ANNUAL REPORT 2026

BRIGHTER
FUTURES
TOGETHER

About this report

Our 2026 Annual Reporting Suite

Together with this Annual Report, the following documents also form part of our 2026 Annual Reporting Suite and are published separately:

Modern Slavery Statement

Tax Transparency and Payments to Governments

Climate-related Reporting Methodology

Other documents supplementing our Annual Reporting Suite include the:

- Sustainability Databook
- Sustainability Standards and Frameworks Index
- Tax Databook

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

Annual Report 2026

This Annual Report is a summary of South32's operations, activities and performance for the year ended 30 June 2026 and its financial position as at 30 June 2026. 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. unless otherwise stated, 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 2026 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 255 of this report.

Page 267 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 Reporting Methodology 2026 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 22. The definitions of individual non-IFRS measures used in this report are set out in the glossary on page 255.

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 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 267 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 FY26 Independent Assurance Report on pages 109 to 117.

Cover: Geologist at our Cannington operation.
Right: Our people with Anindilyakwa women from Bush Medijina, a community project supported by South32 on Groote Eylandt in Australia.

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 267.
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 267.
3. For Financial Report basis of preparation, refer to note 2 to the financial statements (Basis of preparation) on page 179.
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) financial information is excluded.
7. Minera Sud Argentina disclosures are limited to safety and health metrics only.

Contents

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

ABOUT SOUTH32

Our purpose

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.

Our strategy

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

OPTIMISE

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

UNLOCK

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

IDENTIFY

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

Our values

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.

FY26 in review

A YEAR OF LEADERSHIP RENEWAL

In 2026 we said farewell to two highly respected leaders who have contributed significantly to South32's first 11 years, and welcomed a new Chair and a new Chief Executive Officer.

- In March 2026, Karen Wood AM retired as Chair of South32, a position she had held since April 2019 after joining the Board in November 2017 as a Non-Executive Director.
- During this time, she provided exceptional leadership and strategic oversight of our portfolio transformation and approach to sustainability.
- As part of a planned succession process, she was replaced as Chair by Stephen Pearce, who initially joined the Board as a Non-Executive Director in February 2025.
- Stephen has more than 25 years' experience as a director of public companies and more than 40 years of financial and commercial experience in the mining, oil and gas, and utilities industries.
- Read Stephen's reflections on the year on page 6.

- Following an extensive global CEO succession and evaluation process by the Board, Matt Daley joined South32 as Deputy CEO in February 2026.
- He assumed the role of CEO on 1 July 2026 after Graham Kerr stepped down from that role on 30 June 2026.
- Graham was our inaugural CEO and his legacy includes establishing a values-based, safety-focused culture while transforming our portfolio to increase our exposure to higher-margin base metals.
- Matt has more than 25 years' experience in the mining and metals industry, spanning underground and open cut mining, smelting, refining, projects and commodity trading, and he has held leadership roles around the world.
- Matt's overview of FY26 is on page 7.

FY26 in review

OUR PERFORMANCE AT A GLANCE

Copper equivalent production	Underlying EBITDA	Shareholder returns[10]
1,015kt	US$2,462M	US$327M
FY25: 1,083kt	FY25: US$1,928M	FY25: US$350M

Total recordable injury frequency	Total recordable illness frequency	Significant hazard frequency
3.4	0.7	245
FY25: 3.7	FY25: 1.0	FY25: 196

Social investment	Scope 1 and 2 emissions, total operations[9]	Inclusion index score
US$23M	20.5Mt CO_2-e	82.8%
FY25: US$22M[8]	FY25: 20.7Mt CO_2-e	FY25: 80.2%

Learn more about our financial highlights in the Business and Operating Performance Summary starting on page 21.
Other business performance metrics can be found in the Remuneration report, starting on page 150.

8. FY25 social investment data has been restated following the identification of a calculation error. FY25 values have been revised as follows: Total: US$22.2M (previously US$23.3M); South Africa: US$9.6M (previously US$10.7M); South Africa Manganese: US$3.2M (previously US$4.3M).
9. Total operations includes divested operations, and continuing operations reflecting emissions from our current operations.
10. Fully-franked ordinary dividends paid in respect of H2 FY25 (US$117 million), fully-franked ordinary dividends paid in respect of H1 FY26 (US$175 million) and on-market share buy-back (US$35 million).

OUR FY26 PRODUCTION

Copper
87.1kt
FY25: 89.7kt

Zinc
205.4kt
FY25: 234.2kt

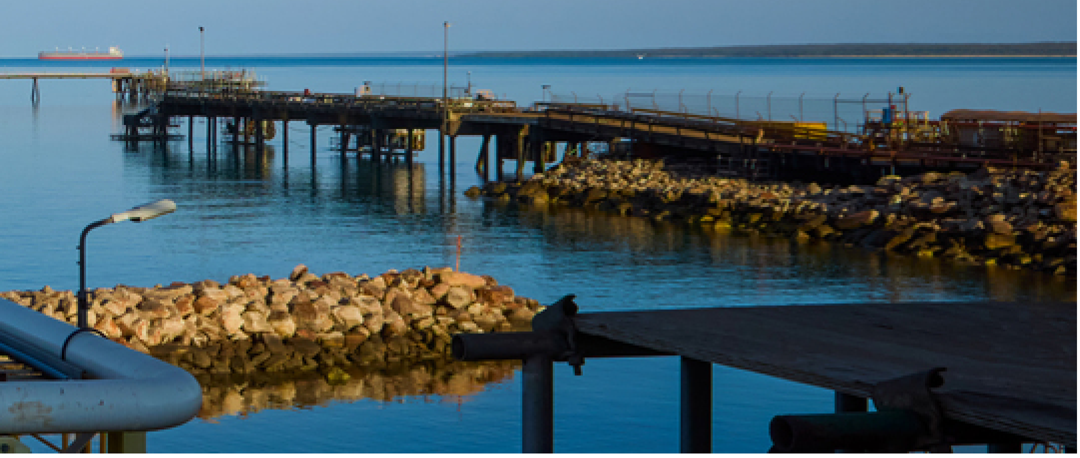
Silver
9,647koz
FY25: 10,876koz

Lead
82.9kt
FY25: 92.4kt

Manganese ore
5.1mwmt
FY25: 3.3mwmt

Alumina
5,133kt
FY25: 5,067kt

Aluminium
1,109kt
FY25: 1,211kt



OUR BUSINESS IN FY26

- On 6 October 2025, the US Government announced it would issue authorisations necessary for the establishment of the Ambler Access Road. This road is a key enabler in unlocking the value of the Ambler Mining District, where we hold a 50% interest in the Ambler Metals joint venture and have a 100% interest in the Roosevelt exploration project. Learn more on page 18.
- On 23 October 2025, a non-binding resolution in relation to our second Climate Change Action Plan was passed by shareholders at our AGM, with 90% of the votes cast in favour of the resolution. Learn more about how we are addressing climate change on page 80.
- On 1 December 2025, we completed the divestment of Cerro Matoso in Colombia to an international nickel-focused company with an existing footprint in the country. This further streamlined our portfolio towards higher-margin base metals businesses and provided balance sheet flexibility to support investment in growth options.
- On 12 February 2026, we reported a 28% increase in Cannington's underground Ore Reserve, extending reserve life by approximately two years to FY33, while targeting further potential growth through underground and open pit development options. Learn more on page 16.
- On 15 March 2026, Mozal Aluminium was placed on care and maintenance after it was unable to secure sufficient and affordable electricity supply beyond March 2026.
- On 30 April 2026, the initial operating life of Hermosa's Taylor deposit was extended by five years to approximately 33 years, and the Peake deposit's Mineral Reserve increased by 32%. First production was revised to H2 FY28 and expected growth capital expenditure for Taylor increased to approximately US$3.3 billion. Learn more on page 17.
- On 15 May 2026, it was announced Ambler Metals' Arctic polymetallic deposit had been accepted as a covered project under the US Government's FAST-41 program, a key step towards unlocking value from this polymetallic deposit.
- On 30 June 2026, we entered into a binding conditional agreement to sell our aluminium value chain assets to Alcoa Corporation (Alcoa) for up to US$5.6 billion. Alcoa will also assume related rehabilitation provisions of approximately US$1.1 billion. Learn more on page 11.

From the Chair

SIMPLER AND STRONGER

We were devastated when Simon Mukwarami was fatally injured at our Worsley Alumina refinery in Western Australia in March 2026. The loss of a loved one while going about their work is something that no family should have to endure.

On behalf of the Board, I offer our heartfelt sympathies to Mr Mukwarami's family, friends and colleagues.

We continue to focus on eliminating fatalities and serious injuries from our business, and on improving our safety performance.

FY26 was a year of transition for South32, with my predecessor, Karen Wood AM, retiring from the Board on 1 March 2026 and Graham Kerr, our inaugural Chief Executive Officer, stepping down from the role on 30 June 2026. I would like to pay tribute to both.

Karen worked with Directors and the Lead Team to substantially reposition South32 and capitalise on the increasing global demand for base metals. We were fortunate to benefit from her wealth of knowledge, strong governance and purpose-driven approach.

I also congratulate Graham on his outstanding contribution over the past 11 years. He was instrumental in defining our purpose and strategy, establishing a values-based and safety-focused culture, and reshaping our portfolio with a disciplined approach to capital management. He has set up a strong foundation for future success, and his leadership has left a lasting impact on South32.

In line with our CEO transition plan announced last year, Matt Daley joined us as Deputy CEO on 2 February 2026 and assumed the role of CEO on 1 July.

Matt is a highly accomplished executive who brings extensive operational and leadership experience to South32. Since joining our company, he has spent time at our operations, overseen our Australian and African operations, and engaged with our stakeholders around the world.

He has a clear plan to take our business forward, centred on delivering safe and reliable production, creating a simpler, stronger business and delivering our growth projects.

The transition comes at an important time for South32. On 30 June 2026, we entered into a binding conditional agreement to sell our aluminium value chain assets, with the transaction expected to complete in the second half of FY27. This is a step change for us that accelerates the delivery of our strategy and provides us with additional balance sheet flexibility to invest in our next phase of growth, while delivering shareholder returns.

Against a backdrop of global geopolitical and economic uncertainty, in FY26 we delivered strong operating performance, earnings and shareholder returns.

We returned US$327 million to shareholders, including US$292 million in fully-franked ordinary dividends, and US$35 million via our on-market share buy-back.

In February 2026, the Board resolved to increase our capital management program by US$100 million to US$2.6 billion and subsequent to 30 June 2026, the Board approved a further extension of the program to September 2027 with US$209 million remaining to be returned to shareholders.

During the year, Directors travelled to our Hermosa project in Arizona in the United States and Johannesburg in South Africa as part of our Board program. While at Hermosa, we attended a community engagement event at Nogales, where our remote operations facility is being built, and learned more about the social and economic benefits this project is expected to support in the region. In South Africa, we saw the positive impacts that our social investment initiatives can have, including visiting a centre which provides protection and support for vulnerable young people.

At our AGM in October 2025, our second Climate Change Action Plan (CCAP) received strong shareholder backing, with 90% of votes cast in favour in a non-binding advisory resolution. The annual report this year includes a new section, 'Addressing Climate Change', which details our progress in implementing the CCAP and identifying the risks and opportunities presented by climate change.

