	15	6	(6)
Share of profit/(loss) of equity accounted investments	(44)	15	6	(6)
Other balances of equity accounted investments presented on a 100% basis				
Cash and cash equivalents[2]	–	43	–	160
Current financial liabilities (excluding trade and other payables and provisions)	(9)	(29)	–	(426)
Non-current financial liabilities (excluding trade and other payables and provisions)	(290)	(9)	–	(4,156)
Depreciation and amortisation	(195)	(32)	(5)	(294)
Interest income	5	5	5	6
Interest expense	(58)	(36)	–	(421)
Income tax (expense)/benefit (excluding royalty related tax)	6	(14)	(3)	1
Royalty related tax (expense)/benefit	(19)	–	–	(19)

1. The financial information presented includes sales and purchases between Manganese Marketings, and Australia Manganese and South Africa Manganese respectively.
2. South Africa Manganese cash and cash equivalents include US$43 million, on a 100 per cent basis, which is restricted by legal or contractual arrangements.

The Group uses the term 'equity accounted investments' to refer to associates and joint ventures collectively.

The Group's share of capital expenditure commitments of material equity accounted investments as at 30 June 2025 was US$59 million (FY24: US$75 million). The material equity accounted investments had no contingent liabilities as at 30 June 2025 (FY24: the Group's share was US$1 million).

26. Interests in joint operations

The Group's material interests in joint operations are as follows:

Material joint operations	Country of operation	Principal activity	Effective Interest %	
			FY25	FY24
Ambler Metals	United States	Base metals exploration and development options	**50**	50
Brazil Alumina	Brazil	Integrated bauxite mine and alumina refinery	**36**	36
Brazil Aluminium	Brazil	Aluminium smelter	**40**	40
Eagle Downs Metallurgical Coal[1]	Australia	Metallurgical coal exploration and development option	**–**	50
Mozal Aluminium[2]	Mozambique	Aluminium smelter	**63.7**	63.7
Worsley Alumina[2]	Australia	Integrated bauxite mine and alumina refinery	**86**	86

1. Refer to note 31 Disposal of subsidiaries and joint operations.
2. While the Group holds a greater than 50 per cent interest in Worsley Alumina and Mozal Aluminium, participants jointly approve certain matters and are entitled to receive their share of output from the arrangement.

The consolidated financial statements of the Group include its share of the assets and liabilities, and revenue and expenses, arising jointly or otherwise from those operations, and its revenue derived from the sale of its share of the output from the joint operation. All such amounts are measured in accordance with the terms of each arrangement, which are usually in proportion to the Group's interest in the joint operation.

The assets in these joint operations are restricted to the extent that they are only available to be used by the joint operation itself and not by other operations of the Group. For certain joint operations, the Group has also either pledged, mortgaged or provided a cross charge to joint operation partners over assets within the joint operation.

27. Key management personnel

(a) Key management personnel compensation

US$'000	FY25	FY24 Restated[1]
Short-term employee benefits	**6,659**	6,634
Post-employment benefits	**152**	146
Other long-term benefits[2]	**37**	103
Share-based payments	**3,974**	4,087
Total	**10,822**	10,970

1. Restated to reflect all leave taken during the year within other long-term employee benefits, previously reported as short-term employee benefits, consistent with the presentation in the current year and the Remuneration Report.
2. Includes leave accrued and taken during the year.

(b) Transactions with key management personnel

There were no transactions with key management personnel during the year ended 30 June 2025 (FY24: US$nil).

(c) Loans to key management personnel

There were no loans with any key management personnel as at 30 June 2025 (FY24: US$nil).

(d) Transactions with key management personnel related entities

There were no transactions with entities controlled or jointly controlled by key management personnel and there were no outstanding amounts with those entities as at 30 June 2025 (FY24: US$nil).

Notes to financial statements – Other notes continued

28. Related party transactions

(a) Parent entity

The ultimate parent entity of the Group is South32 Limited, which is domiciled and incorporated in Australia.

(b) Subsidiaries, joint ventures and associates

The interests in subsidiaries, joint ventures and associates are disclosed in note 24 Subsidiaries and note 25 Equity accounted investments.

(c) Key management personnel

The compensation of, and loans to, key management personnel are disclosed in note 27 Key management personnel.

(d) Pension and other post-retirement obligations

The Group operates or participates in a number of defined benefit pension and medical plans throughout the world. The funding of the schemes complies with local regulations. The assets of the schemes are generally held separate from those of the Group and are administered by trustees or management boards.

At 30 June 2025, the Group had post-retirement defined benefit pension net liabilities recognised on the Consolidated balance sheet of US$8,911 thousand (FY24: US$12,816 thousand), including amounts classified as held for sale. The net liabilities consist of defined benefit pension obligations of US$41,325 thousand (FY24: US$51,916 thousand) and defined benefit pension scheme assets with a fair value of US$32,414 thousand (FY24: US$39,100 thousand).

At 30 June 2025, the Group had a post-retirement defined benefit medical scheme liability recognised on the Consolidated balance sheet of US$17,245 thousand (FY24: US$16,723 thousand). The post-retirement medical scheme is unfunded.

Total contributions to these plans by the Group during the year were US$4,340 thousand (FY24: US$3,466 thousand).

(e) Transactions with related parties

Transactions with related parties US$'000	Joint ventures		Associates[1]	
	FY25	FY24	FY25	FY24
Sales of goods and services	**159,656**	228,277	**868**	4,294
Purchases of goods and services[2]	**5,968**	50,873	**191,833**	189,348
Interest income	**177,375**	178,435	**–**	–
Dividend income	**2,400**	90,000	**–**	–
Interest expense	**9,454**	12,022	**–**	–
Increase/(decrease) in short-term financing arrangements	**37,148**	(177,478)	**–**	–
Increase/(decrease) in loans with related parties	**(21,151)**	114,482	**(33,464)**	(6,838)

Outstanding balances with related parties US$'000	Joint ventures		Associates[1]	
	FY25	FY24	FY25	FY24
Trade and sundry amounts owing to related parties[2]	**4,354**	52,776	**13,199**	28,939
Other amounts owing to related parties[3]	**159,969**	137,891	**–**	–
Other amounts owing from related parties[4]	**13,495**	28,565	**–**	–
Trade and sundry amounts owing from related parties	**28,797**	29,127	**–**	380
Loan amounts owing from related parties[5,6,7]	**1,957,084**	1,978,235	**–**	33,464

1. Includes transactions related to both continuing and discontinued operations. Refer to note 31 Disposal of subsidiaries and joint operations.
2. FY24 includes amounts related to the Group's captive insurance program provided to Australia Manganese. Refer to note 4(b)(ii) Significant items.
3. Relates to the Group's cash management program on behalf of its equity accounted investments. Amounts are repayable at call, and interest is predominantly charged based on the three-month Chicago Mercantile Exchange Term Secured Overnight Financing Rate (CME Term SOFR) plus a margin of 0.21 per cent and the one-month Johannesburg Interbank Average Rate (JIBAR) plus a margin of 1.65 per cent.
4. Relates to the Group's cash management program on behalf of its equity accounted investments. Amounts are repayable at call, and interest is charged based on the one-month JIBAR.
5. Includes an interest bearing loan owing from South Africa Manganese, which is repayable by 30 May 2028. Interest is charged based on the three-month JIBAR plus a margin of 1.45 per cent.
6. Includes an interest free loan owing from Australia Manganese, which is repayable by 4 January 2027.
7. Includes a purchased credit-impaired loan owing from Sierra Gorda, which has a face value of US$2,228 million (FY24: US$2,283 million) and incurs interest at a contractual rate of eight per cent per annum. The loan is repayable by 31 December 2032, subject to review and agreement between the joint venture parties. Refer to note 19 Financial assets and financial liabilities.

Sales to, and purchases from, related parties are transactions at market prices and on commercial terms, or under terms and prices that are no less favourable to the Group than those arranged with third parties.

Outstanding balances at year end are unsecured and settlement mostly occurs in cash.

South32 Limited has guaranteed its equivalent 45 per cent share of the repayment of a US$500 million (FY24: US$700 million) revolving credit facility entered into by Sierra Gorda. At the end of the year, the facility was drawn down by US$400 million (FY24: US$400 million). The facility extends to 24 September 2027.

South32 Limited and two subsidiaries of the Group have guaranteed its equivalent 33 per cent share of the repayment of loan facilities totalling US$530 million (FY24: US$240 million) entered into by Mineração Rio do Norte, with maturities ranging from August 2025 to May 2027. At the end of the year, a total of US$392 million was drawn from these facilities (FY24: US$150 million).

No other guarantees are provided for or have been received from any related party.

29. Parent entity information

(a) Summary financial information

The individual financial statements for the parent entity, South32 Limited, show the following aggregate amounts:

US$M	FY25	FY24
Result of parent entity		
Profit/(loss) after tax for the year	**319**	(163)
Total comprehensive income/(loss)	**319**	(163)
Financial position of parent entity at year end		
Current assets	**380**	375
Current liabilities	**(482)**	(402)
Total assets	**12,469**	12,303
Total liabilities	**(2,174)**	(1,982)
Net assets	**10,295**	10,321
Total equity of the parent entity		
Share capital	**13,160**	13,216
Treasury shares	**(21)**	(39)
Other reserves	**26**	38
Profit reserve[1]	**3,499**	3,653
Accumulated losses	**(6,369)**	(6,547)
Total equity	**10,295**	10,321

1. Prior year profits, net of dividends paid, have been appropriated to a profit reserve for future dividend payments.

(b) Parent company guarantees

The parent entity and South32 SA Investments Ltd have jointly and severally, fully and unconditionally guaranteed the payment of the principal and premium, if any, and interest, including certain additional amounts that may be payable in respect of the US$700 million of unsecured notes issued by South32 Treasury Ltd, a 100 per cent owned finance subsidiary of the parent entity, refer to note 17 Interest bearing liabilities. The parent entity and South32 SA Investments Ltd have guaranteed the payment of such amounts when they become due and payable, whether on an interest payment date, at the stated maturity of the notes, by declaration or acceleration, call for redemption, or otherwise.

The parent entity has guaranteed a US commercial paper program and a Group revolving credit facility of US$1,400 million. Both the US commercial paper program and the revolving credit facility are unutilised as at 30 June 2025, refer to note 19 Financial assets and financial liabilities for further details.

The parent entity has guaranteed its equivalent 45 per cent share of the repayment of a US$500 million (FY24: US$700 million) revolving credit facility entered into by Sierra Gorda Sociedad Contractual Minera. At the end of the year, the facility was drawn down by US$400 million (FY24: US$400 million). The facility extends to 24 September 2027.

The parent entity and two subsidiaries of the Group have guaranteed its equivalent 33 per cent share of the repayment of loan facilities totalling US$530 million (FY24: US$240 million) entered into by Mineração Rio do Norte, with maturities ranging from August 2025 to May 2027. At the end of the year, a total of US$392 million was drawn from these facilities (FY24: US$150 million).

The parent entity has guaranteed the repayment of revolving credit facilities totalling US$80 million (FY24: nil) entered into by South32 Minerals SA, with maturities ranging from August 2026 to October 2026. At the end of the year, a total of US$30 million was drawn from these facilities (FY24: nil). The facility extends to 11 August 2026.

The parent entity is party to a Deed of Support with the effect that the Company guarantees debts in respect of South32 Group Operations Pty Ltd.

Notes to financial statements – Other notes continued

30. Assets and liabilities held for sale and discontinued operations

Non-current assets and disposal groups (inclusive of directly associated liabilities) are reclassified to current assets held for sale if their carrying amount is highly probable to be recovered through sale rather than through continuing use, and are available for immediate sale in their present condition.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is classified as held for sale. When an operation is classified as discontinued, the comparative financial results are restated as if the operation had been discontinued from the start of the comparative year.

Cerro Matoso

In July 2025, the Group announced its decision to enter into a binding agreement for the sale of Cerro Matoso to an entity owned by CoreX Holding B.V. for a nominal upfront consideration and contingent consideration of up to US$100 million, subject to customary working capital and net debt adjustments. The transaction is expected to complete in late H1 FY26, subject to the satisfaction or waiver of certain conditions.

Cerro Matoso was reclassified as held for sale at 30 June 2025, and is presented separately on the Group's FY25 Consolidated balance sheet. The disposal group represents the entire Cerro Matoso segment, which comprises the Group's 99.9% interest in Cerro Matoso S.A., 100% interest in South32 Energy S.A.S. E.S.P. and other investment holding companies.

As a result of the reclassification, the Group assessed the recoverable value of the Cerro Matoso disposal group and recognised a pre-tax impairment of US$118 million, refer to note 13 Impairment of non-financial assets.

Cerro Matoso is an integrated laterite ferronickel mine and smelting complex in Colombia. As a separate major component of the Group, Cerro Matoso has also been presented as a discontinued operation in the Group's Consolidated income statement.

The results of the discontinued operation are as follows:

US$M	FY25	FY24
Revenue:		
Group production	**485**	556
	485	556
Other income	**3**	11
Expenses excluding finance costs[1]	**(549)**	(783)
Operating profit/(loss) from a discontinued operation	**(61)**	(216)
Finance income	**2**	3
Finance costs	**(15)**	(6)
Net finance income/(costs)	**(13)**	(3)
Profit/(loss) before tax from a discontinued operation	**(74)**	(219)
Income tax (expense)/benefit	**(17)**	27
Profit/(loss) for the year from a discontinued operation	**(91)**	(192)
Total comprehensive income/(loss) from a discontinued operation attributable to the equity holders of South32 Limited	**(91)**	(192)
Basic earnings/(loss) per share (cents)	**(2.0)**	(4.2)
Diluted earnings/(loss) per share (cents)	**(2.0)**	(4.2)

1. Includes an impairment loss of US$118 million (FY24: US$264 million). Refer to note 13 Impairment of non-financial assets.

The cash flows from the discontinued operation are as follows:

US$M	FY25	FY24
Net cash flows from operating activities	**90**	80
Net cash flows from investment activities	**(30)**	(34)

30. Assets and liabilities held for sale and discontinued operations continued

Cerro Matoso continued

The major classes of assets and liabilities classified as held for sale are as follows:

US$M	FY25
Assets	
Cash and cash equivalents	**80**
Trade and other receivables	**39**
Inventories	**112**
Current tax assets	**5**
Property, plant and equipment	**63**
Intangible assets	**5**
Other assets	**2**
Total assets held for sale	**306**
Liabilities	
Trade and other payables	**75**
Current tax payables	**3**
Provisions	**186**
Total liabilities directly associated with assets held for sale	**264**
Net assets of disposal group classified as held for sale	**42**

31. Disposal of subsidiaries and joint operations

Illawarra Metallurgical Coal

In February 2024, the Group announced its decision to enter into a binding agreement for the sale of its shareholding in Illawarra Metallurgical Coal to an entity owned by Golden Energy and Resources Pte Ltd (GEAR) and M Resources Pty Ltd (M Resources). The sale completed on 29 August 2024 and resulted in a loss on disposal of US$47 million. The sale consideration included an upfront and deferred cash consideration of US$1,300 million and contingent price-linked consideration of up to US$350 million. The consideration is subject to customary working capital, net debt and capital expenditure adjustments that is expected to be finalised during H1 FY26.

Illawarra Metallurgical Coal was classified as held for sale and presented separately on the Group's FY24 Consolidated balance sheet. The disposal group represents the entire Illawarra Metallurgical Coal segment, which comprises Illawarra Coal Holdings Pty Ltd and its subsidiaries, a 16.7 per cent interest in the Port Kembla Coal Terminal, and certain associated external contractual arrangements held by South32 Marketing Pte Ltd which were novated to Illawarra Metallurgical Coal prior to completion. As a separate major component of the Group, Illawarra Metallurgical Coal has also been presented as a discontinued operation in the Group's Consolidated income statement.

The results of the discontinued operation are as follows:

US$M	FY25	FY24
Revenue:		
Group production	**116**	1,224
Third party products and services	**28**	237
	144	1,461
Other income	**–**	10
Expenses excluding finance costs[1]	**(97)**	(832)
Loss on disposal of the discontinued operation	**(47)**	–
Share of profit/(loss) of equity accounted investments	**–**	(1)
Operating profit/(loss) from a discontinued operation	**–**	638
Finance income	**–**	2
Finance costs	**(3)**	(12)
Net finance income/(costs)	**(3)**	(10)
Profit/(loss) before tax from a discontinued operations	**(3)**	628
Income tax (expense)/benefit	**(11)**	(193)
Profit/(loss) for the year from a discontinued operation	**(14)**	435
Total comprehensive income/(loss) from a discontinued operation attributable to the equity holders of South32 Limited	**(14)**	435
Basic earnings/(loss) per share (cents)	**(0.3)**	9.6
Diluted earnings/(loss) per share (cents)	**(0.3)**	9.6

1. Includes an impairment reversal in FY24 of US$197 million. Refer to note 13 Impairment of non-financial assets.

Notes to financial statements – Other notes continued

31. Disposal of subsidiaries and joint operations continued

Illawarra Metallurgical Coal continued

The cash flows from the discontinued operation are as follows:

US$M	FY25	FY24
Net cash flows from operating activities	**86**	358
Net cash flows from investment activities	**880**	(345)
Net cash flows from financing activities	**(1)**	(5)

The effect of disposal on the results and financial position of the Group is as follows:

US$M	FY25
Consideration	
Upfront consideration, net of transaction costs	**1,010**
Deferred consideration[1]	**170**
Contingent price-linked consideration[2]	**115**
Total consideration	**1,295**
Net assets disposed of	
Cash and cash equivalents	**17**
Trade and other receivables	**94**
Inventories	**166**
Property, plant and equipment	**1,577**
Equity accounted investments	**6**
Other assets	**10**
Trade and other payables	**(199)**
Interest bearing liabilities	**(31)**
Provisions	**(278)**
Deferred tax liabilities	**(20)**
Total net assets disposed of	**1,342**
Loss on disposal	**(47)**
Consideration received, net of transaction costs, satisfied in cash	**955**
Cash and cash equivalents disposed of	**(17)**
Net cash inflow	**938**

1. Present value of the US$250 million deferred consideration payable in March 2030, recognised in trade and other receivables on the Consolidated balance sheet.
2. Fair value of the contingent price-linked consideration, recognised in other financial assets on the Consolidated balance sheet. The contingent consideration is payable at 50 per cent of incremental metallurgical coal revenue above certain price thresholds, capped at US$350 million over a five year period.