The process of refreshing our Board continued in FY26, with two inaugural Directors, Frank Cooper AO and Dr Futhi Mtoba, retiring at our AGM, and Geoff Healy and Sinead Kaufman appointed independent Non-Executive Directors in December 2025 and April 2026, respectively.

Geoff has more than three decades of experience within the professional services and natural resources industries, while Sinead has 30 years' international experience in the resources sector. Geoff and Sinead bring a range of skills and are already contributing significant value to the Board.

In FY27, the Board will work with Matt and our Lead Team on our key priorities, including completing the sale of our aluminium value chain assets, progressing our Hermosa project and continuing to grow our exposure to base metals.

I look forward to ongoing engagement with our shareholders and other stakeholders during the year. On behalf of the Board, I would like to acknowledge their support and also thank our people across the world for their hard work and dedication to South32.

Stephen Pearce
Chair

From the CEO

RESHAPING OUR FUTURE

I am proud to have started as Chief Executive Officer at such a pivotal time for South32. This is a company with strong foundations, real momentum and a bright future.

Since February 2026, I have visited our sites and offices, getting to know our people and our stakeholders, and gained a deep understanding of our business and the opportunities that lie ahead. It is clear we have extraordinary dedication and capability within our organisation.

Our purpose is to make a difference by developing natural resources and improving people's lives. We do that through safe, responsible operations and strong and trusted relationships with the communities that host us.

The death of our colleague Simon Mukwarami, in an incident at Worsley Alumina in March 2026, had a profound impact on everyone at South32, particularly those at the operation. Mr Mukwarami's family, friends and colleagues remain in our thoughts.

Following the incident, I travelled to Worsley Alumina to support the team and gain an understanding of what had occurred. We have taken steps to further enhance awareness of Worsley Alumina's existing procedures, permits, risk assessments and controls for working at heights hazards as part of our cooperation with the authorities. We reinforced these where relevant at our other operations, and we continue to look for opportunities to design tasks in a way that eliminates or reduces fall from heights risks so far as practicable.

It was encouraging to see improvements in our key safety metrics in FY26, including our significant hazard frequency increasing by 25%, which showed improved hazard awareness. But we know we cannot be regarded as successful until all our people return home safe and well at the end of every shift. As CEO, I am unwavering in my commitment to a workplace free from fatalities.

We are simplifying our portfolio to sharpen our operational focus, directing capital to our highest-return opportunities, and building a stronger base metals mining and processing business. The agreed sale of our aluminium value chain assets to Alcoa, for up to US$5.6 billion, is a fundamental change that will reshape South32. When the transaction completes, we will be focused on high-margin, long-life copper, zinc, silver and lead operations, alongside our strong position in manganese.

On top of this, projects in construction or approved for development in our streamlined portfolio are expected to grow our copper equivalent production volumes by approximately 55%.

At our Hermosa project, construction progressed on the Taylor zinc-lead-silver project and the federal permitting process under the National Environmental Policy Act was completed in July 2026. An assessment of Taylor's project milestones confirmed its potential to deliver attractive returns and its expected operating life increased by five years to approximately 33 years. At the adjacent Peake deposit, the Mineral Reserve has been increased by 32%, supporting our expectation it will become a source of future copper production and mine life extension.

We revised expectations for Taylor's shaft construction and expected growth capital expenditure, due to contractor performance and productivity challenges, materially higher inflation and industry-wide increases in key input costs. Taylor's underlying quality remains strong. It will increase our production of base and precious metals, lift Group margins due to its low cost position, and establish significant shared infrastructure for future growth phases.

We are also excited about Sierra Gorda, where the joint venture approved execution of the fourth grinding line project and a feasibility study confirmed the potential for attractive returns. The project is expected to increase copper equivalent production by approximately 30% from FY31.

At Cannington, we are investing to extend underground mine life by about two years and unlock value from its high-margin, silver-rich production, while progressing study work for a potential open-pit development and further underground life extensions. We also completed the divestment of the Cerro Matoso ferronickel operation, further streamlining our portfolio towards base metals.

We continue to advance our pipeline of growth options in study and exploration phases. In October 2025, the US Government supported the establishment of the Ambler Access Road, a key step in unlocking the potential of the Ambler Mining District where our Ambler Metals joint venture offers high-grade copper and zinc options. Recently, Ambler Metals' Arctic polymetallic deposit was confirmed as a covered project under the FAST-41 program.

At Mozal Aluminium, despite extensive engagement with key stakeholders, the smelter was unable to secure sufficient and affordable electricity to enable it to operate beyond March 2026, when it was safely placed on care and maintenance. Divestment is now under active consideration.

Outside of South32, global markets remained volatile and we continue to manage inflationary pressures and higher freight rates and raw material input prices. Despite these headwinds, in FY26 we exceeded Group production guidance and Underlying EBITDA increased by 28% to US$2.5 billion, while Underlying earnings increased by 55% to US$1 billion. Group cash flow from operations increased by US$352 million to US$610 million after investing US$711 million to grow future base metals production from our Hermosa project.

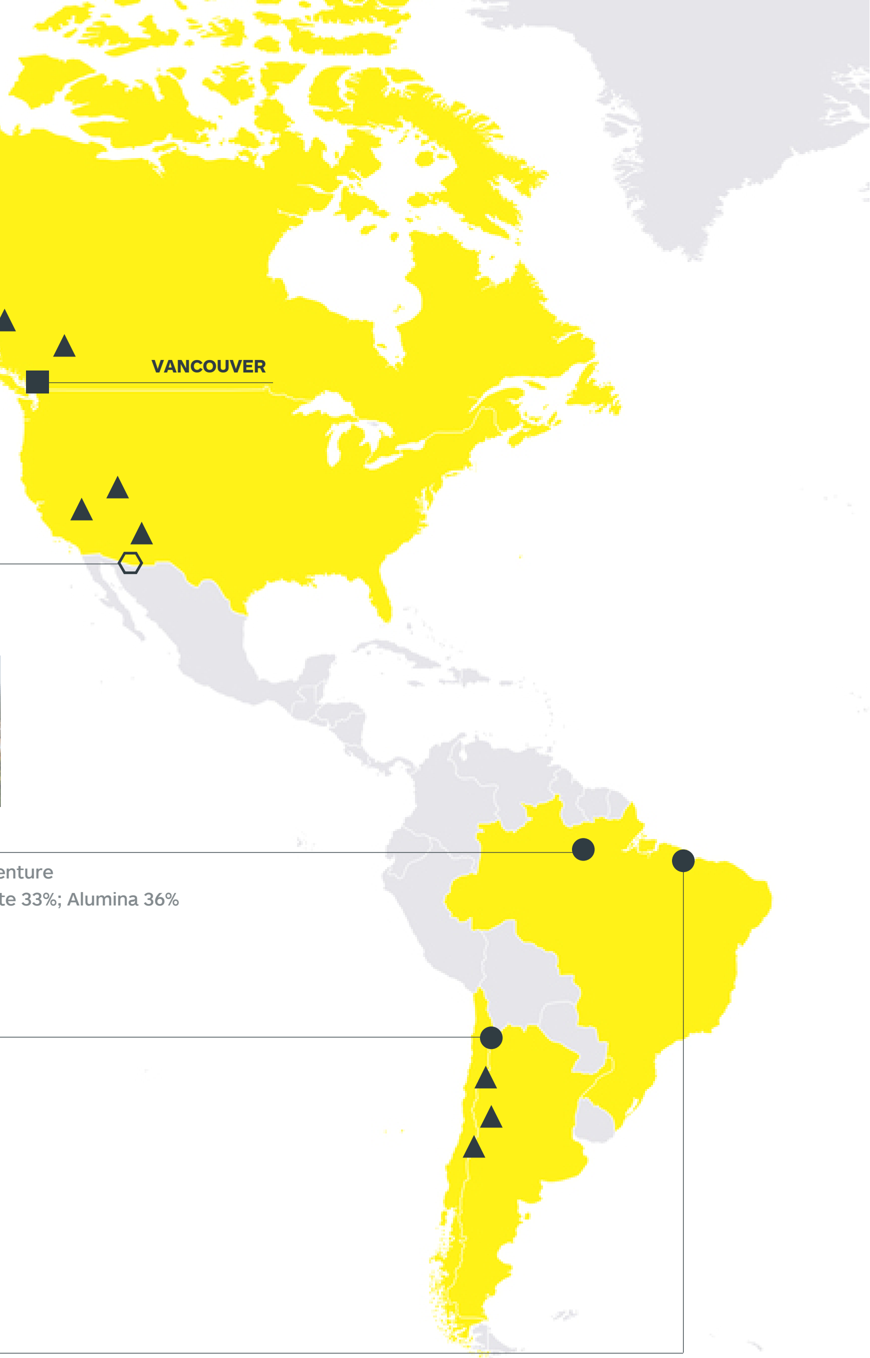
We have a strong business, and much of this is down to Graham Kerr's leadership since he was appointed our inaugural CEO in 2015. I thank Graham for his significant contribution. I would also like to thank our partners, our shareholders and particularly our people for their ongoing commitment to South32.

Matt Daley
Chief Executive Officer

Where we operate and what we produce

DIVERSIFIED BUSINESS FOR THE ENERGY TRANSITION

We have operations across the Americas, Australia and Southern Africa, are progressing construction at our Hermosa Taylor project, and have a pipeline of high-quality development options and exploration projects.



AMBLER METALS

Non-operated joint venture
South32 share: 50%
Copper, lead, gold, silver and zinc

HERMOSA

Operated development project
South32 share: 100%
Zinc, lead, silver and manganese

BRAZIL ALUMINA

Non-operated joint venture
South32 share: Bauxite 33%; Alumina 36%
Alumina

SIERRA GORDA

Non-operated joint venture
South32 share: 45%
Copper, molybdenum and gold

BRAZIL ALUMINIUM

Non-operated joint venture
South32 share: 40%
Aluminium

KEY: Mining and processing Development Exploration Office

OUR MINERALS AND METALS

Copper

Copper is an excellent conductor of electricity. It is a key metal used in electric vehicles (EVs) and charging infrastructure, and as the world moves towards electrification and artificial intelligence (AI) adoption, it is expected to be used in power-related infrastructure including renewable energy generation. Copper is also widely used in construction and consumer durables including household appliances.

Manganese

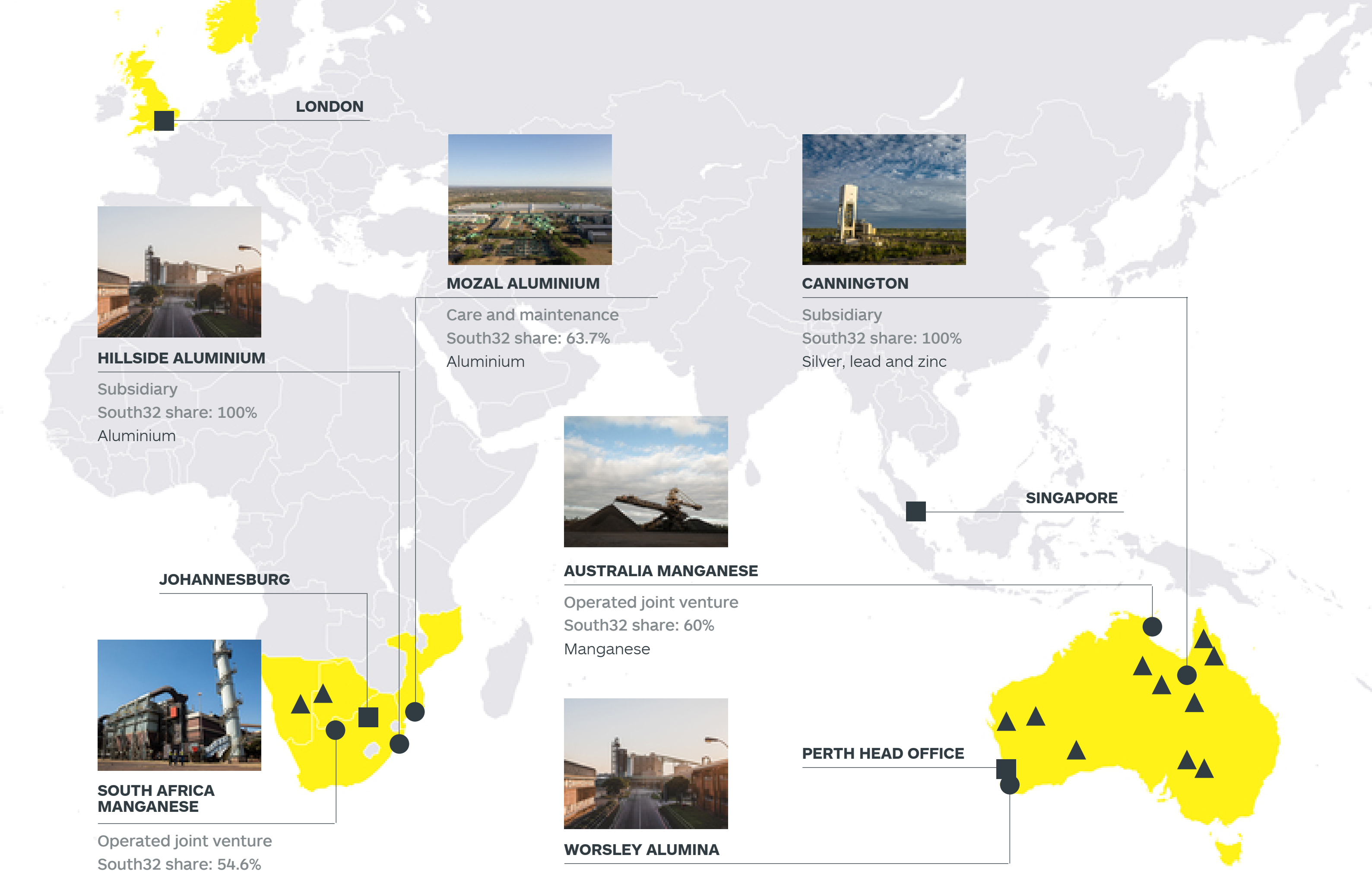
Manganese is used to improve the quality and strength of steel in major infrastructure such as hospitals, office towers and bridges. It also has the potential to improve lithium-ion battery energy density and reduce costs, while lowering reliance on ESG-sensitive cobalt, with demand for manganese-rich cathode chemistries expected to grow.

Zinc, lead, silver

Zinc, as the coating in galvanised steel, is widely used in construction, transportation, energy, agriculture, household equipment and more. Zinc plays a key role in energy transition by protecting 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 plays a crucial role in electrification, AI adoption and data centre development as it is widely used in electronics and electrical systems such as printed circuit boards, semiconductors and electrical switches. It is also an integral component in solar panels, medical appliances and consumer electronics.

Aluminium value chain[11]

Aluminium is lightweight, durable, strong, recyclable and can conduct electricity. It has a wide range of applications including construction, electrical wiring, battery energy storage systems, and transportation including EVs. It also has the potential to substitute copper for certain applications in aerospace and rail.



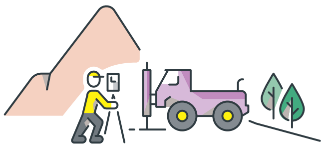
Find detailed analysis of the underlying performance of the Group's operations starting on page 21.

11. On 1 July 2026, we announced we had entered into an agreement to sell our aluminium value chain assets, which is expected to complete in H2 FY27, subject to satisfaction or waiver of conditions precedent. Refer to market release "Agreement to sell aluminium value chain assets to Alcoa for up to US$5.6b and Chief Executive Officer transition" for further details.

Our value chain

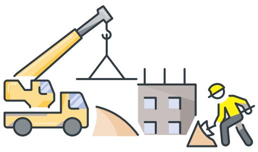
GLOBAL NETWORKS THAT UNDERPIN MODERN LIFE

The metals and minerals we produce are used in many aspects of 21st century society. At each stage of the mining cycle, we work to mitigate the impact of our activities and aim to create enduring value for our stakeholders. Our supply chains which support these stages are complex worldwide networks.



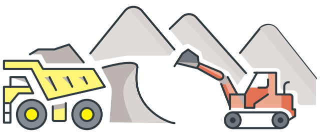
Explore

We have a portfolio of greenfield exploration partnerships and prospects 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 manage our exploration footprint.



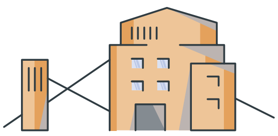
Develop

Our growth pipeline is focused on base metals. As we advance our projects and options, including as we develop the Taylor zinc-lead-silver project at Hermosa, we look to apply 'next generation mine' design principles. The design at our Taylor project aims to lower operational emissions and features a small-footprint underground mine with efficient water use and dry stack tailings.



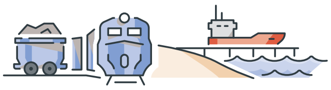
Mine/process

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



Refine/smelt

We refine bauxite to produce alumina and we smelt alumina to produce aluminium. 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. Our products are distributed by road, rail and ship and we work to support emissions reduction across our value chains, including international shipping.

Rehabilitate and close

We seek to mitigate 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.

Learn how we are working to mitigate the impacts of our activities, including addressing climate change, in the Sustainability section from page 57.

Our future

A TRANSFORMATIONAL TRANSACTION

Selling our aluminium value chain assets[12] repositions South32 as an upstream base metals focused company with high-margin assets and transformational growth.

Unlocking significant value

On 30 June 2026, we entered into a binding conditional agreement to sell our aluminium value chain assets to Alcoa Corporation (Alcoa) for up to US$5.6 billion. Alcoa will also assume related rehabilitation provisions of approximately US$1.1 billion[13].

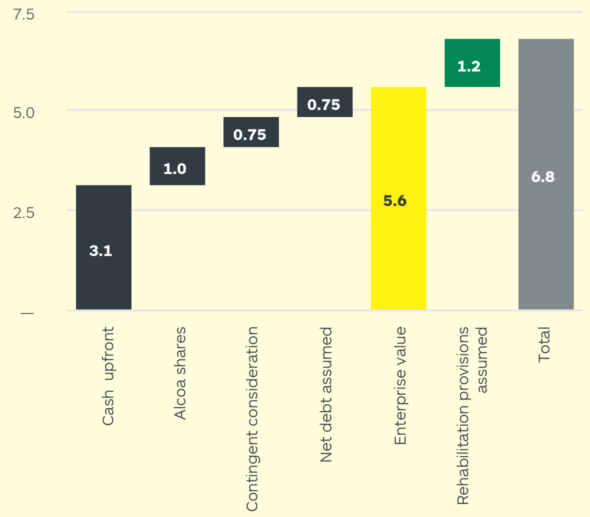
Alcoa will acquire our interests in:

- Worsley Alumina (86%)
- Hillside Aluminium (100%)
- MRN bauxite mine (33%)[14]
- Brazil Alumina refinery (36%)
- Brazil Aluminium smelter (40%).

The transaction is expected to complete in the second half of FY27, subject to satisfaction or waiver of conditions precedent, including approval by our shareholders at a meeting convened for that purpose. Mozal Aluminium is excluded from the transaction and remains on care and maintenance.

The transaction is expected to realise significant value, able to be directed into near-term growth and shareholder returns.

Transaction value (US$B)



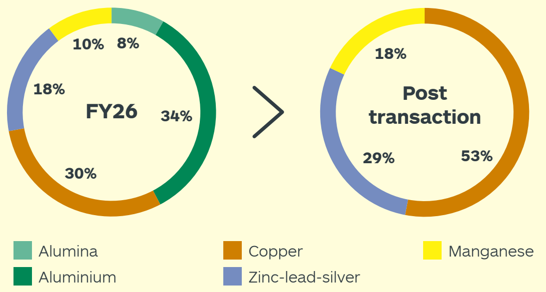
Simpler and stronger

South32's streamlined portfolio will be focused on long-life, high-margin copper, zinc, silver and lead operations, and maintain our position as a large producer of manganese.

Our streamlined portfolio will include:

- **Sierra Gorda (45%):** Large-scale, long-life open pit copper mine
- **Cannington (100%):** High-grade zinc-lead-silver underground mine with life extension potential
- **Australia Manganese (60%):** High-grade open pit manganese mine
- **South Africa Manganese (54.6%):** A leading producer by volume in the Kalahari manganese basin
- **Hermosa (100%):** Taylor zinc-lead-silver underground mine under construction
- **Ambler Metals (50%):** High-grade copper and zinc growth options in the Ambler Mining District.

Underlying EBITDA by commodity[15]



High-quality assets

- We will retain our highest margin operations with expansion and life extension options.
- Projects in construction or approved for development are expected to grow production volumes by approximately 55%.
- We will have balance sheet flexibility to allocate capital into high-returning growth projects and shareholder returns.
- Our portfolio value will be concentrated in tier one mining jurisdictions in Australia, Chile and the US.

12. Refer to market release "Agreement to sell aluminium value chain assets to Alcoa for up to US$5.6b and Chief Executive officer transition" dated 1 July 2026 for further details.
13. Based on Group closure and rehabilitation provisions as at 31 December 2025.
14. Subject to exercise of pre-emptive rights held by MRN's partners.
15. Presented on a proportional consolidation basis. Excludes Cerro Matoso; Hermosa; Group and unallocated items/eliminations.

Our stakeholders

CREATING BRIGHTER FUTURES TOGETHER

Our stakeholders are individuals, communities or groups who may be affected by or interested in our activities, and we engage with them to build meaningful relationships. Here are some of the ways we have sought to improve the lives of people in FY26.

Our people

6,867 employees around the world[16]

US$988M paid in employee wages and benefits[17]

Our people are fundamental to our success and we recognise the importance of proactive, timely and transparent engagement, using a variety of channels. Our annual Your Voice employee survey helps us obtain feedback on our people's experience of working for South32. Our Board and senior leaders regularly visit sites to better understand the operating context, the challenges our sites face, and our culture.

Investors

US$292M returned via fully-franked dividends

US$35M returned via our on-market share buy-back

In FY26, we increased our capital management program by US$100 million to US$2.6 billion and subsequent to 30 June 2026, the Board approved a further extension of the program to September 2027, with US$209 million remaining to be returned to shareholders. We maintain a comprehensive engagement program with a broad range of investors, including shareholders, fund managers and lenders. This program involves our Directors and senior leaders, and strengthens our understanding of investor expectations. We also engage with proxy advisers and investor-led initiatives such as Climate Action 100+.