Eagle Downs Metallurgical Coal

In February 2024, the Group announced its decision to enter into a binding agreement to sell its 50 per cent interest in Eagle Downs Metallurgical Coal to a subsidiary of Stanmore Resources Limited. The sale completed on 12 August 2024 and did not result in a gain or loss on disposal. The sale consideration included upfront consideration of US$15 million, adjusted for customary working capital and net debt, a contingent payment of US$20 million subject to the project reaching metallurgical coal production of 100,000 tonnes, and a price-linked royalty of up to US$100 million.

Eagle Downs Metallurgical Coal was classified as held for sale and presented separately on the Group's FY24 Consolidated balance sheet. Eagle Downs Metallurgical Coal is not considered a separate major component of the Group and therefore was not classified as a discontinued operation, with its results remaining within continuing operations in the Group's Consolidated income statement.

The effect of disposal on the results and financial position of the Group is as follows:

US$M	FY25
Consideration	
Upfront consideration, net of transaction costs	**16**
Total consideration	**16**
Net assets disposed of	
Property, plant and equipment	**31**
Interest bearing liabilities	**(8)**
Provisions	**(7)**
Total net assets disposed of	**16**
Gain/(loss) on disposal	**–**
Consideration received, net of transaction costs, satisfied in cash	**16**
Net cash inflow	**16**

32. Subsequent events

Capital management

On 28 August 2025, the Directors resolved to pay a fully-franked final dividend of US 2.6 cents per share (US$117 million) in respect of the 2025 financial year. The dividends will be paid on 16 October 2025. The dividends have not been provided for in the consolidated financial statements and will be recognised in the 2026 financial year.

On 28 August 2025, the Directors resolved to extend the existing on-market share buy-back program by 12 months. The program has US$144 million remaining to be returned to shareholders by 11 September 2026.

No other matters or circumstances have arisen since the end of the year that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs of the Group in subsequent accounting periods.

Consolidated entity disclosure statement

as at 30 June 2025

The following table provides a list of all entities included in the Group's consolidated financial statements. The ownership interest is only disclosed for those entities which are a body corporate, representing the direct and indirect percentage share capital owned by the Company.

Entity name	Legal structure	Country of incorporation	Australian or foreign tax resident	Jurisdiction for foreign tax residency	Ownership interest %[1]
African Metals (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
Aluminium Management Company of Mozambique (Pty) Limited	Body Corporate	South Africa	Foreign	South Africa	**66**
Ambler Metals LLC	Body Corporate	United States	Foreign	United States	**50**
BHP Billiton Community Development Trust	Trust	N/A	Foreign	South Africa	**N/A**
BHP Billiton Community Support Trust	Trust	N/A	Foreign	South Africa	**N/A**
BHP Billiton Education Trust	Trust	N/A	Foreign	South Africa	**N/A**
Billiton Insurance Mutual Trust	Trust	N/A	Foreign	South Africa	**N/A**
Cerro Matoso S.A.	Body Corporate	Colombia	Foreign	Colombia	**99.9**
Conicol BVI Limited	Body Corporate	British Virgin Islands	Australian	N/A	**100**
Fundación cerro matoso	Body Corporate	Colombia	Foreign	Colombia	**100**
Fundación educativa de montelíbano	Body Corporate	Colombia	Foreign	Colombia	**100**
Fundación panzenú	Body Corporate	Colombia	Foreign	Colombia	**100**
Gengro (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
Hillside Aluminium (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
Minera Sud Argentina S.A.	Body Corporate	Argentina	Foreign	Argentina	**50.1**
Mozal Community Development Trust	Trust	N/A	Foreign	Mozambique	**N/A**
Mozal SA	Body Corporate	Mozambique	Foreign	Mozambique	**63.7**
South32 (BMSA) Pty Ltd	Body Corporate	Australia	Australian	N/A	**100**
South32 (BVI) Limited	Body Corporate	British Virgin Islands	Australian	N/A	**100**
South32 Africa (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
South32 Africa Holdings (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
South32 Aluminium (Holdings) Pty Ltd	Body Corporate	Australia	Australian	N/A	**100**
South32 Aluminium (RAA) Pty Ltd[2]	Body Corporate	Australia	Australian	N/A	**100**
South32 Aluminium (Worsley) Pty Ltd[2]	Body Corporate	Australia	Australian	N/A	**100**
South32 Aluminium SA (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
South32 Americas Inc.	Body Corporate	United States	Foreign	United States	**100**
South32 Argentina Holdings Pty Ltd	Body Corporate	Australia	Australian	N/A	**100**
South32 Argentina S.A.	Body Corporate	Argentina	Foreign	Argentina	**100**
South32 Arizona (Holdings) Pty Ltd	Body Corporate	Australia	Australian	N/A	**100**
South32 Australia Investment 3 Pty Ltd	Body Corporate	Australia	Australian	N/A	**100**
South32 Base Metals Ireland Limited	Body Corporate	Ireland	Foreign	Ireland	**100**
South32 Canada Inc.	Body Corporate	Canada	Foreign	Canada	**100**
South32 Cannington Proprietary Limited	Body Corporate	Australia	Australian	N/A	**100**
South32 Chile Copper Holdings Pty Ltd	Body Corporate	Australia	Australian	N/A	**100**
South32 Eagle Downs Pty Ltd	Body Corporate	Australia	Australian	N/A	**100**
South32 Energy SAS ESP	Body Corporate	Colombia	Foreign	Colombia	**100**
South32 Exploracion S.A.S.	Body Corporate	Colombia	Foreign	Colombia	**100**
South32 Finance 1 B.V.	Body Corporate	Netherlands	Foreign	Netherlands	**100**
South32 Finance 2 B.V.	Body Corporate	Netherlands	Foreign	Netherlands	**100**
South32 Freight Australia Pty Ltd	Body Corporate	Australia	Australian	N/A	**100**
South32 Gas S.A.S. E.S.P.	Body Corporate	Colombia	Foreign	Colombia	**100**
South32 Group (BVI) Limited	Body Corporate	British Virgin Islands	Australian	N/A	**100**
South32 Group Operations Pty Ltd	Body Corporate	Australia	Australian	N/A	**100**
South32 Hermosa Inc.	Body Corporate	United States	Foreign	United States	**100**
South32 Holding 1 SpA	Body Corporate	Chile	Foreign	Chile	**100**
South32 Holding 2 SpA	Body Corporate	Chile	Foreign	Chile	**100**
South32 International Investment Holdings Proprietary Limited	Body Corporate	Australia	Australian	N/A	**100**
South32 International Investment Proprietary Limited	Body Corporate	Australia	Australian	N/A	**100**
South32 Investment 1 B.V.[3]	Body Corporate	Netherlands	Foreign	Netherlands	**100**

Consolidated entity disclosure statement

as at 30 June 2025

Entity name	Legal structure	Country of incorporation	Australian or foreign tax resident	Jurisdiction for foreign tax residency	Ownership interest %[1]
South32 Jersey Limited	Body Corporate	Jersey	Australian	N/A	**100**
South32 Limited (the Company)	Body Corporate	Australia	Australian	N/A	**100**
South32 Limited Employee Incentive Plans Trust	Trust	N/A	Australian	N/A	**N/A**
South32 Marketing Pte. Ltd.	Body Corporate	Singapore	Foreign	Singapore	**100**
South32 Minerals SA[4]	Body Corporate	Brazil	Foreign	Brazil	**100**
South32 North America Projects ULC	Body Corporate	Canada	Foreign	Canada	**100**
South32 Properties (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
South32 Royalty Investments Pty Ltd	Body Corporate	Australia	Australian	N/A	**100**
South32 SA (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
South32 SA Finance (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
South32 SA Holdings (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
South32 SA Investments Limited	Body Corporate	United Kingdom	Foreign	United Kingdom	**100**
South32 SA Manganese Holdings (Pty) Ltd	Body Corporate	South Africa	Foreign	South Africa	**100**
South32 Sierra Gorda SpA	Body Corporate	Chile	Foreign	Chile	**100**
South32 South African AllShare Trust	Trust	N/A	Foreign	South Africa	**N/A**
South32 Southern Africa Holdings Limited	Body Corporate	United Kingdom	Foreign	United Kingdom	**100**
South32 Treasury (USA) Limited	Body Corporate	Australia	Australian	N/A	**100**
South32 Treasury Limited	Body Corporate	Australia	Australian	N/A	**100**
South32 USA Exploration Inc.[5]	Body Corporate	United States	Foreign	United States	**100**
South32 Worsley Alumina Pty Ltd	Body Corporate	Australia	Australian	N/A	**86**
Southern Abatis Pte Ltd	Body Corporate	Singapore	Australian	N/A	**100**
Taragon Valley Pty Limited	Body Corporate	Australia	Australian	N/A	**100**

1. The ownership interest percentage has been rounded to one decimal place.
2. Participant in the Worsley Alumina joint operation which is included in the Group's consolidated financial statements.
3. Participant in the Mozal SA and Aluminium Management Company of Mozambique (Pty) Limited joint operations which are included in the Group's consolidated financial statements.
4. Participant in the Brazil Alumina and Brazil Aluminium joint operations which are included in the Group's consolidated financial statements.
5. Participant in the Ambler Metals LLC joint operation which is included in the Group's consolidated financial statements.

Determination of tax residency

This consolidated entity disclosure statement has been prepared as at 30 June 2025 in accordance with subsection 295 (3A) of the Corporation Act 2001. Under this subsection, an entity is considered an Australian resident at the end of a financial year if the entity is:

- An Australian resident (within the meaning of the Income Tax Assessment Act 1997) at that time;
- A partnership, with at least one partner being an Australian resident (within the meaning of the Income Tax Assessment Act 1997) at that time; or
- A resident trust estate (within the meaning of Division 6 of Part III of the Income Tax Assessment Act 1936) in relation to the year of income (within the meaning of the Income Tax Assessment Act 1936) that corresponds to the financial year.

The determination of tax residency involves judgement, as it is highly fact dependent and subject to various interpretations. These interpretations can lead to differing conclusions on residency.

In determining tax residency, the Group has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5. Where necessary for foreign tax residency, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with. The Group confirms there were no dual tax residents for the year ended 30 June 2025.

Directors' declaration

In accordance with a resolution of the Directors of the Company, we state that:

1. In the opinion of the Directors:
   (a) The consolidated financial statements and notes that are set out on pages 166 to 223 of the Annual Report are in accordance with the Corporations Act, including:
      (i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
      (ii) Complying with Australian Accounting Standards and Corporations Regulations 2001.
   (b) The consolidated entity disclosure statement set out on pages 224 to 225 of the Annual Report, as required by Section 295(3A) of the Corporations Act, is true and correct.
   (c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations required by Section 295A of the Corporations Act from the Chief Executive Officer and Chief Financial Officer for the year ended 30 June 2025.
3. The Directors draw attention to note 2 to the financial statements on page 171 which includes a statement of compliance with International Financial Reporting Standards Accounting Standards.

Signed in accordance with a resolution of the Board of Directors.

Karen Wood AM
Chair

Graham Kerr
Chief Executive Officer and Managing Director

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the Directors of South32 Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of South32 Limited for the financial year ended 30 June 2025 there have been:

1. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Jane Bailey

Jane Bailey
Partner

Perth
28 August 2025

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INDEPENDENT AUDITOR'S REPORT

To the shareholders of South32 Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of South32 Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2025 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with A*ustralian Accounting Standards* and *the Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated balance sheet as at 30 June 2025;
- Consolidated income statement, Consolidated statement of comprehensive income, Consolidated statement of changes in equity, and Consolidated cash flow statement for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2025;
- Notes, including material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards* and *International Standards on Auditing*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional* and *Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Asset valuation;
- Closure and rehabilitation provision; and
- Sale of Cerro Matoso.

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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INDEPENDENT AUDITOR'S REPORT

Asset valuation (Impairment loss of non-financial assets from continuing operations US$346m)

Refer to Note 13 *Impairment of non-financial assets* to the Financial Report

The key audit matter

Impairment testing of the Mozal Aluminium Cash Generating Unit (CGU) was a key audit matter due to the size of the impairment loss, forward-looking assumptions used and the sensitivity of valuations to certain assumptions.

The Group has recorded an impairment charge of $346m in the Mozal CGU against property, plant and equipment and intangible assets, resulting from the uncertainty surrounding the extension of the electricity supply agreement beyond March 2026.

The Group calculated the recoverable amount using a discounted cash flow model to determine the fair value less cost of disposal (FVLCD). The Group's model used life of operation plans, approved budgets, and a range of external sources as inputs to the assumptions. Modelling using forward-looking assumptions tends to be prone to greater risk for potential bias, error and inconsistent application. These conditions necessitate additional scrutiny by us to address the objectivity of inputs and their consistent application.

Our audit effort was focused on forward-looking assumptions the Group applied in its models, including:

- Electricity supply – the Group faced uncertainty regarding its ability to secure an affordable electricity tariff and reliable supply. The recoverable amount has been risk-weighted across various scenarios with materially different outcomes;
- Forecast commodity prices and foreign exchange rates – the current economic climate has resulted in significant volatility in forecast commodity prices across the Group. The Group's models are sensitive to small changes in aluminium and alumina price assumptions, as well as changes to foreign exchange rates, particularly the South African Rand and Mozambique Metical, which increased forecasting risk;
- Discount rates – these are complicated in nature and vary according to the conditions and environment the CGU is subject to from time to time; and
- Forecast operating cash flows, production volumes and capital expenditure – these are determined by the Group based on historical performance adjusted for expected changes or plans for development. This drives additional audit effort specific to the feasibility of the forecasts and consistency with the Group's strategy.

How the matter was addressed in our audit

Our procedures included:

- We recalculated the impairment charge against the amount recognised;
- Along with our valuation specialists we:
  - Considered the appropriateness of the FVLCD method applied by the Group to perform the impairment test against the requirements of the accounting standards; and
  - Assessed the integrity of the model used for impairment testing, including the accuracy of the underlying formulas and consistency of modelling to the prior year.
- We challenged the Group's significant forecast cash flows assumptions, including the probability weighting applied across various scenarios. We compared key assumptions to the Board approved plan and strategy. We applied increased scepticism to forecasts in the areas where previous forecasts were not achieved. We compared key forecast expenditure to published studies of industry trends and expectations and considered differences for the Group's operations. We used our knowledge of the Group, their past performance, business and customers, and our industry experience;
- We compared the modelled electricity supply agreement extension terms to internal and external underlying documentation. We inquired with management and advisors, corroborated key information and communications, and considered the broader economic and political context;
- We compared forecast commodity prices to published views of market commentators on future trends. Working with our valuation specialists, we also compared forecast foreign exchange rates to published views of market commentators;
- Working with our valuation specialists, and considering the risk factors specific to the CGU, we compared the discount rates to publicly available market data;
- We compared the forecast production volumes, capital expenditure and operating expenditure estimates contained in the models to the life of operation plans incorporating the approved budgets. We assessed the accuracy of the Group's previous forecasts to assist with this assessment; and
- We assessed the disclosures in the Financial Report using our understanding obtained from our testing and against the requirements of the accounting standards.

INDEPENDENT AUDITOR'S REPORT

Closure and rehabilitation provision (US$1,669m)

Refer to Note 15 *Provisions* to the Financial Report

The key audit matter

Closure and rehabilitation provisioning was a key audit matter due to the additional audit effort from the:

- Size of the provision;
- Inherent complexity in the Group's estimation of future closure and rehabilitation costs; and
- Significant judgement applied by the Group, and effort for us, in gathering persuasive audit evidence on the costs, particularly for those costs to be incurred years into the future.

Closure and rehabilitation activities are governed by Group policies based on legal and regulatory requirements, which differ across the jurisdictions the Group operates in.

The estimate of the rehabilitation provision is influenced by:

- The complexity in current environmental and regulatory requirements, and the impact to completeness of the closure and rehabilitation provision;
- Group policies and the nature of the costs incorporated into the rehabilitation provision; and
- The expected timing of expenditure which is planned to occur years into the future, and the associated discounting of costs in the present value calculation of the rehabilitation provision.

The Group used third party and internal experts when assessing their obligations for closure and rehabilitation activities and associated estimates of future costs.