Suppliers

US$4.2B spent on 4,774 suppliers[18]

US$969M spent on local procurement

Our suppliers are located in 41 countries and our supply chains are complex networks. 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*.

Communities

US$23M spent on social investment

34,828 beneficiaries of education and skills programs

Communities neighbouring or near our operational areas may be impacted directly or indirectly by our activities and business relationships. We seek to build strong, meaningful relationships with them and establish transparency and trust, including with Indigenous, Traditional and Tribal Peoples.

Customers

170 customers buy our metals and minerals

355 vessels are chartered by us

Our customer base primarily comprises large industrial and manufacturing companies across a wide range of sectors. We engage with our customers to understand their responsible sourcing and product stewardship needs and expectations, and work with certification bodies to attain certification against performance standards that reinforce responsible practices and build stakeholder confidence in certain products.

Governments

US$576M paid in total taxes and royalties

Our contribution to local economies includes the significant royalties and taxes we pay. We engage across government and with regulatory bodies responsible for licensing and regulation. We seek to work collaboratively with them to support the development of natural resources. 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.

16. Includes direct employees at our non-operated joint ventures.
17. Includes wages, salaries, redundancies, employee share awards, pensions and other post-retirement obligations paid to employees of subsidiaries, operated joint ventures and non-operated joint ventures, at our ownership proportion, excluding Sierra Gorda.
18. 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.

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. We seek to support non-operated joint ventures, through governance rights and engagement, to establish fit-for-purpose standards.

Industry associations

We are a member of various industry associations, including peak bodies, business chambers, advisory bodies and think tanks. 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, share knowledge and influence matters affecting our business.

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 with them can promote shared understanding and learnings on issues of common interest, and our senior leaders attend meetings with them. We monitor NGO activities and campaigns and seek to engage and partner with groups at local, state, national and international levels.

We are governed by robust risk management and a corporate governance framework. Learn more in our Risk management section from page 49, and our Governance section from page 117.

Hillside Aluminium: 30 years of meaningful relationships

On 7 May 2026, we celebrated 30 years of production at Hillside Aluminium with a gala event attended by South African dignitaries including President Cyril Ramaphosa.

Hillside Aluminium was officially opened by then President Nelson Mandela on 19 April 1996. Today, it is the largest aluminium smelter in the southern hemisphere producing high-quality, primary aluminium.

It supports approximately 1,100 permanent employees and 2,550 indirect on- and off-site jobs. More than 90% of employees are Black People and women account for more than a third of staff.

Hillside Aluminium supplies aluminium to the local downstream industry and provides the foundation for an estimated 29,000 jobs across the economy.

On 28 April 2026, it was announced we were advancing discussions with Eskom on a new long-term electricity solution for Hillside Aluminium, targeted to commence in 2031 subject to compliance with all regulatory requirements.

This work will continue in FY27, ahead of the completion of our transaction to sell our aluminium value chain assets. More information on this transaction is on page 11.

Above: President Cyril Ramaphosa, centre, with Hillside employees.

Our strategy in action

SUSTAINED FOCUS ON OPTIMISING OUR BUSINESS

Our strategy is to optimise our business by working safely, minimising our impact, consistently delivering stable and predictable performance, and continually improving our competitiveness.

FY26 safety performance

Nothing is more important than everyone going home safe and well at the end of every shift. In FY26, we were devastated by the loss of members of our workforce and contractor team. We are unwavering in our commitment to a workplace free from fatalities.

In March 2026, a contractor at Worsley Alumina, Simon Mukwarami, was fatally injured while he and his work crew were undertaking a plant maintenance activity at the refinery. We continue to offer our sympathies to his family, friends and colleagues.

We are cooperating with authorities in relation to their investigations and activities, including taking steps to further enhance awareness of our existing controls for working at heights hazards at Worsley Alumina. We continue to look for opportunities to design tasks in a way that eliminates or reduces fall from heights risks so far as practicable.

In July 2025, we were saddened to hear that a maintenance employee had been fatally injured in an incident at the Alumar smelter, a non-operated joint venture. We supported the smelter's response, including its investigation of the incident and provision of assistance to affected family members and colleagues.

In FY26, we continued to implement our global Safety Improvement Program. This included investing in safety leadership through our LEAD Safely Every Day program, further simplification of our systems and improved effectiveness of controls.

Our leading safety indicator, Significant Hazard Frequency, was 245 (FY25: 196) indicating improved hazard awareness and a more proactive reporting culture.

Results for Lost Time Injury Frequency (LTIF) and Total Recordable Injury Frequency (TRIF) improved too. Our LTIF reduced by 28.6% to 1.0 (FY25: 1.4) and our TRIF reduced by 8.1% to 3.4 (FY25: 3.7).

Our Coached Workplace Safety Interactions score, a metric on our Business Scorecard, measures the ratio of workplace safety interactions that are coached by a more senior leader. In FY26, this was 7.2%, which was better than our 5% target and showed a continued emphasis on visible safety leadership.

Our safety stars

In the second year of our Safety Guarantee Awards, we again recognised our people who are making South32 a safer place.

Each quarter a Safety Guarantee Champion is highlighted, and the first winners in FY26 were the Hillside Aluminium Casthouse team. This team redesigned the ceramic fibre blanket seal 'nappy' which transfers molten aluminium from the furnace to the launder. The new 'nappy' is more heat-resistant, stronger and durable, leading to less frequent replacement and a reduced exposure risk.

The Q2 Champions were also from Hillside Aluminium. The Potline 2 and Reductions Services teams, pictured below, worked together to redesign an anode beam raising task, which previously meant exposure to working from heights and manual handling risks. The work can now be done at ground level.

Teams from Cannington were recognised in Q3 for developing a long-term solution to structural concerns surrounding the “portal can” decline, a critical mine access point to the underground mine, following severe weather and flooding.

The Q4 award went to Australia Manganese's Mobile Workshop crew. This team redesigned the process of monitoring hydraulic pressures in heavy mobile equipment so it could be done remotely, eliminating exposure to a range of hazards.

More information on our safety performance is in our Sustainability section on page 61.

Using AI technology to improve safety outcomes

We recognise the potential for safe, well-governed artificial intelligence (AI) to enhance our business. In FY26, this included using AI systems to improve safety at our operations.

We commenced trials of the VisionAI system at Worsley Alumina and Australia Manganese. This uses cameras at our mine sites and on trucks, and AI-driven video analysis to monitor stop-sign compliance by our vehicles with the intention of reducing vehicle interaction risks and improving traffic management. Previous monitoring relied on manual observation and post-incident reviews, limiting our ability to proactively identify and address risky behaviours through daily reporting. The trial is ongoing.

We also joined the Incident AI network, which uses Mineguard AI software's advanced analytics to improve ICAM (Incident Cause Analysis Method) event investigation quality. We are now able to identify patterns, precursors and systemic failures in the data that are not always visible through traditional or manual ICAMs.

Stable and predictable performance

In FY26, we delivered strong operating performance and achieved 101% of Group copper equivalent production[19] guidance, despite localised weather impacts.

Supported by favourable market conditions for key commodities, this translated into one of our largest financial results, with Group Underlying EBITDA increasing by 28% to US$2.5 billion and Underlying earnings increasing by 55% to US$1 billion.

Production guidance was exceeded by 2% at both Sierra Gorda and Cannington.

Sierra Gorda, a non-operated joint venture, delivered record annual distributions of US$401 million (South32 share). Information on approval of the fourth grinding line project for Sierra Gorda is on page 16.

Payable zinc equivalent production at Cannington decreased by 12%, reflecting lower metal grades in accordance with the mine plan. This was partially offset by an 11% increase in ore processed as lower grade stockpiled material was milled. Information on our work on underground and open pit life-extension options at Cannington is on page 16.

South Africa Manganese saleable production exceeded guidance by 4%, while Australia Manganese saleable production exceeded revised guidance by 1% as the operation managed elevated site water levels resulting from ongoing groundwater inflows and significant wet season impacts.

Aluminium production exceeded FY26 guidance by 1%, while Alumina production was in line with guidance.

The Group's cost base was largely unchanged, as the divestment of lower returning businesses, and active cost management, which supported a US$58 million reduction in controllable costs, offset uncontrollable cost pressures in raw material input prices and freight rates from the conflict in the Middle East, and stronger producer currencies.

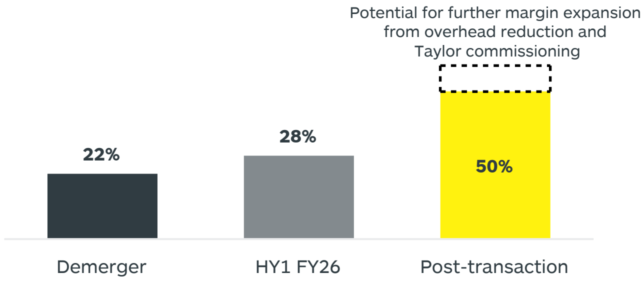
More information can be found in the Financial and Operating Performance summary, starting on page 20.

Portfolio transformation

On 30 June 2026, we entered into a binding conditional agreement to sell our aluminium value chain assets to Alcoa for up to US$5.6 billion. Alcoa will also assume related rehabilitation provisions of approximately US$1.1 billion.

The transaction is expected to unlock significant value for shareholders and reposition South32 as an upstream base metals focused company with high-margin assets and transformational growth. See page 11 for more information.

Group Operating margin (%)[20]



In March 2026, the Mozal Aluminium smelter was safely placed on care and maintenance, due to the inability to secure sufficient and affordable electricity supply to support its continued operation. This followed extensive engagement with the Government of the Republic of Mozambique, Eskom and other key stakeholders. While this was not the outcome we had sought, we are proud of Mozal Aluminium's significant contribution to local communities and the economy of Mozambique over 25 years of operation.

We worked closely with our people and stakeholders through this change, and more details can be found on page 70.

On 1 December 2025, we completed the divestment of the Cerro Matoso ferronickel operation in Colombia for future cash payments of up to US$100 million. This further streamlined our portfolio towards higher-margin businesses in minerals and metals critical to the world's energy transition.

At a glance: Mitigating our impact

- At Worsley Alumina, we completed baseline flora, fauna and soil mapping on 900ha to inform restoration planning, and continued restoration activities, including feral animal and weed control.
- At Hillside Aluminium, we completed installation of infrastructure to treat non-potable municipal water, eliminating operational use of potable water and increasing water availability for domestic use.
- At our Hermosa project, we incorporated over 135 conservation efforts to mitigate possible environmental impacts, including redesigning dry-stack tailings to avoid the endangered beardless chinweed plant, and building five wildlife underpasses at our primary access road.

Learn more about how we manage our impact in our Sustainability section, which starts on page 57.

19. Group FY26 payable copper equivalent production, calculated by applying FY26 realised prices for all operations.
20. Comprises Underlying EBITDA excluding third party products and services EBITDA, divided by Underlying revenue excluding third party products and services revenue. Presented on a proportional consolidation basis. Excludes Hermosa and Group and unallocated items/eliminations. Demerger refers to FY16.

Our strategy in action continued

UNLOCKING VALUE ACROSS OUR OPERATIONS

Our strategy is to unlock the full value of our business through our people, innovation, projects and technology.

Sierra Gorda expansion

We hold a 45% interest in the Sierra Gorda open-pit copper mine located in the Antofagasta region of northern Chile, and in FY26 we received a record distribution of US$401 million.

On 1 July 2026, we announced that the fourth grinding line project had been approved, following completion of a feasibility study which confirmed the potential for attractive returns from this brownfield plant expansion[21].

The project will install a fourth grinding line, expanded crushing and flotation capacity, and associated process infrastructure. It is expected to increase processing capacity from approximately 48Mtpa to approximately 60Mtpa (100% basis), and increase copper equivalent production by approximately 30%[22] relative to current levels. First production is planned for mid FY30, with full production rates in FY31.

Growth capital expenditure is expected to be approximately US$725 million (100% basis) over FY27 to FY30, representing a highly efficient capital intensity benefitting from existing water and power infrastructure.

Sierra Gorda offers additional growth potential beyond the fourth grinding line project. The current Catabela pit remains open at depth and we are also studying options to unlock value from approximately 110Mt of brownfield oxide material at the operation[23]. At the Catabela Northeast exploration project, exploration holes have intersected significant copper mineralisation, highlighting the potential for future mine extension.

In FY26, South32 invested US$12 million in exploration programs to support potential future copper production growth at Sierra Gorda. Further exploration activity will be completed in CY26.

Cannington extends mine life

Our Cannington zinc-lead-silver underground mine, in north-west Queensland, Australia, is one of the world's largest producers of silver and lead.

Silver, lead and zinc are extracted from the ore using grinding, sequential flotation and leaching techniques that produce high-grade, marketable lead and zinc concentrates with a high silver content.

In FY26, we continued work on underground and open pit life-extension options as we seek to unlock additional value from Cannington's high-margin, silver-rich production.

In February 2026, we announced a 28% increase in the underground Ore Reserve, extending the reserve life by approximately two years to FY33.

We expect to invest additional capital expenditure of approximately US$65 million to US$80 million during FY27 and FY28, including for ventilation and electrical upgrades, while assessing further growth potential.

We are progressing study work for a potential open pit development to unlock a 27Mt resource, which could add further life. A final investment decision for the open pit development is targeted for H1 FY28.

We are also trialling the processing of lower-grade materials in stockpiles.

Refer to Resource and Reserves section on page 242 for updated Reserves at Cannington as at 30 June 2026.

CASE STUDY

Unlocking value through our people at Centro

In FY26, we poured the concrete slab for Centro, the future remote operations centre for Hermosa which is expected to be completed in 2027. Centro is located in Nogales, about 45km from Hermosa, and employees will use automation to, in part, remotely monitor and operate Hermosa's equipment and facilities.

Centro will also bring together teams across engineering, geoscience, environmental science, human resources, supply chain and other functions that will support Hermosa.

Centro's office-like setting has been designed to provide inclusive, family-friendly jobs and attract people who have not previously considered a career in mining.

The Nogales location will help distribute economic benefits more broadly and contribute to increased local tax revenue, while supporting our goal of 80% of Hermosa's workforce being recruited from the local community when fully operational.

21. Refer to market release "Final investment decision for Sierra Gorda's fourth grinding line" dated 1 July 2026 for further details.
22. Compared to FY26 guidance of 190kt CuEq (copper 160kt, molybdenum 2.7kt, gold 40.0koz and silver 1,333koz) (100% basis).
23. The stockpiled oxide material referred to in the text is not included as Mineral Resources in accordance with the JORC Code. South32 cannot confirm whether the estimate has been compiled using an appropriate foreign reporting code.

South32 Board members tour the Hermosa project in December 2025.

Hermosa project update

Our Hermosa project, located in a historic mining district in Arizona, has the potential to become a significant long-term producer of critical minerals across multiple deposits. It includes one of the world's largest undeveloped resources of zinc.

We are developing the zinc-lead-silver Taylor deposit. Hermosa also includes the Peake copper deposit south of Taylor, the Clark battery-grade manganese deposit, and an extensive, highly prospective land package with the potential for further polymetallic and copper mineralisation.

In FY26, we invested US$711 million of capital growth expenditure as we continued to sink the ventilation and main shafts at the Taylor deposit and completed the exploration decline at the Clark deposit. We also completed an assessment of Taylor's milestones and capital expenditure, after receiving updated pricing for remaining surface and underground construction packages[24].

This assessment reaffirmed Taylor's potential to deliver attractive returns as a large-scale, long-life, low-cost underground mine and conventional process plant. We increased our Ore Reserve and Mineral estimates by 52%, to 99Mt, and the expected operating life increased by five years, to approximately 33 years[25].

Taylor is expected to almost double annual Group silver production, and the deposit remains open in several directions, offering the potential for further growth.

At the adjacent Peake deposit, continued exploration success underpinned a 32% increase in its Mineral Resource estimate to 33Mt[26]. This supports our expectation that Peake will become a source of future copper production and mine life extension within the Taylor development.

Study work for the Clark deposit confirmed its decline infrastructure can be used to access the Taylor orebody, with first production expected in H2 FY28.

We also revised our expectations for the completion of Taylor's shafts, as a result of contractor performance and productivity challenges. First production from Taylor's shafts is now expected from H1 FY29, reflecting a revised timeline for shaft completion.

As a result of the above changes, there will now be a more gradual ramp up to nameplate capacity, with full capacity expected in FY31 (previously FY30). The expected growth capital expenditure for Taylor has also been increased by approximately US$1,100 million, compared to final investment approval, to approximately US$3,300 million (from 1 January 2024).

This reflects a change in scope with the addition of decline infrastructure, revised shaft construction costs, materially higher inflation, industry-wide increases in key inputs including steel piping, concrete and electrical components, and the impacts of US tariffs.

On 7 July 2026, the US Forest Service released the Final Record of Decision for Hermosa, completing the federal permitting process under the National Environmental Policy Act (NEPA)[27]. A subsequent Notice to Proceed is on track for Q1 FY27.

24. Refer to market release "Hermosa project update" dated 30 April 2026.
25. The information in this report that refers to Production Target and forecast financial information is based on Proved (41Mt, 32%) and Probable (58Mt, 44%) Ore Reserves and Measured (1.1Mt, 1%), Indicated (4.2Mt, 3%), Inferred (13Mt, 10%) Mineral Resources and Exploration Target (13Mt, 10%) for the Taylor deposit. The Ore Reserves, Mineral Resources and Exploration Target underpinning the Production Target, included in this report, have been prepared by Competent Persons and reported in accordance with the JORC Code (2012). All material assumptions on which the Production Target and forecast financial information is based continues to apply as indicated in the original announcement titled "Hermosa Project update" dated 30 April 2026 and have not materially changed. There is low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target will be realised. The potential quantity and grade of the Exploration Target is conceptual in nature. In respect of Exploration Target used in the Production Target, there has been insufficient exploration to determine a Mineral Resource and there is no certainty that further exploration work will result in the determination of Mineral Resources or that the Production Target itself will be realised. The stated Production Target is based on South32's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this Production Target will be met. South32 confirms that inclusion of 20% of tonnage (10% Inferred Mineral Resources and 10% Exploration Target) is not the determining factor of the project viability and the project forecasts a positive financial performance when using 80% tonnage (32% Proved and 44% Probable Ore Reserves and 1% Measured and 3% Indicated Mineral Resources). South32 is satisfied, therefore, that the use of Inferred Mineral Resources and Exploration Target in the Production Target and forecast financial information reporting is reasonable.
26. Further details can be found in the Resources and Reserves section on page 243.
27. Refer to Hermosa news release "U.S. Forest Service issues Final Record of Decision for South32 Hermosa" dated 7 July 2026.

Our strategy in action continued

ACTIVELY EXPLORING TO IDENTIFY BASE METALS

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

Advancing Ambler Metals

We hold a 50% share in the Ambler Metals joint venture, an early-stage exploration project in north-west Alaska that contains known high-grade copper, zinc and silver resources.

It includes the high-grade Arctic polymetallic deposit, which has the potential to be an open pit mine, and the Bornite copper deposit, which could facilitate open pit and underground mining.

In October 2025, the US Government announced it would issue federal permits for the Ambler Access Road[28]. This proposed industrial road would be approximately 340km long and be a key step in unlocking the potential of the Ambler Mining District, where Ambler Metals and our 100%-owned Roosevelt project are located.

Separately, the US Government agreed to acquire an initial 10% equity interest in Trilogy Metals, our joint venture partner in Ambler Metals, to support exploration and development activities. As part of the investment, we agreed to sell approximately 8.2 million shares in Trilogy for up to US$17.8 million, and reinvest this into exploration and development at Ambler Metals.

In the final quarter of FY26, Ambler Metals commenced summer field season work, including geotechnical and condemnation drilling to support development studies for the Arctic polymetallic deposit.

Ambler high-grade base metal options[29]

Arctic open pit	Bornite open pit	Bornite underground
43Mt	78Mt	70Mt
@2.93% copper, 4.30% zinc	@1.04% copper	@2.29% copper

In May 2026, it was announced the Arctic polymetallic deposit had been accepted as a covered project under the FAST-41 program[30], with the permitting timetable published following the end of the quarter. FAST-41 is designed to streamline environmental reviews and permitting for major infrastructure and critical mineral developments, and our Hermosa project was the first mining project to be added to this program in May 2023.

Our 100%-owned Roosevelt exploration project, also located within the Ambler Mining District, is expected to benefit from the access the proposed Ambler Access Road would provide. Roosevelt has a similar geological setting to Ambler Metals, and a 2,500m exploration drilling program is taking place this year.

Creating enduring value across our portfolio

Social value

- At our Roosevelt project in Alaska, pictured, we partnered with Doyon Tribal leaders on a social mapping exercise and videography project to preserve cultural knowledge.
- Mozal Aluminium provided approximately US$1.1 million to fund the construction of two new bridges in Maputo Province, providing safer access for more than 70,000 people who can be cut off during the wet season.
- At our Hermosa project, we continued to engage with 12 Native American Tribes and hosted site tours to support ongoing dialogue on cultural interests, opportunities and project development.

Environmental value

- Decarbonisation expenditure totalled US$3.4 million, including energy efficiency technology at Hillside Aluminium and studies at Worsley Alumina.
- At Worsley Alumina, we worked with Danju Rangers to install upgraded 'bandicoot bungalows' to create safe shelter for bandicoots and other small native animals.
- At Hermosa, we launched a publicly accessible dashboard which provides access to independently analysed data on airborne particulates and metals.

Economic value

- At Roosevelt, we prioritised hiring directly from local tribes and creating a culturally safe and respectful working environment.
- At South Africa Manganese, we are working with the local community on a model to apply future proceeds from sugilite, a rare mineral found sporadically within manganese ore at our Wessels mine, to community development.
- In Australia, we launched a three-year Indigenous procurement strategy to increase the participation of Aboriginal and Torres Strait Islander businesses in our supply chain.

Learn more about how we are creating enduring value in our Sustainability section, starting on page 57.

28. Further details are provided in the media release titled "South32 backs U.S. Government move to advance access to critical minerals in Alaska" dated 7 October 2025.
29. Further details can be found in the Resources and Reserves section on page 244.
30. Further details are provided in the news release by Trilogy Metals Inc. titled "Trilogy Metals Announces Acceptance of Alaska's High-Grade Arctic Copper-Zinc-Lead-Gold-Silver Project into the FAST-41 Federal Permitting Program" dated 15 May 2026.