How the matter was addressed in our audit

Our procedures included:

- We compared the basis for recognition and measurement of the closure and rehabilitation provision for consistency with environmental and regulatory requirements and criteria in the accounting standards;
- We evaluated the methodology applied by the Group's third-party and internal experts in determining the nature and extent of closure and rehabilitation activities by comparison to industry practice;
- We evaluated key assumptions used in the closure and rehabilitation provision, relevant to the jurisdictions of the sites the Group operates in:
  - Comparing the nature and extent of activities costed to a sample of the Group's closure and rehabilitation plans and relevant regulatory requirements.
  - Comparing a sample of the nature, timing and quantum of costs, incorporating allowance for uncertainties, to the Group's third-party expert estimates, internal and external underlying documentation and our knowledge of the Group and its industry.
  - Comparing the timing of closure and rehabilitation activities to the Group's mineral resources and ore reserve estimates, the expected production profile contained in the life of operation plans and proposed timing of commencement and completion of rehabilitation activities.
  - Assessing the scope, objectivity and competence of the Group's internal and third party experts used in the determination of the rehabilitation provision estimate.
  - Working with our valuation specialists, comparing country specific discount rate assumptions to market observable data, including risk free rates.
- We evaluated the completeness of the closure and rehabilitation provision against the Group's analysis of where disturbance requires rehabilitation and comparing to our understanding of the Group's operations; and
- We assessed the disclosures in the Financial Report using our understanding obtained from our testing against the requirements of the accounting standard.

INDEPENDENT AUDITOR'S REPORT

Sale of Cerro Matoso (Assets held for sale US$306m, Liabilities directly associated with assets held for sale $US264m, Impairment loss of non-financial assets from discontinued operations US$118m).

Refer to Note 30 *Assets and liabilities held for sale and discontinued operations* to the Financial Report

The key audit matter

In July 2025, the Group announced an agreement to sell its shareholding in Cerro Matoso, subject to conditions prior to completion of the sale.

The financial results of Cerro Matoso are presented as a discontinued operation and its assets and liabilities are presented as held for sale in the Financial Report.

The sale is considered a key audit matter due to the judgement:

- Required in assessing whether the held for sale criteria have been met at 30 June 2025;
- Applied by the Group in the identification of the disposal group held for sale and the presentation of its results as a discontinued operation;
- Involved in determining the impairment recognised related to the disposal group; and
- To determine the value of the consideration, including contingent consideration.

How the matter was addressed in our audit

Our procedures included:

- We examined the relevant transaction documents to understand the terms and conditions of the sale;
- We obtained an understanding of the process for identifying net assets expected to be disposed of. This included walk-through of the process with the Group's respective business and finance teams to check our understanding of the approach and procedures adopted;
- We assessed the Group's classification of assets and liabilities recognised as held for sale by reconciling balances to underlying records, inspecting required adjustments as stipulated within the sale and purchase agreement and comparing to the requirements of the accounting standards;
- We tested key inputs and forward-looking assumptions used in the determination of the fair value of the deferred and contingent consideration to the life of operation plan and compared forecast commodity prices to published views of market commentators;
- Using our tax specialists, we evaluated the associated tax implications against the requirements of the tax legislation;
- We assessed the integrity and accuracy of the calculated loss from the discontinued operation, including impairment of non-financial assets, against the amount recorded and disclosed by the Group; and
- We assessed the disclosures in the Financial Report using our understanding obtained from our testing against the requirements of the accounting standard.

Other Information

Other Information is financial and non-financial information in South32 Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report, specified sustainability disclosures within the Annual Report, the Sustainability Data book and the Climate Change Action Plan and our respective assurance conclusions.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- Implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* and *International Standards on Auditing* will always detect a material misstatement when it exists.

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

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: *https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf*. This description forms part of our Auditor's Report. These responsibilities also apply to our audit performed in accordance with International Standards on Auditing.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of South32 Limited for the year ended 30 June 2025, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 140 to 164 of the Directors' report for the year ended 30 June 2025.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Jane Bailey

Jane Bailey
Partner

Perth
28 August 2025

RESOURCES AND RESERVES

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CELEBRATING 10 YEARS 2015 – 2025

Resource and Reserves continued

We report Mineral Resources and Ore Reserves in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) as required by Chapter 5 of the Australian Securities Exchange (ASX) Listing Rules.

A 'Mineral Resource' is defined by the JORC code to be a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. An 'Ore Reserve' is defined as the economically mineable part of a Measured and/or Indicated Mineral Resource.

A 'Competent Person' is defined by the JORC Code to be a minerals industry professional who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a 'Recognised Professional Organisation' (RPO), as included in a list available on the JORC and ASX websites. They must have a minimum of five years of relevant experience in the style of mineralisation or type of deposit under consideration and the activity being undertaken. Each of our Competent Persons involved in the preparation of information relating to Mineral Resources and Ore Reserves in this report meet those requirements. You can find more details on each of their professional affiliations, employer and areas of accountability on the page of deposit for which they are responsible, starting on page 236. Unless we state otherwise, all Competent Persons listed are full-time employees at South32, or at one of our related entities.

Declaration

We report:

- Mineral Resources and Ore Reserves in 100 per cent terms and represent estimates as at 30 June 2025.
- All quantities as dry metric tonnes, unless stated otherwise. It is important to note that Mineral Resources and Ore Reserves are estimations, not precise calculations. We have rounded tonnes and grade information to reflect the relative uncertainty of the estimate, which is why minor computational differences may be present in the totals.
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Basis of estimation

We confirmed reasonable prospects for eventual economic extraction for our reported Mineral Resource estimates. This also includes technical and economic assessment for applied cut-off assumptions.

Our Ore Reserves are based on Life of Operation Plans considering a review of mining, metallurgical, infrastructure, marketing and legal factors. Our long-range forecasts are the basis for the commodity prices and exchange rates used to estimate the economic viability of Ore Reserves.

Our planning processes consider the impacts of climate change on our Ore Reserves estimates, including assessments of operating costs and the impact of extreme weather events on the expectation of economic extraction.

Our Ore Reserves are within existing permitted mining tenements. Our mineral leases are of sufficient duration, or convey a legal right to renew the tenure, to enable all Ore Reserves on the leased properties to be mined in accordance with the current production schedules. These Ore Reserves may include areas where additional regulatory approvals are required, and we expect that such approvals will be obtained within the timeframe needed for the current production schedule. Whilst future approval conditions may be more onerous than current operating conditions, any such conditions are expected to be reasonable, scientifically based and aligned with prevailing legislation.

Our Mineral Resource and Ore Reserve estimates are peer reviewed during data gathering, integration and assessment stages to confirm alignment with industry best practice.

Competent Person Consent

Information in this report relating to Mineral Resources and Ore Reserves is based on, and fairly represents, information and supporting documentation prepared by our Competent Persons listed on each deposit page starting from page 236.

Each of our Competent Persons have given consent to the inclusion of the information relating to Mineral Resources and Ore Reserves in this report in the form and context in which it appears and have approved the inclusion of the Mineral Resources and Ore Reserves statement as a whole in this report.

At a glance - Resources and Reserves

	Total Ore/Coal Reserve (Mt)		Reserve Life Years[1]		Total Mineral/ Coal Resource (Mt)	
Operations, development projects and options	As at 30 June 2025	As at 30 June 2024	As at 30 June 2025	As at 30 June 2024	As at 30 June 2025	As at 30 June 2024
Worsley Alumina	**177**	199	**11**	12	**1,050**	1,080
Brazil Alumina	**41**	41	**3.2**	3.6	**495**	503
Sierra Gorda	**730**	782	**15**	16	**1,800**	1,870
Cannington	**10**	11	**6.0**	5.0	**78**	80
Hermosa						
Taylor	**65**	65	**19**	19	**153**	153
Clark					**55**	55
Peake					**25**	3.3
Ambler Metals						
Arctic					**43**	43
Bornite					**148**	148
Australia Manganese	**59**	52	**6.0**	5.0	**126**	138
South Africa Manganese[2]	**89**	93	**43**	46	**190**	200
Cerro Matoso	**27**	29	**7.0**	8.0	**297**	300
Illawarra Metallurgical Coal[3]	**-**	97	**-**	21	**-**	1,170

1. Scheduled extraction period in years for the total Ore Reserves in the approved Life of Operation Plan.
2. Reserve life for South Africa Manganese is reported as the life of scheduled Ore Reserves for Wessels. The Reserve life for each of the remaining operations is stated in the detailed disclosures that follow.
3. Illawarra Metallurgical Coal was divested on 29 August 2024.

Our governance arrangements and internal controls

We have internal standards and governance arrangements that cover regulatory requirements for public reporting. Our comprehensive review and audit program is aimed at assuring our Mineral Resource and Ore Reserve estimates. The frequency and scope of the audits are generally a function of the perceived risks and uncertainties associated with a particular Mineral Resource and Ore Reserve. The review and audit program includes:

- Annual risk review of Mineral Resources and Ore Reserves estimates;
- Annual review of reconciliation performance metrics for operating mines;
- Periodic internal mine planning and Ore Reserve audits; and
- Independent audits of Exploration Results, Mineral Resources or Ore Reserves that are new or have materially changed.

To facilitate correct and accurate public reporting with respect to Mineral Resources and Ore Reserves, our governance processes are managed by the Resource and Reserve Governance function in coordination with the Company Secretariat function and independently reviewed annually.

In FY25, we undertook

- Risk reviews for all reported Mineral Resources and Ore Reserves with Competent Persons and relevant subject matter experts. We scrutinised year on year changes, reviewed reconciliation performance, verified that all mining tenements are in good standing and assessed risks and opportunities and ESG considerations;
- Two independent assurance audits of Mineral Resource estimates and three independent assurance audits of Ore Reserve estimates, and
- Two internal mine planning and Ore Reserve assurance audits.

The accompanying tables, on pages 236 to 255, outline our Mineral/Coal Resources and Ore/Coal Reserves holdings.

Our exploration, research and development

Our operations carry out exploration, research and development necessary to support our activities. Our brownfield exploration activities target the delineation and categorisation of mineral deposits connected or adjacent to our existing operations. Our greenfield exploration activities focus on the discovery and delineation of opportunities outside of our operational footprint, with a bias to base metals.

During FY25 we continued to expand our global exploration footprint. We funded greenfield exploration in Australia, Argentina, Ireland, Canada, Namibia and the United States of America. Our exploration expenditure for FY25 was US$98 million (FY24: US$89 million) of which US$28 million related to brownfield and US$70 million related to greenfield (FY24: US$36 million and US$53 million respectively).

Resource and Reserves continued

Worsley Alumina

Mineral Resources

As at 30 June 2025		Measured Mineral Resources			Indicated Mineral Resources		
Deposit	Material Type	Mt	% $A.Al_2O_3$	% $R.SiO_2$	Mt	% $A.Al_2O_3$	% $R.SiO_2$
Worsley[1]	Laterite	264	28.6	1.6	407	29.1	2.1

Ore Reserves

As at 30 June 2025		Proved Ore Reserves			Probable Ore Reserves		
Deposit	Ore Type	Mt	% $A.Al_2O_3$	% $R.SiO_2$	Mt	% $A.Al_2O_3$	% $R.SiO_2$
Worsley[1][2][3]	Laterite	154	28.2	1.6	23	27.9	1.6

1. Cut-off grade
   Mineral Resources: Variable ranging from $A.Al_2O_3 \geq 22$-25% and $R.SiO_2 \leq 3$-3.5% for mineralised material and $A.Al_2O_3 \geq 28\%$ and $R.SiO_2 \leq 3$-5% for blend material and ≥1m thickness
   Ore Reserves: Variable ranging from $A.Al_2O_3 \geq 22.5$-29% and $R.SiO_2 < 3$-5% and variable thickness ≥1-2m
2. Ore delivered to Worsley alumina refinery
3. Metallurgical recovery is 92.9%

Worsley Alumina is an integrated bauxite mining and alumina refining operation in south-west Western Australia. The bauxite mine is located near the town of Boddington, the refinery near the town of Collie and alumina is shipped from the port of Bunbury. Operations commenced in 1984.

The orebody consists of shallow lateritic bauxite deposits located on the slopes of the Darling Range and formed by the weathering of granites and greenstones of the Yilgarn Craton. The ore is extracted by conventional truck and shovel open pit mining. Bauxite is transported via overland conveyor and processed at the refinery utilising the Bayer process to produce alumina powder for export.

Competent Persons

Mineral Resources **P Soodi Shoar**, MAusIMM

Ore Reserves **G Burnham**, MAusIMM

Inferred Mineral Resources			Total Mineral Resources			South32 Interest	As at 30 June 2024 Total Mineral Resources		
Mt	% $A.Al_2O_3$	% $R.SiO_2$	Mt	% $A.Al_2O_3$	% $R.SiO_2$	%	Mt	% $A.Al_2O_3$	% $R.SiO_2$
374	28.4	2.1	**1,050**	**28.7**	**2.0**	86	1,080	28.7	1.9

Total Ore Reserves			Reserve Life	South32 Interest	As at 30 June 2024 Total Ore Reserves			Reserve Life
Mt	% $A.Al_2O_3$	% $R.SiO_2$	Years	%	Mt	% $A.Al_2O_3$	% $R.SiO_2$	Years
177	**28.2**	**1.6**	11	86	199	28.2	1.6	12

Resource and Reserves continued

Mineração Rio do Norte

Mineral Resources

As at 30 June 2025		Measured Mineral Resources			Indicated Mineral Resources		
Deposit	Material Type	Mt	% $A.Al_2O_3$	% $R.SiO_2$	Mt	% $A.Al_2O_3$	% $R.SiO_2$
MRN[(1)(2)]	Washed	457	47.3	5.3	3.6	48.9	2.5

Ore Reserves

As at 30 June 2025		Proved Ore Reserves			Probable Ore Reserves		
Deposit	Ore Type	Mt	% $A.Al_2O_3$	% $R.SiO_2$	Mt	% $A.Al_2O_3$	% $R.SiO_2$
MRN[(1)(2)(3)(4)]	Washed	37	47.4	5.5	3.6	48.0	5.4

1. Cut-off grade
   Mineral Resources $A.Al_2O_3 \geq 35\%$ and mass recovery ≥50%
   Ore Reserves Economic cut-off is agreed with JV partners based on net present value and internal rate of return
2. Washed tonnes and grades represent the expected product based on forecast beneficiation yield
3. Ore delivered to Alumar alumina refinery
4. Alumar metallurgical recovery is 91.0%

Brazil Alumina consists of the Mineração Rio do Norte (MRN) bauxite mine in northern Brazil and the Alumar alumina refinery in north-eastern Brazil. The bauxite mine is located in the district of Porto Trombetas and the refinery in São Luís. Operations commenced in the 1980's.

The orebody consists of shallow lateritic bauxite deposits located on plateaus within the sedimentary basin of the upper cretaceous Alter do Chão formation. The ore is extracted via conventional open pit mining techniques. Bauxite is processed on site to remove impurities, reduce reactive silica and improve available alumina before being transported by ship to Alumar, where it is refined utilising the Bayer process to produce alumina powder for delivery to local and export smelters.

Competent Persons

Mineral Resources **R Aglinskas**, MAusIMM(CP), employed by MRN

Ore Reserves **G Coutinho**, MAusIMM, employed by MRN

Inferred Mineral Resources			Total Mineral Resources			South32 Interest	As at 30 June 2024 Total Mineral Resources		
Mt	% $A.Al_2O_3$	% $R.SiO_2$	Mt	% $A.Al_2O_3$	% $R.SiO_2$	%	Mt	% $A.Al_2O_3$	% $R.SiO_2$
34	47.3	5.2	**495**	**47.4**	**5.2**	33	503	47.4	5.2

Total Ore Reserves			Reserve Life	South32 Interest	As at 30 June 2024 Total Ore Reserves			Reserve Life
Mt	% $A.Al_2O_3$	% $R.SiO_2$	Years	%	Mt	% $A.Al_2O_3$	% $R.SiO_2$	Years
41	**47.5**	**5.5**	3.2	33	41	48.9	4.9	3.6

Resource and Reserves continued

Sierra Gorda

Mineral Resources

As at 30 June 2025		Measured Mineral Resources				Indicated Mineral Resources			
Deposit	Material Type	Mt	% TCu	g/t Au	% Mo	Mt	% TCu	g/t Au	% Mo
Sierra Gorda[1]	OC Sulphide	347	0.40	0.07	0.025	507	0.34	0.06	0.013
	Stockpile					54	0.27	0.04	0.012

Ore Reserves

As at 30 June 2025		Proved Ore Reserves				Probable Ore Reserves			
Deposit	Ore Type	Mt	% TCu	g/t Au	% Mo	Mt	% TCu	g/t Au	% Mo
Sierra Gorda[1][2][3]	OC Sulphide	318	0.41	0.07	0.025	358	0.37	0.06	0.014
	Stockpile					54	0.27	0.04	0.012

1. Cut-off: Net smelter return in US$/t

   Mineral Resources
   - OC Sulphide >0
   - Stockpile No cut-off grade applied

   Ore Reserves
   - OC Sulphide >0
   - Stockpile No cut-off grade applied

2. Ore delivered to process plant
3. Metallurgical recoveries are 83% TCu, 54% Mo and 47% Au

Sierra Gorda is a large integrated copper mining and processing operation located in the Antofagasta region of northern Chile, 60 km south-west of the city of Calama. Operations commenced in 2014.

The porphyry copper deposit corresponds to a copper, molybdenum and gold hydrothermal system with the presence of breccias, veining and dissemination. The deposit is located in the cretaceous central zone within three distinct metallogenic belts related to hydrothermal systems. Mining is via conventional large open pit and ore is delivered either directly to the crusher or to stockpiles for future reclamation and blending. Ore is processed through crushing, grinding and flotation circuits to produce a copper concentrate with gold and silver credits and a separate molybdenum concentrate. The concentrates are transported by road and rail to a port in Antofagasta for export.

Competent Persons

Mineral Resources **I Glacken**, FAusIMM(CP), employed by Snowden Optiro

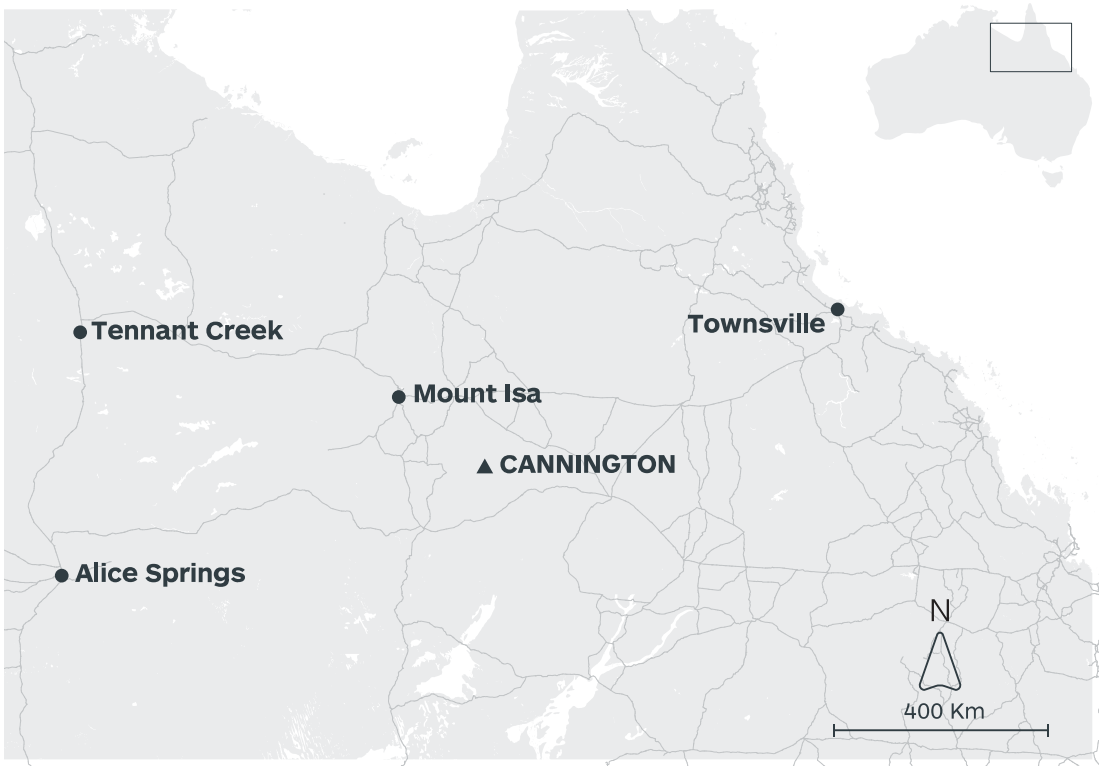
Ore Reserves **E Ardiles**, MAusIMM, employed by Sierra Gorda S.C.M.

Inferred Mineral Resources				Total Mineral Resources				South32 Interest	As at 30 June 2024 Total Mineral Resources			
Mt	% TCu	g/t Au	% Mo	Mt	% TCu	g/t Au	% Mo	%	Mt	% TCu	g/t Au	% Mo
897	0.37	0.06	0.013	**1,750**	**0.36**	**0.06**	**0.015**	45	1,820	0.36	0.06	0.016
				54	**0.27**	**0.04**	**0.012**		51	0.28	0.05	0.013

Total Ore Reserves				Reserve Life	South32 Interest	As at 30 June 2024 Total Ore Reserves				Reserve Life
Mt	% TCu	g/t Au	% Mo	Years	%	Mt	% TCu	g/t Au	% Mo	Years
676	**0.39**	**0.06**	**0.019**	15	45	731	0.39	0.06	0.020	16
54	**0.27**	**0.04**	**0.012**			51	0.28	0.05	0.013	

Resource and Reserves continued

Cannington



Mineral Resources

As at 30 June 2025		Measured Mineral Resources				Indicated Mineral Resources			
Deposit	Material Type	Mt	g/t Ag	% Pb	% Zn	Mt	g/t Ag	% Pb	% Zn
Cannington[1][2]	UG Sulphide	39	159	4.67	2.84	11	92	2.98	2.69
	OC Sulphide	19	115	3.51	2.29	4.5	58	2.32	2.39

Ore Reserves

As at 30 June 2025		Proved Ore Reserves				Probable Ore Reserves			
Deposit	Ore Type	Mt	g/t Ag	% Pb	% Zn	Mt	g/t Ag	% Pb	% Zn
Cannington[1][3][4][5]	UG Sulphide	8.5	172	5.29	3.20	1.6	199	5.32	1.55

1. Cut-off: Net smelter return in A$/t

   Mineral Resources
   - UG Sulphide 130
   - OC Sulphide 58

   Ore Reserves
   - UG Sulphide 190

2. Minor change due to updated price protocol
3. Ore delivered to process plant
4. Addition of Ore Reserve following re-optimisation of available Mineral Resource estimate
5. Metallurgical recoveries are 89% Ag, 91% Pb and 89% Zn

Cannington is an integrated silver-lead-zinc mining and processing operation located in north-west Queensland, 200 kilometres southeast of the town of Mount Isa. Operations at the underground mine commenced in 1998.

The orebody is a Broken Hill type, complex, steeply dipping, high-grade silver, lead and zinc deposit located within the Proterozoic Mount Isa inlier. The operation utilises long-hole open stoping methods to extract ore and voids are backfilled to maintain stability. Ore is trucked to the surface via a decline. The ore is subject to crushing, grinding and flotation to produce a silver-rich lead concentrate and a zinc concentrate. Concentrate is transported by road to a dedicated rail loading facility and exported though the port of Townsville.

Competent Persons

Mineral Resources **S Bowman**, MAusIMM

Ore Reserves **T Bailey**, MAusIMM, employed by AMC Consultants

Inferred Mineral Resources				Total Mineral Resources				South32 Interest	As at 30 June 2024 Total Mineral Resources			
Mt	g/t Ag	% Pb	% Zn	Mt	g/t Ag	% Pb	% Zn	%	Mt	g/t Ag	% Pb	% Zn
2.6	56	1.62	2.51	**53**	**140**	**4.17**	**2.79**	100	53	146	4.27	2.88
1.2	49	1.66	1.80	**25**	**101**	**3.21**	**2.28**		27	99	3.13	2.18

Total Ore Reserves				Reserve Life	South32 Interest	As at 30 June 2024 Total Ore Reserves				Reserve Life
Mt	g/t Ag	% Pb	% Zn	Years	%	Mt	g/t Ag	% Pb	% Zn	Years
10	**177**	**5.30**	**2.93**	6.0	100	11	198	5.70	3.17	5.0

Resource and Reserves continued

Hermosa

Mineral Resources

As at 30 June 2025		Measured Mineral Resources					Indicated Mineral Resources				
Deposit	Material Type	Mt	% Zn	% Pb	% Mn	g/t Ag	Mt	% Zn	% Pb	% Mn	g/t Ag
Hermosa[1]											
Taylor	UG Sulphide	41	4.22	4.25		67	83	3.38	3.91		76
Clarke	UG Oxide	0.4	1.77		8.11	56	35	2.40		9.49	58

As at 30 June 2025		Measured Mineral Resources					Indicated Mineral Resources				
Deposit	Material Type	Mt	% Cu	% Zn	% Pb	g/t Ag	Mt	% Cu	% Zn	% Pb	g/t Ag
Hermosa[1]											
Peake[2]	UG Sulphide										

Ore Reserves

As at 30 June 2025		Proved Ore Reserves				Probable Ore Reserves			
Deposit	Ore Type	Mt	% Zn	% Pb	g/t Ag	Mt	% Zn	% Pb	g/t Ag
Hermosa[1]									
Taylor[3]	UG Sulphide					65	4.35	4.90	82

1. Cut-off: Net smelter return in US$/t

   Mineral Resources

Taylor UG Sulphide	80
Clark UG Oxide	175
Peake UG Sulphide	80

   Ore Reserves

Taylor UG Sulphide	90

2. Change to Mineral Resource due to additional drilling
3. Metallurgical recoveries are 85-92% for Pb in Pb concentrate, 75-92% for Zn in Zn concentrate, 52-83% for Ag in Pb concentrate, and 7-11% for Ag in Zn concentrate

Hermosa consists of a series of polymetallic sulphide and oxide deposits with development currently underway to construct an integrated mining and processing facility. It is located near the town of Patagonia in southern Arizona, USA.

The primary orebodies at Hermosa include Taylor, a carbonate replacement style zinc-lead-silver deposit; Clark, a manto style manganese rich zinc-silver oxide deposit; and Peake, a lateral skarn style copper rich zinc-lead-silver deposit within a Palaeozoic sequence. Mining and processing facilities are currently under construction and the Taylor deposit will be accessed via shafts and utilise long-hole open stoping methods to extract the ore. Processing facilities will produce both zinc and lead concentrates that will be transported by road either direct to customers or to existing export facilities.

Competent Persons

Taylor

Mineral Resources **P Garretson**, MAusIMM

Ore Reserves **P Garretson**, MAusIMM

Clark & Peake

Mineral Resources **P Garretson**, MAusIMM

Inferred Mineral Resources					Total Mineral Resources					South32 Interest	As at 30 June 2024 Total Mineral Resources				
Mt	% Zn	% Pb	% Mn	g/t Ag	Mt	% Zn	% Pb	% Mn	g/t Ag	%	Mt	% Zn	% Pb	% Mn	g/t Ag
										100					
28	2.96	2.97		93	**153**	**3.53**	**3.83**		**77**		153	3.53	3.83		77
20	1.61		8.33	115	**55**	**2.11**		**9.07**	**78**		55	2.11		9.07	78

Inferred Mineral Resources					Total Mineral Resources					South32 Interest	As at 30 June 2024 Total Mineral Resources				
Mt	% Cu	% Zn	% Pb	g/t Ag	Mt	% Cu	% Zn	% Pb	g/t Ag	%	Mt	% Cu	% Zn	% Pb	g/t Ag
										100					
25	0.79	0.45	0.47	42	**25**	**0.79**	**0.45**	**0.47**	**42**		3.3	1.64	0.32	0.61	49

Total Ore Reserves				Reserve Life	South32 Interest	As at 30 June 2024 Total Ore Reserves				Reserve Life
Mt	% Zn	% Pb	g/t Ag	Years	%	Mt	% Zn	% Pb	g/t Ag	Years
				19	100					19
65	**4.35**	**4.90**	**82**			65	4.35	4.90	82	

Resource and Reserves continued

Ambler Metals

Mineral Resources

As at 30 June 2025		Measured Mineral Resources						Indicated Mineral Resources					
Deposit	Material Type	Mt	% Cu	% Zn	% Pb	g/t Ag	g/t Au	Mt	% Cu	% Zn	% Pb	g/t Ag	g/t Au
Ambler Metals[1]													
Arctic	OC Sulphide	24	3.14	4.35	0.77	49	0.62	15	2.84	4.46	0.84	46	0.60
Bornite	OC Sulphide							40	1.06				
	UG Sulphide												

1. Cut-off: Net smelter return in US$/t

Mineral Resources

Arctic	OC Sulphide	62
Bornite	OC Sulphide	0.5% Cu
	UG Sulphide	1.5% Cu

Ambler Metals consists of a series of high-grade polymetallic sulphide deposits located in central Alaska, USA. The Arctic and Bornite deposits are located 260 km and 275 km west of the Dalton Highway.

The two orebodies which are sufficiently defined to enable resource declaration are Arctic, a volcanogenic massive sulphide, copper-zinc deposit with associated lead, silver and gold; and Bornite which is a carbonate hosted copper rich deposit of Devonian age. Further definition and assessment is required prior to any development decision.

Competent Persons

Arctic

Mineral Resources **M Job**, FAusIMM, employed by Cube Consulting

Bornite

Mineral Resources **S Khosrowshahi**, MAusIMM(CP), self-employed

T Fouet, MAusIMM(CP)

Inferred Mineral Resources						Total Mineral Resources						South32 Interest	As at 30 June 2024 Total Mineral Resources					
Mt	% Cu	% Zn	% Pb	g/t Ag	g/t Au	Mt	% Cu	% Zn	% Pb	g/t Ag	g/t Au	%	Mt	% Cu	% Zn	% Pb	g/t Ag	g/t Au
												50						
3.7	1.84	3.24	0.70	39	0.40	**43**	**2.93**	**4.30**	**0.79**	**47**	**0.59**		43	2.93	4.30	0.79	47	0.59
38	1.03					**78**	**1.04**						78	1.04				
70	2.29					**70**	**2.29**						70	2.29				

Resource and Reserves continued

Australia Manganese

Mineral Resources

As at 30 June 2025		Measured Mineral Resources			Indicated Mineral Resources		
Deposit	Material Type	Mt	% Mn	% Yield	Mt	% Mn	% Yield
Australia Manganese							
GEMCO[1]	ROM[2]	62	44.9	46	36	40.9	47
	Sands[3]				11	19.8	

Ore Reserves

As at 30 June 2025		Proved Ore Reserves			Probable Ore Reserves		
Deposit	Ore Type	Mt	% Mn	% Yield	Mt	% Mn	% Yield
Australia Manganese							
GEMCO[1][4][5][6]	ROM	19	43.6	59	34	41.1	56
	Sands				6.0	40.0	20

1. Cut-off grade
   Mineral Resources
   ROM ≥35% Mn washed product
   Sands No cut-off grade applied
   Ore Reserves
   ROM ≥36% average Mn washed product per ore mining block
   Sands No cut-off grade applied
2. Mineral Resources tonnes are stated as in situ, manganese grades are stated as per washed ore samples and should be read together with their respective mass recovery expressed as yield
3. Mineral Resource tonnes and manganese grades are stated as in-situ
4. Ore Reserves tonnes are stated as delivered to process plant, manganese grades are stated as expected product and should be read together with their respective mass yields
5. Change to Ore Reserve due to change in Resource model and optimised ore recovery above cut-off parameters
6. Plant recoveries: see yield in Ore Reserves table

Australia Manganese consists of the Groote Eylandt Mining Company (GEMCO) with manganese mining and processing operations located in the Gulf of Carpentaria, in the Northern Territory of Australia. Operations commenced in the 1960's.

The orebody consists of relatively shallow stratiform massive to disseminated sheet-like manganese deposits, consisting of cretaceous sediments lapping onto Proterozoic basement sandtones and quartzites. Mining is performed by conventional open-pit strip mining techniques and ore is crushed and processed on site to remove impurities. Secondary processing of tailings materials (Sands) is undertaken through a dedicated circuit to increase overall recovery. Ore is exported from the co-located port facility.

Competent Persons

Mineral Resources **J Harvey**, MAusIMM

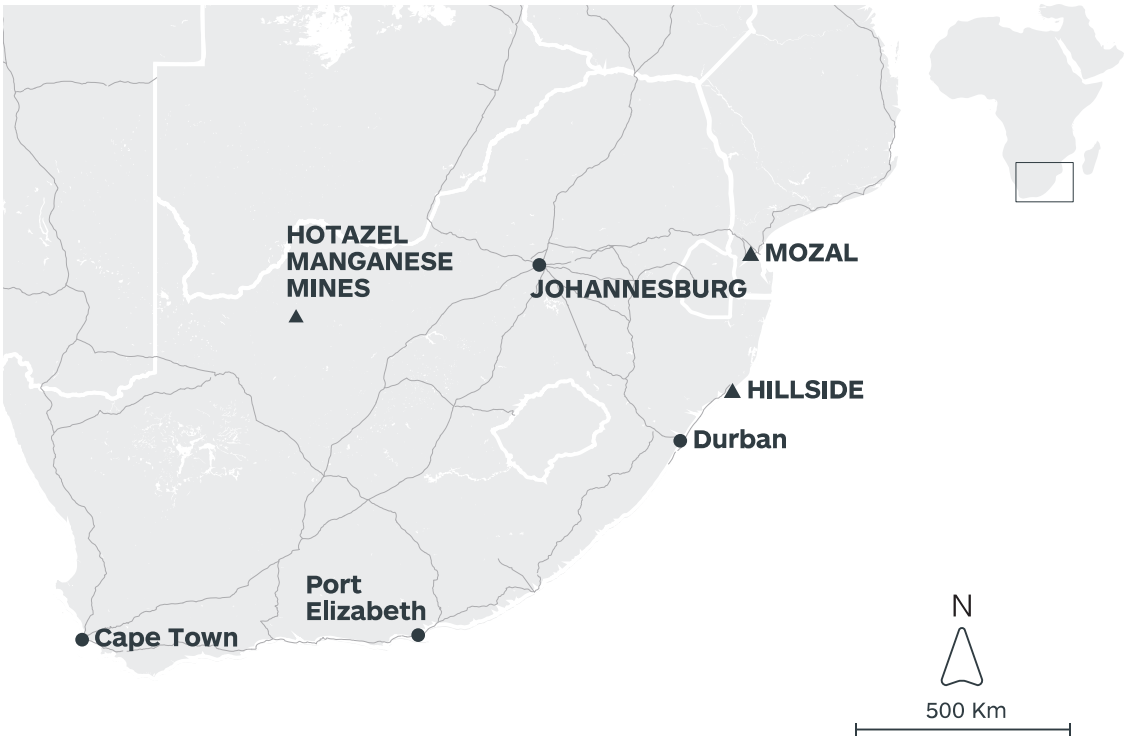
Ore Reserves **C Dekker**, MAusIMM

	Inferred Mineral Resources			Total Mineral Resources			South32 Interest	As at 30 June 2024 Total Mineral Resources		
	Mt	% Mn	% Yield	Mt	% Mn	% Yield	%	Mt	% Mn	% Yield
							60			
	17	44.6	43	**115**	**43.6**	**46**		126	43.5	47
				11	**19.8**			12	19.8	