Exploration projects

We have more than 20 active exploration programs in highly prospective regions around the world.

In FY26, we invested US$34 million in our greenfield exploration opportunities, targeting base metals in Australia, North and South America, Europe, Namibia and Botswana.

This is central to our strategy and identifying long-term value for shareholders, supporting growth for the company over multiple years and allowing us to remain relevant and profitable into the future.

Optionality reduces risk in our portfolio and we are always on the lookout for new opportunities, with a bias to base metals, to partner and invest with junior explorers and miners globally.

Our exploration projects include:

- a farm-in agreement with Encounter Resources targeting base metals 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 and zinc projects in Australia
- an earn-in agreement with Hammer Metals for the Isa Valley project, targeting copper and zinc in Queensland, Australia
- an earn-in agreement with Ridgeline Minerals to explore the Selina copper, zinc, lead and silver project in Nevada, United States
- a South32-operated joint venture with Minsud Resources to explore the Chita Valley copper, molybdenum, zinc, 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
- a strategic alliance with Orogen Royalties exploring for high-potential base metal targets in western North America
- an option agreement with Exploraciones Juncal SpA to explore the Juncal copper–gold project in Chile
- a strategic alliance agreement covering new base metal opportunities in Norway, the Czech Republic, Ireland and Germany
- an earn-in agreement with Noronex Limited for the Humpback-Damara Copper Project in Namibia, along with a strategic alliance to target base metal projects in this country, as well as two exploration licenses in Botswana
- advancing internally generated base metal exploration opportunities in Australia and the Americas.

FINANCIAL AND OPERATING PERFORMANCE SUMMARY

STRONG PERFORMANCE, CONTINUED PORTFOLIO TRANSFORMATION

Strong operating performance coupled with commodity price tailwinds underpinned one of the best financial results in our history, with Group Underlying EBITDA increasing by 28 per cent to US$2.5 billion and Underlying earnings increasing by 55 per cent to US$1 billion.

US$2,462M
Underlying EBITDA

US$1,032M
Underlying earnings

31.0%
Operating margin

FINANCIAL HIGHLIGHTS

US$M	FY26	FY25	% Change
Revenue from continuing operations[1,2]	**5,816**	5,780	1%
Operating profit/(loss) from continuing operations[1,2]	**1,359**	554	145%
Profit/(loss) after tax	**1,085**	210	417%
Profit/(loss) after tax attributable to members[3]	**1,087**	213	410%
Basic earnings/(loss) per share (US cents)[4]	**24.2**	4.7	415%
Ordinary dividends per share (US cents)[5]	**9.3**	6.0	55%
Ordinary shares on issue (million)	**4,486**	4,504	(0.4%)
Other financial measures[6]			
Underlying revenue	**8,108**	7,610	7%
Underlying EBITDA	**2,462**	1,928	28%
Underlying EBITDA margin	**31.0%**	26.3%	4.7%
Underlying EBIT	**1,717**	1,211	42%
Underlying EBIT margin	**21.7%**	16.5%	5.2%
Underlying earnings attributable to members[3]	**1,032**	666	55%
Basic Underlying earnings per share (US cents)[4]	**23.0**	14.8	55%
Return on invested capital (ROIC)	**13.6%**	9.0%	4.6%

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. As a result, Illawarra Metallurgical Coal was classified as a discontinued operation in the FY26 and FY25 results. Our FY25 Group underlying financial measures include the financial contribution of Illawarra Metallurgical Coal prior to its sale.
2. On 1 December 2025, South32 sold its shareholding in Cerro Matoso to an entity owned by CoreX Holding B.V. As a result, Cerro Matoso was classified as a discontinued operation in the FY26 and FY25 results. Our FY26 and FY25 Group underlying financial measures include the financial contribution from Cerro Matoso prior to its sale.
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 FY26 is 4,486 million (FY25: 4,510 million).
5. FY26 ordinary dividends per share is calculated as H1 FY26 ordinary dividend announced (US$175M) divided by the number of shares on issue at 31 December 2025 (4,486 million) plus H2 FY26 ordinary dividend announced (US$242M) divided by the number of shares on issue at 30 June 2026 (4,486 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 255.

Financial and operating performance summary continued

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 255.

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 190.

The Directors believe that the non-IFRS financial 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 255.

- 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

BUSINESS PERFORMANCE

Base metals

Sierra Gorda

Sierra Gorda payable copper equivalent production[7] decreased by 3% (or 2.6kt) to 87.1kt in FY26, but exceeded guidance, as strong by-product volumes more than offset weather-related impacts in H2 FY26.

Payable copper equivalent production[7] is expected to increase by 5% to 91.8kt in FY27 and a further 2% to 94.0kt in FY28, supported by higher planned copper grades in the next phase of the mine plan.

Underlying EBITDA increased by US$276M to US$758M in FY26, for an operating margin of 66%, due to higher realised metal prices.

On 30 June 2026, the Sierra Gorda joint venture approved execution of the fourth grinding line project[8], a high-returning plant expansion that is expected to increase copper equivalent production by approximately 30% from FY31. Capital expenditure is expected to be ~US$725M (100% basis) over FY27-FY30[9], representing a highly efficient capital intensity of ~US$21k/t CuEq[10], benefitting from existing water and power infrastructure.

During the year, Sierra Gorda progressed infill drilling programs designed to extend mine life. This work has supported a 61%[11] increase in the Ore Reserve estimate to approximately 1.1Bt (100% basis), extending Sierra Gorda's reserve life by approximately 5 years to 2045[11].

At the adjacent Catabela Northeast prospect, we defined an Exploration Target[12] ranging from 1.1Bt @ 0.48% TCu to 2.9Bt @ 0.45% TCu, highlighting the potential for future mine life extension. Exploration and early-stage study work to advance Catabela Northeast will continue in FY27.

On 8 June 2026, the Sierra Gorda joint venture signed a non-binding memorandum of understanding with the nearby BHP Spence mine for the purpose of identifying and evaluating opportunities for operational collaboration.

Cannington

Cannington payable zinc equivalent production[13] decreased by 12% (or 28.8kt) to 205.4kt in FY26, reflecting lower metal grades in accordance with the mine plan. This was partially offset by an 11% increase in ore processed as lower grade stockpiled material was milled.

Payable zinc equivalent production[13] is expected to be 290.0kt across both FY27 and FY28 (ore processed 2,100kdmt, zinc 45.0kt, lead 80.0kt and silver 8,725koz), with the processing of lower grade stockpiled material to supplement ore mined.

Underlying EBITDA increased by US$170M to US$451M in FY26, for an operating margin of 53%, reflecting higher average realised metal prices together with lower Operating unit costs.

Cannington's underground Ore Reserve of 11Mt[14] supports a reserve life of approximately 7 years to FY33, with work continuing to unlock value from the underground Mineral Resource of approximately 44Mt. As previously announced, we expect to invest US$65M to US$80M over FY27 and FY28 in additional ventilation and electrical infrastructure to support further underground mine life extensions.

In addition, study work for the open pit development option is continuing, with a final investment decision targeted for H1 FY28.

7. 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. 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 and FY26. FY26 realised prices for copper (US$5.92/lb), molybdenum (US$25.90/lb), gold (US$4,462/oz) and silver (US$70.6/oz) have been used for FY27e and FY28e.
8. Refer to market release "Final investment approval for Sierra Gorda's fourth grinding line" dated 1 July 2026.
9. US dollars (real). Based on a USD:CLP exchange rate of 900. Reflects ~US$190M in FY27, ~US$290M in FY28, ~US$200M in FY29 and ~US$45M in FY30.
10. Based on increased copper equivalent production volumes over CY31 to CY41.
11. Compared to 30 June 2026. Information in this announcement that relates to Ore Reserve and/or Mineral Resource estimates for Sierra Gorda was declared in market release "61% increase in Sierra Gorda Ore Reserve estimate" dated 25 August 2026 and prepared by Competent Persons 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. All material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. South32 confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.
12. The information in this report that relates to the Exploration Target and Exploration Results for Catabela Northeast is extracted from "2026 Half Year Financial Results" (www.south32.net) dated 12 February 2026. The information was prepared by Competent Persons 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 Persons' findings are presented have not been materially modified from the original market announcement.
13. 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. 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 and FY26. FY26 realised prices for zinc (US$3,000/t), lead (US$1,944/t) and silver (US$66.4/oz) have been used for FY27e and FY28e.
14. For further information refer to Resources and Reserves starting on page 238.

Financial and operating performance summary continued

Hermosa project

We invested US$711M[15] of growth capital expenditure at Hermosa in FY26, continuing construction of the Taylor zinc-lead-silver project (Taylor), and completing the exploration decline for the Clark battery-grade manganese deposit.

On 30 April 2026, we announced an update on the Taylor project[16]. This included an increase in Taylor's initial operating life by 5 years to ~33 years[17], first production expected in H2 FY28, and growth capital expenditure updated to US$3.3B. Based on updated assumptions, Taylor is expected to deliver steady-state EBITDA of ~US$650M[18] per annum and a net present value of ~US$3.1B[19].

Underground development and surface infrastructure construction is progressing in accordance with the Taylor project update. Lateral development and shaft station construction at the first underground mining level from the main shaft was completed in Q4 FY26, while the ventilation shaft is expected to reach the primary production level in Q1 FY27.

Work is also underway to extend the Clark decline to provide additional access to the Taylor orebody. This will enhance operational flexibility and increase ore handling capacity by approximately 25%, offering the potential to increase production above Taylor's design capacity through future plant de-bottlenecking.

On 7 July 2026, the United States Forest Service released the Final Record of Decision for Hermosa[20], completing the federal permitting process under the National Environmental Policy Act. A Notice to Proceed is on track for Q1 FY27.

We expect to invest growth capital expenditure of US$1,000M[21] in FY27 as we continue construction of Taylor, including a planned increase in surface infrastructure construction activity.

We also invested US$30M in capitalised exploration at Hermosa in FY26, including exploration drilling at the adjacent Peake copper deposit, as we test the potential for a continuous mineralised system connecting Peake and Taylor Deeps.

Ambler Metals project

The Ambler Metals joint venture (50% South32 share) approved a ~US$42M (100% basis) budget for CY26 work programs, focused on drilling and development activities for the high-grade Arctic polymetallic deposit, located in the Ambler mining district, Alaska.

On 14 May 2026, Arctic was accepted as a covered project under FAST-41[22], with the federal permitting timetable published in July 2026.

Exploration

We invested US$60M (US$44M capitalised) in exploration programs at our existing operations and development options in FY26, including US$30M at our Hermosa project (all capitalised), US$12M for our Sierra Gorda EAI (US$6M capitalised), US$5M for our manganese EAI (US$1M capitalised) and US$4M for the Ambler Metals project (all capitalised).

We also invested US$34M in greenfield exploration programs in FY26, progressing multiple exploration programs targeting base metals in highly prospective regions. This included exploration activity at our 100% owned Roosevelt prospect in the Ambler mining district, Alaska, and the Selena copper, zinc, lead, and silver project in Nevada, pursuant to an earn-in agreement with Ridgeline Minerals.