	Total Ore Reserves			Reserve Life	South32 Interest	As at 30 June 2024 Total Ore Reserves			Reserve Life
	Mt	% Mn	% Yield	Years	%	Mt	% Mn	% Yield	Years
					60				
	53	**42.0**	**57**	6.0		46	42.2	56	5.0
	6.0	**40.0**	**20**			6.1	40.0	20	

Resource and Reserves continued

South Africa Manganese



Mineral Resources

As at 30 June 2025		Measured Mineral Resources			Indicated Mineral Resources		
Deposit	Material Type	Mt	% Mn	% Fe	Mt	% Mn	% Fe
South Africa Manganese[1][2]							
Wessels	Lower Body	24	42.8	13.0	13	43.9	16.4
	Upper Body	6.9	41.9	17.6	70	41.0	18.8
Mamatwan	M, C, N Zones	33	36.7	4.5	6.4	36.9	4.7
	X Zone	2.4	36.3	4.5			
	Top Cut (balance I&O)	16	29.5	5.8	2.5	29.9	5.9

Ore Reserves

As at 30 June 2025		Proved Ore Reserves			Probable Ore Reserves		
Deposit	Ore Type	Mt	% Mn	% Fe	Mt	% Mn	% Fe
South Africa Manganese[1][3][4]							
Wessels	Lower Body	5.3	43.1	10.5	7.2	44.1	17.6
	Upper Body	3.9	42.1	17.6	38	41.2	18.7
Mamatwan	M, C, N Zones	22	36.1	4.4	12	36.6	4.6

1. Cut-off grade
   Mineral Resources
   - Wessels ≥37.5% Mn
   - Mamatwan M,C,N Zones No cut-off grade applied
   - X Zone ≥35% Mn
   - Top Cut (balance I&O) ≥28% Mn

   Ore Reserves
   - Wessels ≥37.5% Mn
   - Mamatwan M,C,N Zones ≥33% ROM Mn washed product
2. Mineral Resource tonnes and manganese grades are stated as in-situ
3. Ore delivered to process plant
4. Metallurgical recoveries
   - Wessels 97%
   - Mamatwan 93%

South Africa Manganese consists of two manganese mining and processing operations, Mamatwan and Wessels, located near the town of Hotazel in the Northern Cape province of South Africa. Operations commenced in the 1960's.

The orebodies consist of shallow dipping, stratiform manganese deposits interbedded with banded iron formations within the early Proterozoic Transvaal supergroup. Mining at Mamatwan is via conventional drill and blast open pit techniques, targeting the shallower ore horizons. Mining at Wessels is via underground bord and pillar techniques, targeting two mineralised horizons known as the Upper and Lower bodies. Ore from Mamatwan and Wessels is crushed and sized to produce different fractions and to create the opportunity to blend to customer specifications. A portion of the Mamatwan ore is sintered after floatation to produce a physically strong and chemically stable product. Products from both the mines are transported by road or rail to locations on the coast of South Africa for export.

Competent Persons

Mamatwan

Mineral Resources **O Nkuna**, Pr. Sci. Nat., SACNASP

Ore Reserves **A April**, MAusIMM

Wessels

Mineral Resources **J Harvey**, MAusIMM

Ore Reserves **M Rakhunwana**, MAusIMM

Inferred Mineral Resources			Total Mineral Resources			South32 Interest	As at 30 June 2024 Total Mineral Resources		
Mt	% Mn	% Fe	Mt	% Mn	% Fe	%	Mt	% Mn	% Fe
						44.4			
3.5	45.2	15.1	**41**	**43.4**	**14.3**		43	43.3	13.9
12	40.7	21.4	**89**	**41.0**	**19.1**		89	41.0	19.1
			39	**36.7**	**4.5**		44	36.8	4.6
			2.4	**36.3**	**4.5**		3.0	36.4	4.6
			19	**29.5**	**5.8**		21	29.6	5.8

Total Ore Reserves			Reserve Life	South32 Interest	As at 30 June 2024 Total Ore Reserves			Reserve Life
Mt	% Mn	% Fe	Years	%	Mt	% Mn	% Fe	Years
				44.4				
13	**43.6**	**14.3**	43		13	43.7	14.3	46
42	**41.3**	**18.6**			43	41.3	18.6	
34	**36.3**	**4.5**	12		37	36.1	4.5	13

Resource and Reserves continued

Cerro Matoso

Mineral Resources

As at 30 June 2025		Measured Mineral Resources		Indicated Mineral Resources	
Deposit	Material Type	Mt	% Ni	Mt	% Ni
Cerro Matoso[1][4]	Laterite	115	0.9	129	0.8
	Stockpile	17	1.0	27	0.8

Ore Reserves

As at 30 June 2025		Proved Ore Reserves		Probable Ore Reserves	
Deposit	Ore Type	Mt	% Ni	Mt	% Ni
Cerro Matoso[1][2][3][4]	Laterite	12	1.0	2.5	1.0
	Stockpile	6.8	1.1	4.8	0.9

1. Cut-off grade
   Mineral Resources
   Laterite 0.6% Ni
   Stockpile 0.6% Ni
   Ore Reserves
   Laterite 0.6% Ni
   Stockpile 0.6% Ni
2. Ore delivered to process plant
3. Global recovery is 80%
4. In July 2025, we entered into a binding agreement to divest Cerro Matoso. The transaction is expected to complete in late H1 FY26, subject to the satisfaction or waiver of certain conditions. For further information, refer to market release "Agreement to divest Cerro Matoso" dated 7 July 2025.

Cerro Matoso is an integrated nickel mining and smelting operation located in northern Colombia, approximately 20 km southwest of the town of Montelibano. Operations commenced in the 1980's.

The orebody is a nickeliferous laterite deposit within the cretaceous Cauca ophiolite complex. Mining is via traditional drill and blast open pit mining methods using truck and shovel. Ore is sourced and blended from the active mining areas and long-term stockpiles and is crushed and sorted before being processed through the plant which consists of rotary kilns and electric furnaces to produce a ferronickel pellet product. The product is transported by road to the port of Cartagena for export.

Competent Persons

Mineral Resources **I Glacken**, FAusIMM(CP), employed by Snowden Optiro

Ore Reserves **D Vasquez**, MAusIMM

Inferred Mineral Resources		Total Mineral Resources		South32 Interest	As at 30 June 2024 Total Mineral Resources	
Mt	% Ni	Mt	% Ni	%	Mt	% Ni
9.0	0.8	**253**	**0.9**	99.9	254	0.9
		44	**0.9**		46	0.9

Total Ore Reserves		Reserve Life	South32 Interest	As at 30 June 2024 Total Ore Reserves		Reserve Life
Mt	% Ni	Years	%	Mt	% Ni	Years
15	**1.0**	7.0	99.9	16	1.1	8.0
12	**1.0**			13	1.0	

Resource and Reserves continued

Illawarra Metallurgical Coal

Coal Resources

As at 30 June 2025										
			Measured Coal Resources				Indicated Coal Resources			
Deposit	Mining Method	Coal Type	Mt	% Ash	% VM	% S	Mt	% Ash	% VM	% S
Illawarra Metallurgical Coal[1][2]										
Bulli	UG	Met/Th	-	-	-	-	-	-	-	-
Wongawilli	UG	Met/Th	-	-	-	-	-	-	-	-

Coal Reserves

As at 30 June 2025									
			Proved Coal Reserves	Probable Coal Reserves	Total Coal Reserves	Proved Marketable Coal Reserves			
Deposit	Mining Method	Coal Type	Mt	Mt	Mt	Mt	% Ash	% VM	% S
Illawarra Metallurgical Coal[1][2]									
Bulli	UG	Met	-	-	-	-	-	-	-
Wongawilli	UG	Met/Th	-	-	-				
	UG	Met				-	-	-	-
	UG	Th				-	-		

1. Illawarra Metallurgical Coal Assets divested from South32 on 29 Aug 2024.
2. Competent Persons
   Mineral Resources **H Kaag**, MAusIMM, employed by GM3
   Ore Reserves **M Rose**, MAusIMM

Inferred Coal Resources				Total Coal Resources				South32 Interest	As at 30 June 2024 Total Coal Resources			
Mt	% Ash	% VM	% S	Mt	% Ash	% VM	% S	%	Mt	% Ash	% VM	% S
								0				
-	-	-	-	-	-	-	-		757	12.5	23.4	0.36
-	-	-	-	-	-	-	-		413	29.8	22.4	0.57

Probable Marketable Coal Reserves				Total Marketable Coal Reserves				Reserve Life	South32 Interest	As at 30 June 2024 Total Marketable Coal Reserves				Reserve Life
Mt	% Ash	% VM	% S	Mt	% Ash	% VM	% S	Years	%	Mt	% Ash	% VM	% S	Years
									0					
-	-	-	-	-	-	-	-	-		86	8.9	24.6	0.35	21
								-						8.0
-	-	-	-	-	-	-	-			7.3	10.8	23.0	0.59	
-	-			-	-					3.7	28.0			

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CELEBRATING 10 YEARS 2015 – 2025

Shareholder information

Voting rights for shares

South32 Limited ordinary shares carry voting rights of one vote per share.

Shareholders may hold a beneficial entitlement to South32 Limited dematerialised ordinary shares, United Kingdom (UK) Depositary Interests and American Depositary Shares (ADS) through the Central Securities Depositories of Strate (Strate), CREST and the Depository Trust Company, respectively. Each share held dematerialised in Strate, or as a Depositary Interest held in CREST, entitles the holder to one vote. Each ADS is represented by five ordinary shares, with ADS voting managed by South32 Limited's ADS Depositary.

Substantial shareholders

The following table shows the substantial shareholders who, together with their associates, hold five per cent or more of the voting rights in South32 Limited, as notified to South32 Limited under the Corporations Act, as at 31 July 2025.

Name	Date notice received	Number of shares in notice	Percentage of capital in notice
AustralianSuper Pty Ltd	8 October 2024	275,449,382	6.08
BlackRock Group	8 December 2021	318,403,413	6.84
State Street Corporation	17 September 2024	322,808,238	7.13
Vanguard Group	31 January 2024	276,360,221	6.10

Distribution of shareholdings and number of shareholders

The following table shows the distribution of South32 Limited shareholders by size of shareholding and number of shareholders and shares as at 31 July 2025.

Size of holding	Number of shareholders	Number of shares	Percentage of capital
1 - 1,000	107,864	51,058,532	1.13
1,001 - 5,000	77,469	189,049,495	4.20
5,001 - 10,000	23,050	169,032,902	3.75
10,001 - 100,000	21,767	503,425,522	11.18
100,001 and over	758	3,591,068,670	79.74
Total	**230,908**	**4,503,635,121**	**100.00**

Distribution of rights holdings and number of rights holders

The following table shows the distribution of rights holders in South32 Limited by size of rights holding and number of rights holders and rights as at 31 July 2025.

Size of holding	Number of rights holders	Number of rights	Percentage of rights on issue
1 - 1,000	665	385,740	0.97
1,001, - 5,000	5,357	7,364,816	18.47
5,001 - 10,000	9	71,369	0.18
10,001 - 100,000	106	5,043,038	12.65
100,001 and over	61	27,002,735	67.73
Total	**6,198**	**39,867,698**	**100.00**

Shareholder information continued

Twenty largest shareholders in South32 Limited

The following table sets out the 20 largest shareholders of ordinary shares listed on the South32 Limited share register and the details of their shareholding as at 31 July 2025.

	Name	Number of fully paid shares	Percentage of capital
1	HSBC Custody Nominees (Australia) Limited	1,233,585,749	27.39
2	J P Morgan Nominees Australia Pty Limited	925,062,811	20.54
3	Citicorp Nominees Pty Ltd	472,258,824	10.49
4	South Africa Control A/C	244,584,438	5.43
5	BNP Paribas Nominees Pty Ltd <Agency Lending A/C>	74,895,174	1.66
6	Citicorp Nominees Pty Limited <Citibank NY ADR Dep A/C>	69,223,430	1.54
7	BNP Paribas Noms Pty Ltd	63,200,176	1.40
8	Computershare Clearing Pty Ltd <CCNL DI A/C>	57,273,491	1.27
9	National Nominees Limited	39,380,286	0.87
10	Butterwood Nomimees Pty Ltd	34,991,751	0.78
11	HSBC Custody Nominees (Australia) Limited <NT-Comnwlth Super Corp A/C>	32,498,621	0.72
12	HSBC Custody Nominees (Australia) Limited	24,393,779	0.54
13	BNP Paribas Nominees Pty Ltd <Hub24 Custodial Serv Ltd>	23,095,130	0.51
14	Netwealth Investments Limited <Wrap Services A/C>	11,178,364	0.25
15	BNP Paribas Nominees Pty Ltd <Clearstream>	10,088,178	0.22
16	CPU Share Plans Pty Ltd <S32 ASP Unallocated A/C>	9,088,044	0.20
17	BNP Paribas Noms Pty Ltd <Global Markets>	9,003,352	0.20
18	UBS Nominees Pty Ltd	8,290,000	0.18
19	Merrill Lynch (Australia) Nominees Pty Limited	7,696,028	0.17
20	HSBC Custody Nominees (Australia) Limited - A/C 2	6,370,334	0.14
Total		**3,356,157,960**	**74.50**

Restricted and escrowed securities

As at 31 July 2025, South32 Limited does not have any restricted securities or securities subject to voluntary escrow on issue.

Shareholders with less than a marketable parcel

As at 31 July 2025, there were 12,921 shareholders on the Australian South32 Limited register holding less than a marketable parcel (A$500) based on the closing market price of A$2.94.

On-market purchases of South32 Limited Securities for employee incentive plans

The Group purchased South32 Limited ordinary share on-market through the Company's employee share plan trusts for the purposes of the South32 Equity Incentive Plans.

During FY25, 966,000 shares were purchased on-market for the Australian ESOP Trust and 400,023 were purchased for the South African ESOP Trust. The average price at which the shares were purchased was A$3.34 and ZAR36.81 respectively.

In addition, 215,717 shares were purchased on-market and immediately distributed to Canadian based employees on vesting of rights. The average price at which the shares were purchased was A$3.14.

Dividend policy

Our dividend policy is determined by the Board at its discretion. Our priorities for cash flow are to maintain safe and reliable operations and an investment grade credit rating through the cycle.

Our current dividend policy is that South32 Limited intends to distribute a minimum of 40 per cent of Underlying earnings as ordinary dividends to our shareholders following each six-month reporting period. South32 Limited intends to distribute dividends with the maximum practicable franking credits for the purposes of the Australian dividend imputation system.

Dividend determination and payment

Our dividends are determined in United States (US) dollars.

Dividends for shareholders of South32 Limited on the Australian register are paid by direct credit into shareholders' nominated bank account in Australian dollars, UK pounds sterling, New Zealand dollars or US dollars, provided direct credit details and currency election information is submitted no later than close of business on the dividend record date as stated in the relevant Australian Securities Exchange (ASX) announcement.

Dividends for shareholders of South32 Limited on the South African branch register and UK Depositary Interest holders are paid by direct credit in South African rand and UK pounds sterling, respectively.

Refer to our Dividends and shareholder information page on our website *www.south32.net* for further information about dividends.

Capital management program

As at 30 June 2025, we have returned a total of US$2.325 billion to our shareholders under our capital management program, comprising US$1.8 billion via our on-market share buy-back and special dividends of US$525 million.

Our on-market share buy-back was initially announced on 27 March 2017 and purchasing commenced on 19 April 2017. In February 2024, to manage our financial position and retain the right balance of flexibility, efficiency and prudence, we cancelled our on-market share buy-back.

On 29 August 2024, we announced our intention to allocate US$200 million through our ongoing capital management program via an on-market share buy-back, commencing from completion of the sale of IMC, and to be returned to shareholders by 12 September 2025 unless extended. This reflected the Group's strengthened financial position following the sale of IMC and disciplined approach to capital management and will take returns under our capital management program to US$2.5 billion. Subsequent to 30 June 2025, the Board extended the execution window for the remaining program by 12 months to 11 September 2026, with US$144M remaining to be returned to shareholders.

Between the commencement of purchasing under the on-market share buy-back on 19 April 2017 and 30 June 2025, South32 Limited has purchased a total of 820 million shares, which represented 15.41 per cent of share capital at the commencement of the program.

During the year ended 30 June 2025, South32 Limited purchased 26 million shares under the on-market share buy-back, which represented 0.57 per cent of share capital at the beginning of the financial year. Total consideration paid for these shares was US$56 million. The shares have no par value. The shares purchased by South32 Limited under the on-market share buy-back have been cancelled.

Annual General Meeting (AGM)

Our 2025 AGM is scheduled to be held on Thursday 23 October 2025 at 12.00pm (midday) Australian Western Standard Time as a hybrid meeting, providing shareholders with the opportunity to attend physically or online. If it becomes necessary or appropriate to make alternative or supplementary arrangements, we will provide an update. Further details regarding the AGM will be made available in September 2025, and shareholders are encouraged to monitor securities exchange releases and *www.south32.net* for information and updates.

Addresses delivered at the AGM, together with the results of voting, will be provided to all stock exchanges where we are listed and will be available at *www.south32.net*.

Stock exchanges

As at 31 July 2025, South32 Limited has a primary listing on the ASX, a secondary listing on the Johannesburg Stock Exchange, is admitted to listing in the equity shares (international commercial companies secondary listing) category of the Official List of the UK Financial Conduct Authority and its ordinary shares are traded on the London Stock Exchange. South32 Limited also has a Level 1 American Depositary Receipts (ADR) program, which trades in the on the United States over-the-counter market.

Shareholder enquiries

Shareholders can access their current holding details as well as their transaction history, view dividend statements and payments made, download statements and documents, change their address, update their communication preferences and banking details, and check their tax details online via Computershare's Investor Centre at www.computershare.com.

Alternatively, refer to the contacts listed under Share registries to the right.

Share registries

Australia

Computershare Investor Services Pty Limited
Yarra Falls 452 Johnston Street
Abbotsford Victoria 3067
Australia

Telephone (Australia): 1800 019 953
Telephone (International): +61 3 9415 4169
Facsimile: +61 3 9473 2500

South Africa

Computershare Investor Services (Pty) Limited
Rosebank Towers, 15 Biermann Avenue
Rosebank 2196
South Africa

Telephone: +27 11 373 0033
Facsimile: +27 11 688 5217
Email enquiries: web.queries@computershare.co.za

Holders of shares dematerialised into Strate should contact their Central Securities Depository Participant or stockbroker.

United Kingdom

Computershare Investor Services PLC
The Pavilions, Bridgwater Road
Bristol BS99 6ZZ
United Kingdom

Telephone: +44 370 873 5884
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Email enquiries: *web.queries@computershare.co.uk*

ADR

ADR holders should deal directly with Citibank Shareholder Services.
Citibank Shareholder Services
PO Box 43077 Providence
Rhode Island 02940-3077

Telephone: +1 877 248 4237
(+1-877-CITIADR) (toll-free within US)
+1 781 575 4555 (outside of US)
Facsimile: +1 201 324 3284
Email *enquiries: citibank@shareholders-online.com*
Website: *www.citi.com/dr*

Branches

In accordance with DTR 4.1.11R(5), South32 Limited, through various subsidiaries, has established branches in different jurisdictions in which the business operates.

Registered office

South32 Limited's Registered Office is Level 2, 100 St Georges Terrace, Perth WA 6000, Australia.

Information regarding South32's other office locations is included in the Corporate directory on page 271.

Electronic communications

Shareholders are encouraged to access all South32 communications electronically. Shareholders that wish to receive electronic communications can update their preferences online or by contacting the relevant Computershare Investor Centre. Refer to the Investors section at *www.south32.net* for further details on how to receive shareholder communications.

Glossary of terms and abbreviations

ABC
Anti-bribery and corruption.

ADR
American Depositary Receipts.

AASB
Australian Accounting Standards Board.

Absolute emissions
The total amount of GHGs emitted into the atmosphere over a specific period regardless of factors like economic output or intensity.

Acid Rock Drainage (ARD)
Acidic water rich in heavy metals that can occur during and after site operation as a result of exposing naturally encapsulated rock and soil to air and water.

Adjusted return on invested capital (ROIC)
Calculated as Underlying EBIT, adjusted for uncontrollable and one-off impacts in the current financial year, less the discount on rehabilitation provisions included in Underlying net finance costs, tax effected by the Group's prior period Underlying effective tax rate (ETR) including our material equity accounted investments on a proportional consolidation basis, divided by the sum of fixed assets (excluding any rehabilitation assets, the impact of any impairments or impairment reversals, and unproductive capital) and inventories.

Adjusted Underlying EBITDA
Calculated as Underlying EBITDA (being Earnings before interest, tax, depreciation and amortisation, including the proportional consolidation of our material equity accounted investments), adjusted for uncontrollable impacts (commodity prices, foreign exchange, and price-linked costs) and other adjustments.

AGM
Annual General Meeting.

Air emissions
Air emissions are non-greenhouse gas air emissions associated with our activities, which include gaseous air emissions such as sulphur oxides (SO^x), nitrogen oxides (NO^x) and fluoride, and particulate matter such as dust.

Alumina
Aluminium oxide (Al_2O_3). Alumina is produced from bauxite in the Bayer refining process. It is then converted (reduced) in an electrolysis cell to produce aluminium metal.

Aluminium Stewardship Initiative (ASI)
The ASI works together with producers, users and stakeholders in the aluminium value chain to collaboratively foster responsible production, sourcing and stewardship of aluminium.

American Depositary Receipts (ADR)
An ADR is a security that represents shares of non-United States companies that are held by a US depositary bank outside the US.

AO
Officer of the Order of Australia.

Artificial intelligence
Artificial intelligence (AI) is the ability for machines to complete tasks commonly associated with human intelligence.

ASX
ASX Limited or Australian Securities Exchange.

ASX Listing Rules
The rules governing the listing of an entity and the quotation of its securities on the ASX.

ASX Listing Rules (Chapter 5)
This chapter of the ASX Listing Rules sets out additional reporting and disclosure requirements for mining entities, oil and gas entities, and other entities reporting on mining and oil and gas activities.

Australian Carbon Credit Unit (ACCU)
A carbon offset credit issued by the Australian Government under the Australian Carbon Credit Unit Scheme. Each ACCU represents one tonne of carbon dioxide-equivalent emissions reduced or abated by approved projects.

Australian Securities and Investments Commission (ASIC)
The independent Australian Government body that is Australia's integrated corporate, markets, financial services and consumer credit regulator.

Baseline water stress
The ratio of total annual water withdrawals to total available renewable surface and groundwater supplies, accounting for upstream consumptive use. Higher values indicate more competition among users. The values and definition of baseline water stress have been derived from World Resources Institute (WRI) Aqueduct 4.0.

Base metal
A common metal that is not considered precious, such as aluminium, copper, zinc and lead.

Bauxite
Principal commercial ore of aluminium.

B-BBEE
Broad-Based Black Economic Empowerment.

Beneficiation
The process of physically separating ore from gangue to produce a mineral concentrate prior to subsequent processing.

BHP
BHP, formerly known as BHP Billiton, is the group of companies headed by, and including, BHP Group Ltd and BHP Group plc.

Biodiversity
Refers to the variety of living organisms from all sources including terrestrial, marine and other aquatic ecosystems and the ecosystems of which they are a part.

Black People
As defined in the *Broad-Based Black Economic Empowerment Amendment Act 2013* (South Africa), a generic term meaning Africans, Coloureds and Indians who are citizens of the Republic of South Africa by birth or descent; or who become citizens of the Republic of South Africa by naturalisation before 27 April 1994 or on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalisation prior to that date.

Board
The Board of Directors of South32 Limited.

Brownfield
An exploration or development project located within an existing mineral province, which can share infrastructure and management with an existing operation.

Carbon Border Adjustment Mechanism (CBAM)
A CBAM is a mechanism implemented by governments to account for the carbon cost of producing imported goods, with the ultimate aim of reducing greenhouse gas emissions and supporting global progress towards net zero. The European Union CBAM entered into force on 1 October 2023.

Carbon credit
An emissions unit that is issued by a carbon crediting program and represents an emission reduction or removal of greenhouse gases. Carbon credits are uniquely serialised, issued, tracked and cancelled by means of an electronic registry.

Catchment
The area of land from which all surface runoff and subsurface water flows through a sequence of streams, rivers, aquifers and lakes into the sea or another outlet at a single river mouth, estuary, or delta. Catchments include associated groundwater areas and might include portions of waterbodies (such as lakes or rivers). In different parts of the world, catchments are also referred to as 'watersheds' or 'basins' (or sub-basins).

CCAP
Climate Change Action Plan sets out our approach to addressing risks and opportunities presented by climate change. Our CCAP is updated at least every three years with progress reported annually and is available at *www.south32.net*.

CEO
Chief Executive Officer.

CFO
Chief Financial Officer.

Climate-related Risks and Opportunities
Climate-related risks refers to the potential negative effects of climate change on an entity. These risks are categorised as climate-related physical risks and climate-related transition risks.

Climate-related opportunities refers to the potential positive effects arising from climate change for an entity. Efforts to mitigate and adapt to climate change can produce climate-related opportunities for an entity.

Climate Resilience
The capacity of an entity to adjust to climate-related changes, developments or uncertainties. Climate resilience involves the capacity to manage climate-related risks and benefit from climate-related opportunities, including the ability to respond and adapt to climate-related transition risks and climate-related physical risks. An entity's climate resilience includes both its strategic resilience and its operational resilience to climate-related changes, developments and uncertainties.

Coal Reserve
The same meaning as Ore Reserve, but specifically concerning coal.

Coal Resource
The same meaning as Mineral Resource, but specifically concerning coal.

CO_2-e
Carbon dioxide equivalent. The universal unit of measurement to indicate the global warming potential of each greenhouse gas, expressed in terms of the global warming potential of one unit of carbon dioxide. This unit is used to evaluate releasing (or avoiding releasing) different greenhouse gases against a common basis.

Coking coal
Used in the manufacture of coke, which is used in the steelmaking process by virtue of its carbonisation properties. Coking coal is a form of, and may also be referred to as, metallurgical coal.

Community complaints and grievances
A community complaint is a verbal or written notification made directly to a South32 representative by a member of the community relating to an adverse impact on the community from the Company's activities and/or employee or contractor behaviour in part or in whole.

A community grievance is a complaint relating to an adverse impact on a community member(s) that has escalated to the point where it requires third-party intervention or adjudication to resolve. Grievances may involve more than one community member or family and relate to disputes that have remained unresolved for some time.

Competent Person
A minerals industry professional who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a 'Recognised Professional Organisation', as included in a list available on the JORC and ASX websites. These organisations have enforceable disciplinary processes, including the powers to suspend or expel a member. A Competent Person must have a minimum of five years' relevant experience in the style of mineralisation or type of deposit under consideration and in the activity that the person is undertaking (JORC Code).

Contractor
A contractor is an employee of a company contracted by the employer to do work on its behalf and under its control with respect to location, work practices and application of health and safety standards.

COO
Chief Operating Officer.

CTO
Chief Technical Officer.

Copper equivalent production (CuEq)
Represents the payable copper equivalent production in kilotonnes and is calculated by accumulating revenue using average realised prices for all operations and dividing by the average realised price of copper. In this Report, CuEq has been calculated based on FY25 averaged realised product prices for all years included in FY25 reporting, to allow for comparison between years.

Corporations Act
Corporations Act 2001 (Cth).

Cost, Insurance, and Freight (CIF)
A contractual term defining responsibilities and division of cost and risk between buyer and seller, in which the seller is responsible for clearing the goods for export and bears the cost of freight and insurance to the named port of destination. The buyer assumes all risks and costs for unloading the goods and clearing the goods for import. Risk passes from seller to buyer once the goods are on board the vessel at the port of shipment.

CTO
Chief Technical Officer.

Cut-off grade
The lowest grade, or quality, of mineralised material that qualifies as economically mineable and available in a given deposit. It may be defined on the basis of economic evaluation, or on physical or chemical attributes that define an acceptable product specification (JORC Code).

CYXX
Refers to the calendar year ending 31 December 20XX, where XX is the two digit number for the year.

Decarbonisation
Avoiding or reducing the greenhouse gas emissions associated with an activity.

Demerger
The separation of assets from BHP effected in May 2015 to create a separate entity South32 Limited, listed on the ASX, LSE and JSE.

Dewatering
Dewatering is the interception and removal of water from operational areas.

DTR
UK Financial Conduct Authority's Disclosure Guidance and Transparency Rules. A reference to DTR followed by a number is a specific rule under the DTR.

EAI
Equity accounted interest.

EBIT
Earnings before interest and tax.

EBITDA
Earnings before interest, tax, depreciation and amortisation.

Ecosystem services
Contributions made by ecosystems that benefit economic and other human activity. These include provisioning services, such as the provision of crops, wood or water, and regulating and maintenance services, such as water flow regulation and climate regulation services.

Effective tax rate (ETR)
Income tax expense/benefit divided by profit/loss subject to tax.

Glossary of terms and abbreviations continued

Emissions intensity
Refers to the amount of greenhouse gas emissions produced per unit of economic activity or production.

Emissions-limiting regulations
Regulations intended to limit or reduce emissions directly, such as cap-and-trade schemes, carbon tax/fee systems, and other emissions control (e.g. command-and-control approach) and permit based mechanisms.

Employee
Any person in full-time, part-time or casual employment engaged by South32 on a temporary or permanent basis pursuant to a contract of service.

Employee Share Ownership Plan (ESOP) Trusts
The trusts which purchase and hold South32 Limited shares for the purpose of the South32 Equity Incentive Plans. South32 has an Australian ESOP Trust and South African ESOP Trust.

Energy coal
Used as a fuel source in electrical power generation, cement manufacture and various industrial applications. Energy coal may also be referred to as steaming or thermal coal.

Energy consumption
Energy consumed where we have operational control includes fuel consumed for non-combustion and combustion activities, regardless of the use, i.e. stationary or mobile purposes. Where energy is consumed to generate a secondary energy stream (e.g. electricity generation or transfer of unprocessed natural gas to natural gas ready for distribution), only the primary energy consumption is reported.

Enterprise and Supplier Development (ESD)
Enterprise and Supplier Development (ESD) consists of two activities, Enterprise Development and Supplier Development. ESD is one of the priority elements of the *Broad-Based Black Economic Empowerment Act, 2013*, with the aim to strengthen local procurement from small, medium, and micro enterprises, and enhance local supplier development. The Enterprise Development component is also captured in our social investment expenditure.

Environmental assets
The naturally occurring living and non-living components of the Earth that make up the biophysical environment and may provide benefits to people and ecosystems.

Environmental incident
Any event with an impact to land, biodiversity, ecosystem services, water resources or air.

ESG
Environmental, social and governance.

EthicsPoint
A 24/7 confidential reporting hotline that is serviced by an independent provider.

Executive KMP
Lead Team members who are classified as KMP.

Exploration Results
Exploration Results include data and information generated by mineral exploration programs that might be of use to investors but which do not form part of a declaration of Mineral Resources or Ore Reserves (JORC Code).

Exploration Target
An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource (JORC Code).

External Auditor
KPMG.

Fatality
A health or safety event where an injury or occupational illness has caused the death of one or more person(s).

FAusIMM
Fellow of the Australasian Institute of Mining and Metallurgy.

FAusIMM(CP)
Fellow of the Australasian Institute of Mining and Metallurgy. Accredited Chartered Professional status of members of the AusIMM. These members have undergone an assessment of their competencies, which are maintained through continuing professional development activities.

Firming
Firming refers to maintaining the output from an intermittent power source for a required length of time to ensure enough energy is available to meet demand.

Flotation
A method of selectively recovering minerals from finely ground ore using a froth created in water by specific reagents. In the flotation process, certain mineral particles are induced to float by becoming attached to bubbles of froth and the unwanted mineral particles sink.

Free cash flow
Free cash flow represents operating cash flows including distributions received from equity accounted investments, and after interest (paid)/received, tax (paid)/received and capital expenditure.

Free On Board (FOB)
A contractual term defining responsibilities and division of cost and risk between buyer and seller, in which the seller is responsible for clearing the goods for export and loading them on board the vessel at the named port of shipment. The buyer assumes all risks and costs for goods from this moment forward, including the cost of freight and insurance.

FX
Foreign exchange.

FYXX
Refers to the financial year ending 30 June 20XX, where XX is the two-digit number for the year.

Gearing
The ratio of (net debt/(cash)) to (net debt/(cash)) plus net assets.

GEMCO
Groote Eylandt Mining Company.

GHG
Greenhouse gas.

GHG Protocol
World Resources Institute and World Business Council for Sustainable Development Greenhouse Gas Protocol. A globally recognised framework for measuring and managing greenhouse gas emissions.

GISTM
Global Industry Standard on Tailings Management.

Global Reporting Initiative (GRI)
GRI is an international independent organisation that has established an international framework and standards for sustainability reporting. South32's Group-level sustainability-related disclosures are prepared in accordance with the GRI Sustainability Reporting Standards.

Global Warming Potential
A factor describing the radiative forcing impact (degree of harm to the atmosphere) of one unit of a given greenhouse gas relative to one unit of CO_2.

Goal
An aspiration to deliver an outcome for which we have not identified a pathway for delivery, but for which efforts will be pursued towards achieving that outcome, subject to certain assumptions or conditions.

Grade
Any physical or chemical measurement of the characteristics of the material of interest in samples or product (JORC Code).

Greenfield
An exploration or development project that refers to a new venture or operation, without any association or proximity to a current operation.

Greenhouse gas (GHG) emissions
For our reporting purposes, GHG emissions are the combined anthropogenic emissions of carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), perfluorocarbons (PFCs) and sulphur hexafluoride (SF_6). They are measured in carbon dioxide equivalent (CO_2-e). Hydrofluorocarbons (HFCs) GHG emissions are currently not relevant for our reporting purposes.

- Scope 1 emissions - GHG emissions from our own operations, including the electricity we generate at our sites.
- Scope 2 emissions - Indirect GHG emissions from the generation of purchased electricity.
- Scope 3 emissions - GHG emissions in the value chain.

Gross Domestic Product (GDP)
Total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.

Hazard
Something that has the potential to cause harm, ill health or injury, or damage to property, plant, or the environment.

HMM
Hotazel Manganese Mines.

HRIAs
Human Rights Impact Assessments.