Cerro Matoso

The divestment of Cerro Matoso to a subsidiary of CoreX Holding B.V. completed on 1 December 2025[23]. Prior to completion, payable nickel production decreased by 19% to 15.0kt in H1 FY26, while Underlying EBITDA decreased by US$73M to US$11M.

15. Hermosa growth capital expenditure excludes lease payments of US$53M for self generated power and other assets directly attributable to construction of infrastructure at the Taylor deposit. These self generated power and other costs were included in our capital cost estimate provided in market release "Hermosa project update" dated 30 April 2026.
16. Refer to market release "Hermosa project update" dated 30 April 2026.
17. The information in this announcement that refers to the Production Target and forecast financial information for the Taylor deposit is based on Proved (41Mt, 32%) and Probable (58Mt, 44%) Ore Reserves and Measured (1.1Mt, 1%), Indicated (4.2Mt, 3%), Inferred (13Mt, 10%) Mineral Resources and Exploration Target (13Mt, 10%). The Ore Reserves, Mineral Resources and Exploration Target underpinning the Production Target were declared as part of the "Hermosa Project Update" (www.south32.net) dated 30 April 2026 and have been prepared by Competent Persons and reported in accordance with the JORC Code. All material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. South32 confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement. There is low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target will be realised. The potential quantity and grade of the Exploration Target is conceptual in nature. In respect of the Exploration Target used in the Production Target, there has been insufficient exploration to determine a Mineral Resource and there is no certainty that further exploration work will result in the determination of Mineral Resources or that the Production Target itself will be realised. The stated Production Target is based on South32's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this Production Target will be met. South32 confirms that inclusion of 20% of tonnage (10% Inferred Mineral Resources and 10% Exploration Target) is not the determining factor of the project viability and the project forecasts a positive financial performance when using 80% tonnage (32% Proved and 44% Probable Ore Reserves and 1% Measured and 3% Indicated Mineral Resources). South32 is satisfied, therefore, that the use of Inferred Mineral Resources, the Exploration Target in the Production Target and forecast financial information reporting, is reasonable.
18. Average EBITDA calculated over the steady state production years (FY31-FY59).
19. Based on a valuation date of 1 July 2026 included in market release "Hermosa project update" dated 30 April 2026.
20. Refer to Hermosa news release "U.S. Forest Service issues Final Record of Decision for South32 Hermosa" dated 7 July 2026.
21. Hermosa growth capital expenditure guidance excludes expected lease payments of US$60M for self generated power and other assets directly attributable to construction of infrastructure at the Taylor deposit. These self generated power and other costs were included in our capital cost estimate provided in market release "Hermosa project update" dated 30 April 2026.
22. Refer to news release by Trilogy Metals Inc. "Trilogy Metals Announces Acceptance of Alaska's High-Grade Arctic Copper-Zinc-Lead-Gold-Silver Project into the FAST-41 Federal Permitting Program" dated 15 May 2026 (https://trilogymetals.com/news-and-media/news/trilogy-metals-announces-acceptance-of-alaskas-high-grade-arctic-copper-zinc-lead-gold-silver-project-into-the-fast-41-federal-permitting-program/).
23. Refer to market release "Completion of Cerro Matoso Divestment" dated 1 December 2025.

Manganese

Australia Manganese

Australia Manganese production increased to 3,031kwmt in FY26, as operations resumed following the impacts of Tropical Cyclone Megan in the prior period. Notwithstanding, production was below plan, as the operation managed elevated site water levels resulting from ongoing groundwater inflows and significant wet season impacts.

Production guidance for FY27 and FY28 is set at 2,650kwmt to 2,900kwmt, reflecting constrained mine pit access due to elevated water volumes. FY28 production guidance is subject to receipt of required approvals for additional water management infrastructure, and its subsequent installation during the next dry season. We expect to invest approximately US$70M in additional water infrastructure across FY27 and FY28, subject to regulatory approvals.

Underlying EBITDA increased to US$229M in FY26, with sales volumes increasing to 3,598kwmt, following the restart of operations and commissioning of new wharf infrastructure in the prior period.

South Africa Manganese

South Africa Manganese production decreased by 3% to 2,085kwmt in FY26, but exceeded guidance, as the operation completed planned maintenance and additional underground development activity at Wessels. Production is expected to be 2,000kwmt across both FY27 and FY28, subject to our continued use of higher cost trucking.

Underlying EBITDA decreased by US$16M to US$30M in FY26, as higher sales volumes were more than offset by a stronger South African rand, higher trucking costs and diesel prices.

Financial and operating performance summary continued

Aluminium value chain

Alumina

Alumina saleable production was largely unchanged year-on-year at 5.1Mt in FY26. Brazil Alumina operated above nameplate capacity driven by improved plant availability, while improved bauxite availability at Worsley Alumina was offset by a weather-related disruption to third-party gas supply during Q3 FY26. FY27 production guidance remains unchanged at 5.3Mt.

Underlying EBITDA decreased by US$868M to US$210M in FY26, for an operating margin of 12%, due to a 32% decrease in our average realised price of alumina.

Aluminium

Aluminium saleable production decreased by 8% to 1,109kt in FY26, as Mozal Aluminium was placed on care and maintenance in March 2026, due to the inability to secure sufficient and affordable electricity supply[24].

Hillside Aluminium saleable production was largely unchanged at 717kt in FY26, as the smelter continued to test its maximum technical capacity, despite the impact of load-shedding. Production is expected to be 720kt[25] in FY27.

Brazil Aluminium saleable production increased by 4% (or 6kt) to 144kt in FY26, with the smelter's operator implementing additional measures to improve process stability, following unplanned pot outages and energy disruptions in December 2025. Production is expected to be 140kt in FY27, as the smelter continues to stabilise operations.

Underlying EBITDA increased by US$678M to US$865M in FY26, for an operating margin of 24%, reflecting a 19% increase in our average realised price of aluminium, and lower alumina input prices at Hillside Aluminium and Brazil Aluminium.

Sale of Aluminium Value Chain Assets

On 1 July 2026, we announced a binding conditional agreement to sell our aluminium value chain assets to Alcoa Corporation (Alcoa) for an implied enterprise value of up to US$5.6B (the Transaction)[26]. Alcoa will also assume related rehabilitation provisions of approximately US$1.1B[27].

Alcoa will acquire South32’s interests in Worsley Alumina (86%), Hillside Aluminium (100%), Mineração Rio do Norte (MRN) bauxite mine (33%)[28], Brazil Alumina refinery (36%) and Brazil Aluminium smelter (40%) (together, the Aluminium Value Chain Assets), under the Transaction. Mozal Aluminium is excluded from the Transaction and remains on care and maintenance, with divestment under active consideration.

The Transaction is expected to complete in H2 FY27, subject to satisfaction or waiver of conditions precedent, including South32 shareholder approval.

The Aluminium Value Chain Assets will continue to be reported in South32's Group financial results until Transaction completion.

24. Refer to market release "Mozal Aluminium placed on care and maintenance" dated 16 March 2026.
25. Production guidance for Hillside Aluminium does not assume any load-shedding impact on production.
26. Refer to market release "Agreement to sell aluminium value chain assets to Alcoa for up to US$5.6B and Chief Executive Officer transition" dated 1 July 2026.
27. Based on Group closure and rehabilitation provisions as at 30 June 2026.
28. Subject to exercise of pre-emptive rights held by MRN’s partners.

FINANCIAL PERFORMANCE

Profit and Loss

The Group's profit after tax attributable to members increased by US$874M to US$1,087M in FY26, as we delivered strong operating results and captured the benefit of higher prices for many of our commodities. Underlying earnings attributable to members increased by US$366M to US$1,032M in FY26. A reconciliation of profit/(loss) to Underlying earnings attributable to members is set out on page 28.

Underlying revenue increased by US$498M (or 7%) to US$8,108M, with strong operating performance at Cannington and Sierra Gorda enabling the Group to capitalise on higher base and precious metals prices (+US$668M). In our aluminium value chain, higher aluminium prices (+US$435M) were more than offset by lower alumina prices (-US$504M).

Underlying EBITDA increased by US$534M (or 28%) to US$2,462M, with Group operating margin increasing to 31.0% (FY25: 26.3%). This reflected higher average commodity prices and lower controllable costs (+US$58M), which more than offset uncontrollable cost pressures from stronger producer currencies (-US$159M), general inflation (-US$74M) and raw material input prices (-US$26M).

Underlying EBIT increased by US$506M (or 42%) to US$1,717M in FY26. Underlying depreciation and amortisation increased by US$28M to US$745M, with higher depreciation at Australia Manganese and Sierra Gorda, partially offset by Mozal Aluminium.

Cash Flow

Group free cash flow from operations, excluding EAIs, was an inflow of US$107M in FY26 (FY25: US$192M inflow), which reflected higher profitability and an unwind in working capital, partially offset by an increase in growth capital expenditure at Hermosa (-US$194M) and higher income tax payments (-US$49M).

Separately, we received net distributions[29] of US$503M (FY25: US$66M) from our EAIs in FY26. This included a record US$401M from Sierra Gorda (FY25: US$176M) reflecting strong operating performance and higher metal prices, and a net distribution of US$102M from our manganese business (FY25: US$110M of funding) as external insurance recoveries related to Australia Manganese were finalised.

Group capital expenditure, excluding EAIs, exploration and intangibles, increased by US$120M to US$1,037M in FY26, as higher growth capital expenditure at Hermosa (+US$194M) was partially offset by lower sustaining capital expenditure (-US$140M) following the divestments of Illawarra Metallurgical Coal (IMC) and Cerro Matoso.

Capital expenditure for our Sierra Gorda EAI, excluding exploration and intangibles, increased by US$19M to US$235M in FY26, as the operation continued its investment in deferred stripping and tailings infrastructure.

Capital expenditure for our manganese EAI, excluding exploration and intangibles, decreased by US$54M to US$105M in FY26, as Australia Manganese executed its recovery plan in FY25, and South Africa Manganese completed work to access new mining areas at Wessels.

We returned US$327M to shareholders during FY26, including US$292M[30] in fully-franked ordinary dividends and US$35M via our on-market share buy-back[31].

Balance Sheet

Group net cash increased by US$160M to US$283M in FY26, as improved profitability and higher EAI net distributions (+US$503M), more than offset our investment in growth at Hermosa (-US$711M) and returns to shareholders (-US$327M).

Dividends and Capital Management

Consistent with our current 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 5.4 cents per share (US$242M) in respect of H2 FY26, representing 41% of Underlying earnings attributable to members. This takes total dividends in respect of FY26 to 9.3 cents per share, representing a year-on-year increase of 55%.

The Board has also resolved to extend our US$2.6B capital management program by a further six months to 10 September 2027[32], with US$209M remaining to be returned to shareholders.