HRRSAs
Human Rights Risk Self-assessments.

Human Rights
Human rights are the universal and inalienable rights and freedoms that every person is entitled to regardless of race, sex, nationality, ethnicity, language, religion or any other status. Human rights recognise the inherent value of each person, based on principles of dignity, equality and respect. We are committed to respecting all internationally recognised human rights as set out in the International Bill of Human Rights (comprising the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) and the International Labour Organization Declaration on Fundamental Principles and Rights at Work.

HY1 FYXX
Refers to the 6 months starting on 1 July 20XX and ending on 31 December 20XX, where XX is the two-digit number for the year.

HY2 FYXX
Refers to the 6 months starting on 1 January 20XX and ending on 30 June 20XX, where XX is the two-digit number for the year.

ICMM
ICMM, previously referred to as the International Council on Mining and Metals, is an international organisation that leads through collaboration to enhance the contribution of mining and metals to sustainable development. As a corporate member, South32 commits to implementing and reporting on the ICMM Mining Principles, Performance Expectations and mandatory requirements set out in the Position Statements, which define environmental, social and governance requirements.

IMC
Illawarra Metallurgical Coal.

Indicated Mineral Resource
That part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence. This allows the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit (JORC Code).

Indigenous, Traditional and Tribal Peoples
We use the defined term 'Indigenous, Traditional and Tribal Peoples' as per the definition and guidance set out in the Indigenous and Tribal Peoples Convention, 1989 (No. 169). We use this term inclusively to encompass the diversity of worldwide Indigenous, Traditional and Tribal Peoples, including but not limited First Nations, Native Americans, Traditional Owners, Aboriginal and Torres Strait Islander Peoples and other land connected communities. We recognise that no single definition can fully capture the diversity of Indigenous, Traditional and Tribal Peoples.

Inferred Mineral Resources
That part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity (JORC Code).

Injury
An occupational injury occurs during a single work shift or a single exposure to an agent(s) causing an acute toxic effect, which can be identified by time and place resulting from direct contact with an object following an instantaneous event. Examples include cut, puncture, laceration, abrasion, fracture, bruise, contusion, chipping tooth, amputation, insect bite, electrocution, or a thermal, chemical, electrical or radiation burn. Sprain and strain injuries to muscles joints connective tissue are classified as injuries when they result from a slip, trip, fall or other similar accidents.

Intergovernmental Panel on Climate Change (IPCC)
The IPCC is the United Nations body for assessing the science related to climate change. Established in 1988 by the World Meteorological Organization (WMO) and United Nations Environment Program (UNEP), the IPCC provides policymakers with regular assessments of the scientific basis of climate change, its impacts, future risks, and options for adaptation and mitigation.

International Financial Reporting Standards (IFRS)
Accounting standards as issued by the IASB (International Accounting Standards Board).

JORC
Joint Ore Reserves Committee comprising representatives of The Australasian Institute of Mining and Metallurgy (AusIMM), Australian Institute of Geoscientists (AIG) and Minerals Council of Australia (MCA) as well as the Australian Securities Exchange (ASX), the Financial Services Institute of Australasia (FinSIA) and the accounting profession.

JORC Code
The Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition prepared by the JORC.

JSE
Johannesburg Stock Exchange.

Just transition
The concept of a just transition reflects the imperative to manage social impacts, risks and opportunities as we move towards a low-carbon economy. It is an approach to decarbonisation that seeks to centre the interests of those most affected — including workers and communities — to enable a fair, equitable and inclusive transition.

KMP
Key management personnel are people who have authority and responsibility for planning, directing and controlling the activities of South32 either directly or indirectly.

Glossary of terms and abbreviations continued

Landholdings
Total land owned, leased or managed by South32 at the time of reporting. It includes quarries, ports, load-out facilities, desalination plants, wind farms, lease hold land, freehold land, exploration leases, agricultural land and offshore operations.

Land classified as disturbed
Total land at the time of reporting that is physically impacted by the activities of the business (e.g. mining pits, quarries, waste rock dumps, tailings dams, infrastructure, building/offices, processing plants, roads and rails, camps, workshops, bore fields, water dams, drill pads, ground subsidence from underground mining that would be subject to future rehabilitation, stream diversions, topsoil stockpiles). Land disturbed excludes: a) Rehabilitated land, and b) Land disturbed by agricultural or industrial activities not related to the activities of the business but on land owned by the business and leased to third parties.

Land under progressive rehabilitation
Total land under progressive rehabilitation at the time of reporting and includes:

- Rehabilitated land where necessary treatment has been undertaken to achieve the pre-disturbance land use or an alternate land use developed in consultation with stakeholders and where no future land disturbance is planned other than maintenance activities. Regulatory approval that the rehabilitation is complete is not needed;
- Subsided land that is safe and with no further work planned other than maintenance activities; and
- Disturbed land that has approval from a regulatory authority that the infrastructure or landform doesn't require further rehabilitation (e.g. stabilised mining voids, retained infrastructure such as roads, buildings).

Laterite
A residual soil or deposit formed by the leaching of silica from rocks under specific climatic conditions.

Leaching
The process by which a soluble metal can be economically recovered from minerals in ore by dissolution.

Leadership roles
A Leadership Role is a position in the organisational structure flagged as the head of an organisational unit.

Lead Team
All Chief positions within South32.

Life of Operation Plan
The combination of an Optimised Base Plan and incremental opportunities available to the operation for maximising value.

Living wage
The remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and their family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events.

LME
London Metal Exchange.

Local procurement
Local procurement is the direct purchase of goods and services within the local communities in which South32 operates. Suppliers are deemed as local based on their proximity to our local communities, including boundaries defined by local government areas, provinces and states.

Local workforce diversity
Local workforce diversity is a metric consisting of five equally weighted sub-performance metrics measuring local workforce diversity across the regions in which we operate. This includes Black People in the total workforce in South Africa, Black People in Management Roles in South Africa, workforce in Mozambique, neighbouring community employees hired into "Unionised Positions" in Colombia, and Aboriginal and Torres Strait Islander Peoples representation in the Australian workforce.

Lost time injury
The sum of work-related (fatalities + injuries that caused permanent impairment >30% of body + lost time injuries). Lost time injuries include injuries that result in one or more lost work day after the day of the event.

Lost Time Injury Frequency (LTIF)
(The sum of Lost Time injuries x 1,000,000) ÷ exposure hours, for employees and contractors. This is stated in units of per million hours worked for employees and contractors. We adopt the United States Government Occupational Safety and Health Administration (OSHA) guidelines for the recording and reporting of occupational injuries and illnesses.

Low-carbon
Refers to substantially lower levels of GHG emissions when compared to the current state. Where used in relation to South32's products or portfolio, it refers to enhancement of existing methods, practices and technologies to substantially lower the level of embodied GHG emissions as compared to the current state.

LSE
London Stock Exchange.

LTI
Long-term incentive.

Management roles
Leadership positions filled by employees, identified either by job grading or by the requirements associated with their role.

Margin on third-party products
Comprises Underlying EBIT on third-party products and services, divided by underlying revenue on third-party products and services.

Marketable Coal Reserves
Represents beneficiated or otherwise enhanced coal product where modifications due to mining, dilution and processing have been considered (JORC Code).

Material Health Exposures
Material health exposures include potential exposure to carcinogens and airborne contaminants above an exposure limit.

Material sustainability topic
Topic that reflects a reporting organisation's significant economic, environmental, and social impacts or that substantively influences the assessments and decisions of stakeholders.

MAusIMM
Member of the Australasian Institute of Mining and Metallurgy.

MAusIMM(CP)
Member of the Australasian Institute of Mining and Metallurgy. Accredited Chartered Professional status of members of the AusIMM. These members have undergone an assessment of their competencies, which are maintained through continuing professional development activities.

MCA
Minerals Council of Australia.

Measured Mineral Resource
That part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit (JORC Code).

Metallurgical coal
A broader term than coking coal that includes all coals used in steelmaking, such as coal used for the pulverised coal injection process.

Mineral Resource
A concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are subdivided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories (JORC Code).

Mineralisation
Any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest (JORC Code).

Mitigation hierarchy (Biodiversity)
Actions to be taken in order of priority throughout a project lifecycle to anticipate and avoid impacts on biodiversity. If impacts do occur, efforts should be made to minimise them and then restore the affected features. Significant residual losses should then be offset to achieve no net loss of biodiversity as a minimum.

Modern slavery
The term modern slavery is used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. As defined by the *Australian Modern Slavery Act 2018* (Cth) modern slavery includes eight types of serious exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour. The worst forms of child labour means situations where children are subjected to slavery or similar practices, or engaged in hazardous work.

Modifying Factors
Considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors (JORC Code).

MRN
Mineração Rio do Norte.

Nationally Determined Contributions (NDCs)
Countries' self-defined national climate pledges under the Paris Agreement, detailing what they will do to help hold global warming to well below 2°C above pre-industrial levels and pursue efforts to limit the increase to 1.5°C.

Nature positive
A high-level goal and concept describing a future state of nature (e.g. biodiversity, ecosystem services and natural capital) that is greater than the current state.

Nature-related impacts and dependencies
Nature-related impacts and dependencies describe the two-way relationship between an organisation and nature.

Impacts refer to the changes, positive or negative, that an organisation causes to the state of nature through its actions, whether directly, indirectly, or cumulatively. Examples include land use, emissions, or resource extraction.

Dependencies are aspects of environmental assets and ecosystem services that an organisation relies on to function, such as water supply, pollination, and climate regulation.

Nature-related risks and opportunities
Nature-related risks and opportunities arise from an organisation's impacts and dependencies on nature.

Nature-related risks are potential threats posed to an organisation that arise from its, and wider society's, dependencies and impacts on nature. Risks can be physical risks, transition risks or systemic risks.

Nature-related opportunities are activities that create positive outcomes for organisations and nature through positive impacts or mitigation of negative impacts on nature.

Near miss
An event that that does not result in any injury, illness, damage, or other loss but had the clear potential to do so. Energy exchange is not a requirement, thus when a rule or control is breached it would be considered a near miss if it had a clear potential to result in undesirable consequences (e.g. people were in the line of fire for a safety-related event).

Net cash
Comprises cash and cash equivalents less interest-bearing liabilities.

Net debt
Comprises interest-bearing liabilities less cash and cash equivalents.

Net gain
The point at which losses in biodiversity and ecosystem services are outweighed by proportional gains (so that a net gain is achieved) relative to a defined baseline state.

Net operating assets
Represents operating assets net of operating liabilities which predominantly exclude the carrying amount of nonmaterial equity accounted investments, cash, interest-bearing liabilities, tax balances and certain other financial assets and liabilities.

Net zero
Net zero greenhouse gas emissions are reached when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period.

No net loss
The point at which losses in biodiversity and ecosystem services are balanced by proportional gains (so that no net loss remains), relative to a defined baseline state.

Non-operated joint ventures
Operations, development projects and options, and exploration prospects which are not wholly owned by South32 Limited or its subsidiaries and for which South32 does not manage the operation, being Ambler Metals, Brazil Alumina, Brazil Aluminium, Sierra Gorda S.C.M, Mineração Rio do Norte S.A (MRN) and Port Kembla Coal Terminal. Details of South32's ownership interest can be found on page 272 of this Report and in the 'Reporting boundaries' tab of our Sustainability Databook 2025 at *www.south32.net*.

Net smelter return
An estimate of revenue derived from the sale of products and concentrates following the application of metallurgical recoveries and deducting transport costs, treatment and refining charges, penalties and royalties. For Sierra Gorda, mining cost is also included in the calculation.

Occupational Exposure Limit (OEL)
The concentration of a substance or agent, exposure to which, according to current knowledge, should not cause adverse health effects nor cause undue discomfort to nearly all workers.

Occupational illness
An occupational illness is any abnormal condition or disorder, other than one resulting from an occupational injury, caused or aggravated by exposures to factors associated with employment. It includes acute or chronic illnesses or diseases which may be caused by inhalation, absorption, ingestion, or direct contact.

OECD
Organisation for Economic Co-operation and Development.

Glossary of terms and abbreviations continued

Operated joint ventures
Operations, development projects and options, and exploration prospects which are not wholly owned by South32 Limited or its subsidiaries and for which South32 manages the operation, being, Australia Manganese, Eagle Downs, South Africa Manganese, Minera Sud Argentina, Mozal Aluminium and Worsley Alumina. Details of South32's ownership interest can be found on page 272 of this Report and in the 'Reporting boundaries' tab of our Sustainability Databook 2025 at *www.south32.net*.

Operational emissions
Scope 1 and 2 GHG emissions from our operated assets.

Operating cost
Operating cost is Underlying revenue less Underlying EBITDA excluding third-party products and services.

Operating unit cost
Operating unit cost is Underlying revenue less Underlying EBITDA, excluding third-party products and services, divided by sales volumes.

Operating margin
Comprises Underlying EBITDA excluding third-party products and services EBITDA, divided by Underlying revenue excluding third-party products and services revenue. Also referred to as operating margin.

Ore Reserve
The economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Prefeasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified (JORC Code).

Operational water efficiency
Percentage of water used for operational activities which is reused/recycled water. Calculated as the sum of reuse and recycled water divided by the sum of water used for operational activities.

Our people
As defined in our Code of Business Conduct, our people includes South32 Directors, executive management, employees and contractor staff.

Paris Agreement
A legally binding international treaty adopted in 2015 by Parties to the United Nations Framework Convention on Climate Change (UNFCCC), committing governments to progressively strengthen national climate targets to limit warming to well below 2°C (pursuing 1.5°C), while enhancing adaptation and support for developing countries.

Payable copper equivalent production (kt)
Calculated by aggregating revenues from copper, molybdenum, gold and silver, and dividing the total Revenue by the price of copper. FY24 realised prices for copper (US$3.86/lb), molybdenum (US$20.60/lb), gold (US$2,129/oz) and silver (US$24.8/oz) have been used for FY24 and FY25. FY25 realised prices for copper (US$4.18/lb), molybdenum (US$21.12/lb), gold (US$2,877/oz) and silver (US$31.7/oz) have been used for FY26e and FY27e.

Payable zinc equivalent (kt)
Calculated by aggregating revenues from payable silver, lead and zinc, and dividing the total Revenue by the price of zinc. FY24 realised prices for zinc (US$2,230/t), lead (US$2,002/t) and silver (US$24.8/oz) have been used for FY24 and FY25. FY25 realised prices for zinc (US$2,648/t), lead (US$1,883/t) and silver (US$31.9/oz) have been used for FY26e and FY27e.

Physical risk
Physical climate risks are driven or intensified by weather, climate variability or climate change. They include acute risks, resulting from increased frequency or severity of extreme weather events (e.g. drought or flood events) that can disrupt operations, damage infrastructure and/or interrupt supply chains; and chronic risks, resulting from longer-term changes in climate patterns (e.g. sustained higher temperatures, changing rainfall patterns, sea level rise) that can progressively affect operational performance, natural resources availability (e.g. water) and energy needs.

Probable Ore Reserve
The economically mineable part of an Indicated and, in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve (JORC Code).

Proved Ore Reserve
The economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors (JORC Code).

Pr.Sci.Nat.
Professional Natural Scientist of the South African Council for Natural Scientific Professions.

RAC
Risk and Audit Committee.

RAP
Reconciliation Action Plan.

Realised sales price
Realised sales price is calculated as Underlying revenue excluding third-party products and services divided by sales volume.

Recordable Illnesses
The sum of work-related (fatalities + illnesses that caused permanent impairment >30% of body + lost time illnesses + restricted work illnesses + medical treatment illnesses).

Recordable injuries
The sum of work-related (fatalities + injuries that caused permanent impairment >30% of body + lost time injuries + restricted work injuries + medical treatment injuries).

Reserve Life
The scheduled extraction period in years for the Total Ore Reserves in the approved Life of Operation Plan.

Return on invested capital (ROIC)
Return on invested capital (ROIC) is a key measure that South32 uses to assess performance. ROIC is calculated as Underlying EBIT less the discount on rehabilitation provisions included in Underlying net finance costs, tax effected by the Group's Underlying effective tax rate (ETR) including our material equity accounted investments on a proportional consolidation basis, divided by the sum of fixed assets (excluding any rehabilitation assets, the impact of any impairments or impairment reversals, and unproductive capital) and inventories.

Reused/recycled water
Water that has been used in an operational task and is recovered and used again in an operational task, either without (reuse) or with (recycle) treatment.

ROM (Run of Mine product)
Product mined in the course of regular mining activities.

RPO (Recognised Professional Organisation)
Accredited organisations to which Competent Persons must belong for the purpose of preparing reports on Exploration Results, Mineral Resources and Ore Reserves for submission to the ASX (if they are not members of the AusIMM or AIG).

SACNASP
South African Council for Natural Scientific Professions.

Salient human rights issues
As defined by the United Nations Guiding Principles Reporting Framework, salient human rights issues are those human rights that stand out because they are at risk of the most severe negative impact through the company's activities or business relationships. This concept of salience uses the lens of risk to people, not the business, as the starting point, while recognising that where risks to people's human rights are greatest, there is strong convergence with risk to the business.

SAEC
South Africa Energy Coal.

'Safety guarantee'
Nothing is more important than the health, safety and wellbeing of our people. At South32, we are united by our belief that everyone can go home safe and well, every day. Our 'safety guarantee' is our internal approach to creating a sense of chronic unease to enhance our safety culture. Every day, we ask our people to reflect on whether they can guarantee both their safety and that of their colleagues when executing their role. If the answer is no, then the challenge is to stop and ask what would need to be done differently to provide that guarantee.

Sands
Tailings produced as a by-product during beneficiation of ore.

SASB
Sustainability Accounting Standards Board.

Scope 1 emissions
GHG emissions from our own operations, including the electricity we generate at our sites.

Scope 2 emissions
Indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by an entity. Purchased and acquired electricity is electricity that is purchased or otherwise brought into an entity's boundary. Scope 2 greenhouse gas emissions physically occur at the facility where electricity is generated.

Scope 3 emissions
Indirect greenhouse gas emissions (not included in Scope 2 greenhouse gas emissions) that occur in the value chain of an entity, including both upstream and downstream emissions. Scope 3 greenhouse gas emissions include the Scope 3 categories in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).

Senior Leadership Team
Presidents and Vice Presidents reporting to members of the South32 Lead Team and the Company Secretary.

Significant event
Any event with Actual or Potential Health Safety Severity of PL4 (Potential for Fatality) or above.

Significant hazards frequency
(The sum of significant hazards x 1,000,000) ÷ exposure hours. This is stated in units of per million hours worked for employees and contractors. A significant hazard is something that has the potential to cause harm, ill health or injury, or damage to property, plant or the environment.

SMMEs
Small, medium and micro enterprises.

Social investment
Contributions made to support communities where we operate or have an interest. Our contributions to community programs comprise direct investment (including Enterprise Development, a component of Enterprise and Supplier Development), in-kind support and administrative costs.

Source Pathway Receptor
Process to identify air emission sources and assess potential impacts. Begins with locating where the air emissions originate (source), followed by assessing how they can travel through the environment (pathway), then consideration is given to who or what could be affected (receptor), being communities and the environment.

South32 Equity Incentive Plan
An equity incentive plan that allows the Board to make offers to employees to acquire securities in South32 Limited and to otherwise incentivise employees.

South32, South32 Group or Group
Refers to South32 Limited and its subsidiaries and operated joint ventures, unless otherwise stated.

South32 share
South32's ownership share of operations are presented as follows: Worsley Alumina (86% share), Brazil Alumina (36% share), Brazil Aluminium (40% share), Hillside Aluminium (100%), Mozal Aluminium (63.7% share), Sierra Gorda (45% share), Cannington (100%), Hermosa (100%), Cerro Matoso (99.9% share), Australia Manganese (60% share) and South Africa Manganese ore (54.6% share). Prior to the divestment of Illawarra Metallurgical Coal on 29 August 2024, South32's ownership was 100%. Prior to the divestment of South Africa Manganese alloy on 3 June 2025, South32's ownership was 60%. Unless otherwise stated: all metrics reflect South32's share.

Stockpile (SP)
An accumulation of ore or mineral built up when demand slackens or when the treatment plant or beneficiation equipment is incomplete or temporarily unable to process the mine output; any heap of material formed to create a buffer for loading or other purposes, or material dug and piled for future use.

STI
Short-term incentive.

Supply chain
The global network of suppliers that support South32's operations, development options and exploration programs through the flow of goods, services and information.

Sustainability, sustainable development, sustainably, sustainable
Our approach to sustainability aims to balance environmental, social and economic considerations in a way that creates enduring value for our stakeholders. We recognise that in many cases these considerations will be interdependent or may compete or conflict with each other. In delivering our strategy we aim to understand and balance the environmental, social and economic impacts of our business in a way that seeks to create value overall. References to sustainability (including sustainable development and sustainably) in the suite or other disclosures do not mean that there will be no adverse impact, or an absolute outcome, in any one area.

Tailings
The left-over materials that remain after the target mineral is extracted from ore.

Target
An intended outcome in relation to which we have identified one or more pathways for delivery of that outcome, subject to certain assumptions or conditions.

Taskforce on Climate-Related Financial Disclosures (TCFD)
The TCFD developed a framework for climate-related financial disclosures, including a set of recommended disclosures structured around the four recommendation pillars of governance, strategy, risk management, and metrics and targets. The TCFD was disbanded in October 2023 and the International Sustainability Standards Board will monitor progress on the state of climate-related financial disclosures by companies.

Glossary of terms and abbreviations continued

Taskforce on Nature-Related Financial Disclosures (TNFD)

The TNFD has developed a framework for nature-related disclosures, including a set of disclosure recommendations structured around the four recommendation pillars of governance, strategy, risk and impact management, and metrics and targets.

TEMCO

Tasmanian Electro Metallurgical Company.

Total disturbed landholdings

Represents the total landholdings which have been disturbed by our operations over time, and is the sum of land classified as disturbed and land that is under active rehabilitation.

Total Mineral Resources

The sum of Inferred Mineral Resources, Indicated Mineral Resources and Measured Mineral Resources.

Total Ore Reserves

The sum of Proved Ore Reserves and Probable Ore Reserves.

Total Recordable Injury Frequency (TRIF)

(The sum of recordable injuries x 1,000,000) ÷ exposure hours, for employees and contractors. This is stated in units of per million hours worked for employees and contractors. We adopt the United States Government Occupational Safety and Health Administration (OSHA) guidelines for the recording and reporting of occupational injuries and illnesses.

Total Recordable Illness Frequency (TRILF)

(The sum of recordable illnesses x 1,000,000) ÷ exposure hours, for employees and contractors. This is stated in units of per million hours worked for employees and contractors. We adopt the United States Government Occupational Safety and Health Administration (OSHA) guidelines for the recording and reporting of occupational injuries and illnesses.

Total Shareholder Return (TSR)

TSR measures the return delivered to shareholders over a certain period through the change in share price and any dividends paid. It is a measure used to compare our performance to that of relevant peer groups under the LTI.

Transformation

A national strategy in South Africa aimed at attaining national unity, promoting reconciliation through negotiated settlement and non-racism.

Transition materials

CA100+ Net Zero Standard for Diversified Mining, defines transition materials into two categories which include Key Transition Materials (KTMs) and Other Transition Materials (OTMs). KTMs include lithium, copper, nickel, cobalt for example, while OTMs include aluminium, alumina and bauxite, silver, zinc, manganese and lead for example (both lists are not exhaustive).

Transition risks

Risks that arise from efforts to transition to a lower-carbon economy. Transition risks include policy and legal, technology, market and reputational risks. These risks could carry financial implications for an entity, such as increased operating costs or asset impairment due to new or amended climate-related regulations. The entity's financial performance could also be affected by shifting consumer demands and the development and deployment of new technology.

TSF

Tailings Storage Facility.

TSX

Toronto Stock Exchange.

Underlying earnings

Underlying earnings is profit after tax and earnings adjustment items. Earnings adjustments represent items that don't reflect our underlying operations. We believe that Underlying earnings provides useful information, but should not be considered as an indication of, or an alternative to, profit or attributable profit as an indicator of operating performance.

Underlying earnings attributable to members

Underlying earnings attributable to members is Profit/(loss) after tax, net of amounts attributable to non-controlling interests and earnings adjustment items, from continuing and discontinued operations. Underlying earnings attributable to members is the key measure that South32 uses to assess the performance of the South32 Group, make decisions on the allocation of resources and assess senior management's performance.

Underlying EBIT

Underlying EBIT is profit/loss before net finance income/costs, tax and any earnings adjustments, including impairments, from continuing and discontinued operations. The performance of each of the South32 operations and operational management is assessed based on Underlying EBIT. In order to calculate Underlying EBIT, the following items are adjusted as applicable each period, irrespective of materiality: Exchange rate gains/losses on restatement of monetary items; Impairment losses/reversals; Gains/losses on disposal and consolidation of interests in operations; Gains/losses on non-trading derivative instruments, contingent consideration and other investments measured at fair value through profit or loss; Major corporate restructures; Joint venture adjustments; Exchange rate variations on net cash/debt; Tax effect of earnings adjustments; and Exchange rate variations on tax balances. In addition, items that do not reflect the underlying operations of South32, and are individually, or in combination with other related earnings adjustments, significant to the financial statements, are excluded to determine Underlying earnings. When applicable, significant items are detailed in the Financial Report.

Underlying EBIT margin

Comprises Underlying EBIT excluding third-party products and services EBIT, divided by Underlying revenue excluding third-party products and services revenue.

Underlying EBITDA

Underlying EBITDA is Underlying EBIT before Underlying depreciation and amortisation, and excludes third-party products and services EBITDA. In order to calculate Underlying EBITDA, the following items are adjusted as applicable each period, irrespective of materiality: Exchange rate gains/losses on restatement of monetary items; Impairment losses/reversals; Gains/losses on disposal and consolidation of interests in operations; Gains/losses on non-trading derivative instruments, contingent consideration and other investments measured at fair value through profit or loss; Major corporate restructures; Joint venture adjustments; Exchange rate variations on net cash/debt; Tax effect of earnings adjustments; and Exchange rate variations on tax balances. In addition, items that do not reflect the underlying operations of South32, and are individually, or in combination with other related earnings adjustments, significant to the financial statements, are excluded to determine Underlying earnings. When applicable, significant items are detailed in the Financial Report.

Underlying EBITDA margin
Comprises Underlying EBITDA excluding third-party products and services EBITDA, divided by Underlying revenue excluding third-party products and services revenue. Also referred to as operating margin.

Underlying effective tax rate (ETR)
Underlying income tax expense, including royalty related tax, divided by Underlying profit subject to tax.

Underlying revenue
Underlying revenue includes revenue from third-party products and services.

Unionised Positions
All Cerro Matoso positions except the positions of Presidents, Vice Presidents, Managers, Directors, Superintendents, Department Heads, Supervisors, Interns, and positions occupied by workers on probation and professionals with completed university degrees or postgraduate degrees.

United Nations Global Compact (UNGC)
The United Nations Global Compact is a call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals. South32 is an active member of the UNGC since 2019.

UN SDGs
United Nations Sustainable Development Goals.

Value chain
The interrelated activities and systems encompassing the full lifecycle and value creation of our products and processes, beginning with South32's exploration and development of commodities, followed by processing, refining and smelting, and culminating in the sale and distribution to customers and the closure of mines.

Water consumption
Water that is removed by evaporation, entrainment (in product or waste) or other losses, and not released back to surface water, groundwater, seawater or a third party.

Water outputs/discharge
Water that is released from the operational water system through discharge back to the water environment or piping to third parties, and/or through other outputs, including water consumed (removed by evaporation, entrainment in product, waste or other losses) in an operational task or activity.

Water risk
Water risk is the possibility of an entity experiencing a water-related challenge (e.g. water scarcity, water stress, flooding, infrastructure decay, drought). The extent of risk is a function of the likelihood of a specific challenge occurring and the severity of the challenge's impact. The severity of impact itself depends on the intensity of the challenge, as well as the vulnerability of the actor.

Water scarcity
Water scarcity refers to the lack of sufficient available water to meet the water usage demands of the region. This can be from the lack of physical water and the lack of financial means to gain access to water.

Water to tasks
The total flow of water to a task. A task is a set of operational activities that use water.

Water inputs/withdrawal
Water that is drawn from the environment (surface water, groundwater or seawater) or purchased from third parties, for use in a task or activity.

Yield
The percentage of material of interest that is extracted during mining and/or processing. A measure of mining or processing efficiency (JORC Code). When used in reference to the Mineral Resource estimate, yield refers to the sample mass recovery following beneficiation.

Glossary of terms and abbreviations continued

Units of measure

%
percentage or per cent

A$/t
Australian dollars per tonne

CuEq
copper equivalent

dmtu
dry metric tonne unit

g/t
grams per tonne

ha
hectare

Kcal/kg
thousand calories per kilogram

kdmt
thousand dry metric tonne

kL
kilolitre

km
kilometre

koz
thousand ounces

ktpa
kilotonnes per annum

kt
kilotonnes (metric)

kW
kilowatt

kwmt
thousand wet metric tonnes

lb
pound

ML
megalitre

m
metre

Moz
million ounces

Mt
million metric tonnes

Mtpa
Million metric tonnes per annum

Mwmt
million wet metric tonnes

MW
megawatt

oz
ounce

t
Metric tonne

tpa
Metric tonnes per annum

tpd
Metric tonnes per day

tph
Metric tonnes per hour

US$B
US dollars in billions

US$/lb
US dollars per pound

US$M
US dollars in millions

US$/oz
US dollars per ounce

US$/t
US dollars per tonne

Terms used in resources and reserves

A.Al_2O_3
available alumina

Ag
Silver

Au
Gold

Cu/TCu
Copper/total copper

Fe
iron

Met
metallurgical coal

Mn
manganese

Mo
molybdenum

Ni
nickel

OC
open-cut/open-pit/opencast

Pb
lead

R.**SiO_2**
reactive silica

S
sulphur

Th
thermal coal

UG
underground working

VM
Volatile Matter

Zn
zinc

Corporate directory

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Share Registrars and Transfer Offices
Contact details for the Company's share registries in Australia, South Africa and the United Kingdom are included on page 259. Information about the American Depositary Receipts Depositary, Transfer Agent and Registrar can also be found on page 259.

Printed copies of this Annual Report will only be posted to those shareholders who have requested a printed copy. Other shareholders are notified when the Annual Report becomes available and given details of where to access it electronically.

Voluntary reporting frameworks

This report has been prepared with consideration to the International Integrated Reporting Council's (IIRC) International Integrated Reporting Framework. This framework provides a useful basis for disclosing how sustainable value is created for our shareholders and other stakeholders over time.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards (revised 2021 Universal Standards) and the ICMM Mining Principles and mandatory requirements set out in the ICMM Position Statements. This report also includes disclosures related to the Financial Stability Board's Task Force on Climate-Related Financial Disclosures voluntary disclosure framework in the Sustainability section on pages 26 to 63 (with the balance sitting in the Climate Change Action Plan 2025).

The disclosures in this report, [the Climate-related Risk and Reporting Methodology 2025] and the Frameworks and Standards Index, are made with consideration of the Sustainability Accounting Standards Board (SASB) standards. Our SASB index is included in the Frameworks and Standards Index, which identifies the extent to which each SASB disclosure requirement has been applied.

Forward-looking Statements

This report contains forward-looking statements in relation to the South32 Group, including statements regarding the Group's intent, belief, goals, objectives, opinions, initiatives, commitments or current expectations with respect to the Group's business, market and financial conditions, results of operations and risk management practices. Forward-looking statements can generally be identified by the use of words such as 'forecast', 'estimate', 'plan', 'will', 'anticipate', 'may', 'believe', 'should', 'expect', 'intend', 'outlook', 'guidance', 'likely', 'aim', 'aspire' and other similar expressions. Similarly, statements that describe the Group's objectives, plans, goals, or expectations are forward-looking statements.

Forward-looking statements in this report are based on South32's current expectations, best estimates and assumptions as at the date of preparation, many of which are beyond South32's control. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks and uncertainties, which may cause actual results to differ materially from those expressed in the report.

Variables that could impact forward-looking statements in this report include but are not limited to: financial and economic conditions in various countries; fluctuations in demand, price, or currency; operating results; development progress including approvals; risks, including physical, technology and carbon emissions reductions risks; industry competition; loss of market for South32's products; legislative, fiscal, and regulatory developments; the conduct of joint venture participants and contractual counterparties, and estimates relating to cost, engineering, reserves and resources.

South32 makes no representation, assurance or guarantee as to the accuracy, completeness or likelihood of fulfilment of any forward-looking statement, any outcomes expressed or implied in any forward-looking statement or any underlying assumptions on which it is based. Except as required by applicable laws or regulations, South32 does not undertake to publicly update or review any forward-looking statements. Past performance cannot be relied on as a guide to future performance. South32 cautions against undue reliance on forward-looking statements or guidance.

Information prepared by third parties

Certain information contained in this report is based on information prepared by third parties. South32 has not sought to independently verify information obtained from public and third-party sources and makes no representations or warranties as to accuracy, completeness, reasonableness or reliability of such information.

Operated joint ventures

Operations which are not wholly owned by South32 Limited or its subsidiaries and for which South32 manages the operation.

Operation	Ownership %	Note
Australia Manganese	60.0%	
Eagle Downs	50.0%	Shareholding was sold on 12 August 2024. Disclosures are limited to South32 ownership period only.
Hotazel	44.0%	With Metalloys, referred to as South Africa Manganese.
Metalloys	60.0%	With Hotazel, referred to as South Africa Manganese. Shareholding was sold on 3 June 2025. Disclosures are limited to South32 ownership period only.
Minera Sud Argentina S.A.	50.1%	Non-IFRS financial information is presented on a 100% basis. Excluded from environmental, people and community related performance data.
Mozal Aluminium	63.7%	
Worsley Alumina	86.0%	

Non-operated joint ventures

Operations which are not wholly owned by South32 Limited or its subsidiaries and for which South32 does not manage the operation.

Operation	Ownership %	Note
Ambler Metals	50.0%	Excluded from environmental, people and community related performance data.
Brazil Alumina	36.0%	People data includes South32 direct employees. GHG scope 1 and 2 data is disclosed in South32 scope 3 data.
Brazil Aluminium	40.0%	
Sierra Gorda	45.0%	
Mineracao Rio do Norte SA (MRN)	33.0%	Excluded from Non-IFRS financial information. People data includes South32 direct employees only. GHG scope 1 and 2 data is disclosed in South32 scope 3 data.
Port Kemblar Coal Terminal (PKCT)	16.7%	Shareholding was sold on 12 August 2024. Disclosures are limited to South32 ownership period only. Excluded from Non-IFRS financial information.

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Both the paper manufacturer and printer are certified to the highest possible internationally recognised standard for environmental management.

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