29. Net distributions from our material EAIs (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. FY26 net distributions from our material EAIs comprise a distribution (+US$401M) from Sierra Gorda and a net distribution from Australia Manganese (+US$102M). The distribution from Sierra Gorda (US$401M) relates to accrued interest.
30. Comprised of US$117M in respect of H2 FY25 paid in Q2 FY26 and US$175M in respect of H1 FY26 paid in Q4 FY26.
31. We returned US$35M via the on-market share buy-back in FY26, purchasing 17M shares at an average price of A$3.08 per share.
32. Since inception of our capital management program, US$1.8B has been allocated to our on-market share buy-back (837M 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[33]. Total adjustments to derive FY26 Underlying EBIT (+US$332M), shown in the table below, include:

- Significant items (+US$122M): recognition of costs related to Mozal Aluminium's transition to care and maintenance[34], including employee separation costs and termination of contractual arrangements (+US$33M), and the non-cash write-down of raw materials and consumables and work in progress inventories (+US$89M);
- Joint venture adjustments[35] (+US$613M): to reconcile the equity accounting position to a proportional consolidation basis for our manganese and Sierra Gorda EAIs;
- Gain on the disposal of subsidiaries (-US$16M): recognition of a gain on disposal from finalisation of the upfront consideration for the sale of IMC (-US$19M) and loss on disposal of Cerro Matoso (+US$3M);
- Impairment reversal of financial assets (-US$249M): periodic revaluation of the shareholder loan receivable from Sierra Gorda reflecting higher copper prices and other macroeconomic assumptions. An offsetting amount is recorded in the Sierra Gorda joint venture adjustments noted above; and
- Gain on non-trading derivative instruments and contingent consideration measured at fair value through profit and loss (-US$146M): revaluation of the contingent consideration receivable[36] from the sale of IMC reflecting higher metallurgical coal prices (-US$93M) and determination that no contingent consideration is payable[37] in relation to our acquisition of Sierra Gorda (-US$55M).

Further information on these adjustments is included in Note 4 Segment information to the financial statements on page 190.

Profit/(loss) to Underlying EBITDA reconciliation

US$M	FY26	FY25
Operating profit/(loss) from continuing operations	**1,359**	554
Operating profit/(loss) from discontinued operations	**26**	(61)
Adjustments to derive Underlying EBIT:		
Significant items	**122**	(71)
Joint venture adjustments[35]	**613**	122
(Gains)/losses on the disposal of subsidiaries	**(16)**	47
Exchange rate (gains)/losses on restatement of monetary items	**8**	8
Impairment losses/(reversals) of financial assets	**(249)**	27
Impairment losses/(reversals) of non-financial assets	**–**	464
(Gains)/losses on non-trading derivative instruments and contingent consideration measured at fair value through profit and loss	**(146)**	121
Total adjustments to derive Underlying EBIT	**332**	718
Underlying EBIT	**1,717**	1,211
Underlying depreciation and amortisation	**745**	717
Underlying EBITDA	**2,462**	1,928

Profit/(loss) to Underlying earnings attributable to members reconciliation

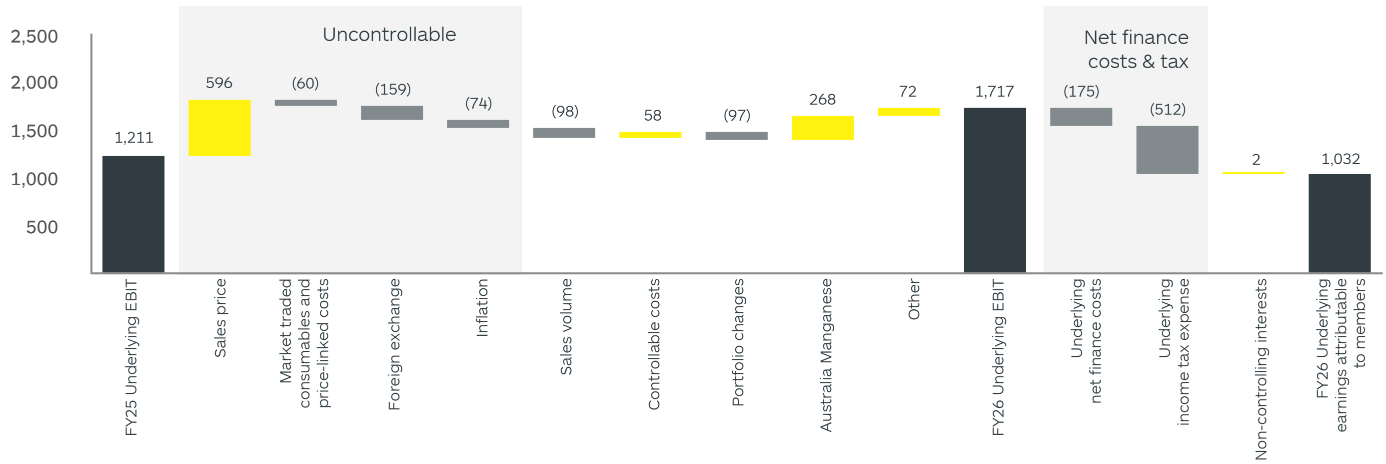
US$M	FY26	FY25
Profit/(loss) after tax attributable to members	**1,087**	213
Total adjustments to derive Underlying EBIT	**332**	718
Total adjustments to derive Underlying net finance costs	**(180)**	(237)
Total adjustments to derive Underlying income and royalty related tax expense	**(207)**	(28)
Underlying earnings attributable to members	**1,032**	666

33. Our Group underlying financial measures reflect continuing and discontinued operations.
34. Refer to market release "Mozal Aluminium placed on care and maintenance" dated 16 March 2026.
35. 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 its performance. The joint venture adjustments reconcile the proportional consolidation to the equity accounting position included in the Group's consolidated financial statements. The FY26 Sierra Gorda joint venture adjustments include a revaluation loss of US$(249)M (US$(182)M post-tax) relating to the shareholder loan payable that was eliminated from the Group's Underlying earnings upon proportional consolidation. The FY26 Australia Manganese joint venture adjustments include significant items of US$92M (US$59M post-tax) relating to insurance income recognised as Australia Manganese finalised its insurance recoveries for the impacts of Tropical Cyclone Megan in March 2024. The FY26 South Africa Manganese joint venture adjustments include an impairment of US$49M (US$38M post-tax) recognised for the Wessels mine at Hotazel Manganese Mines.
36. Applicable for five years from the date of completion of the sale of IMC in August 2024, 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.
37. Under the sale agreement, contingent price-linked consideration of up to US$500M, was payable at threshold copper production rates and prices for 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. The production threshold was not achieved in CY25. As a result, no amount is payable for CY25 and the contingent consideration payable was written down to nil in FY26 (FY25: US$55M).

EARNINGS ANALYSIS

The following key factors influenced Underlying EBIT in FY26, relative to FY25.

Reconciliation of movements in Underlying EBIT (US$M)[38,39]



Earnings analysis	US$M	Commentary
FY25 Underlying EBIT	**1,211**	
Change in sales price	596	Higher average realised prices for our commodities, including: Silver (+US$331M) Copper (+US$314M) Zinc and Lead (+US$23M) Aluminium (+US$435M), offset by lower average realised prices for alumina (-US$504M)
Net impact of price-linked costs	(60)	Higher aluminium smelter raw material input prices, primarily coke (-US$26M) Higher price-linked royalties at Cannington (-US$10M) Higher diesel prices (-US$7M)
Change in exchange rates	(159)	Stronger South African rand (-US$75M), Australian dollar (-US$46M), Brazilian real (-US$31M) and Chilean peso (-US$7M)
Change in inflation	(74)	General inflation across South America (-US$27M), Australia (-US$24M), and South Africa (-US$15M) Inflation-linked indexation of electricity prices at Hillside Aluminium (-US$8M)
Change in sales volume	(98)	Lower planned volumes at Cannington (-US$131M), and Hillside Aluminium (-US$118M) reflecting the timing of shipments Partially offset by increased volumes to third party customers from Worsley Alumina (+US$119M) as sales were redirected from Mozal Aluminium, along with higher volumes at Brazil Alumina (+US$24M) and Brazil Aluminium (+US$16M)
Controllable costs	58	Inventory and volume related movements (+US$28M) primarily at Cannington and Hillside Aluminium, reflecting lower sales volumes for the period Lower contractor and maintenance costs (+US$37M), primarily at Worsley Alumina, Brazil Alumina and Brazil Aluminium Lower caustic soda consumption at Worsley Alumina (+US$16M) primarily due to improved bauxite quality Partially offset by a one-off workforce payment at Sierra Gorda (-US$27M), following finalisation of new three-year industrial agreements
Portfolio changes	(97)	Reflects divestments of IMC (-US$50M) and Cerro Matoso (-US$47M)
Australia Manganese	268	Restart of operations at Australia Manganese following the impacts of Tropical Cyclone Megan
Other	72	Higher EBIT from Mozal Aluminium (+US$127M) prior to care and maintenance Higher royalty income (+US$8M) Higher depreciation and amortisation (-US$57M), primarily at Sierra Gorda
FY26 Underlying EBIT	**1,717**	

38. 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.

39. Underlying net finance costs, Underlying income tax expense (includes Underlying royalty related tax expense) and amounts attributable to non-controlling interests are actual FY26 results, not year-on-year variances.

Financial and operating performance summary continued

Net finance income/(costs)

The Group's FY26 Underlying net finance costs of US$175M primarily comprise the unwinding of the discount applied to our closure and rehabilitation provisions (US$132M), interest on lease liabilities (US$59M), largely for the 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	FY26	FY25
Unwind of discount applied to closure and rehabilitation provisions	**(132)**	(136)
Interest on lease liabilities	**(59)**	(58)
Interest on senior unsecured notes	**(31)**	(31)
Change in discount rate on closure and rehabilitation provisions	**1**	–
Interest income on cash and cash equivalents	**67**	66
Other	**(21)**	(29)
Underlying net finance costs	**(175)**	(188)
Add back earnings adjustment for exchange rate variations on net cash/(debt)	**(38)**	12
Joint venture adjustments[40]	**218**	225
Total adjustments to derive Underlying net finance costs	**180**	237
Remove net finance costs from discontinued operations	**3**	16
Net finance income/(costs)	**8**	65

Tax expense

The Group's Underlying income tax and royalty related taxation expense increased by US$152M to US$512M in FY26, reflecting higher profitability, for an Underlying ETR of 32.9% (FY25: 35.0%). Our Group Underlying ETR reflects the corporate tax rates[41] and royalty related taxes[42] of the jurisdictions in which we operate and our geographical earnings mix.

The Underlying ETR for our manganese business was 66.4% in FY26, including the royalty related tax[42] at Australia Manganese and the derecognition of certain deferred tax assets. The Underlying ETR for our Sierra Gorda EAI was 32.3% in FY26, reflecting royalty related tax[42].

Underlying income tax expense (including royalty related taxation) reconciliation

US$M	FY26	FY25
Underlying EBIT	**1,717**	1,211
Include: Underlying net finance costs	**(175)**	(188)
Remove: Share of (profit)/loss of EAIs	**16**	7
Underlying profit/(loss) before tax	**1,558**	1,030
Income tax expense/(benefit) from continuing operations	**308**	304
Income tax expense/(benefit) from discontinued operations	**(3)**	28
Tax effect of other adjustments to derive Underlying EBIT	**(31)**	5
Tax effect of other adjustments to derive Underlying net finance costs	**11**	(3)
Exchange rate variations on tax balances	**27**	14
Significant items	**(2)**	1
Joint venture adjustments relating to income tax[40]	**144**	(3)
Joint venture adjustments relating to royalty related tax[40]	**58**	14
Total adjustments to derive Underlying income tax (expense)/benefit	**207**	28
Underlying income tax expense/(benefit)	**512**	360
Underlying effective tax rate	**32.9%**	35.0%

40. 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.
41. The corporate tax rates applicable to the countries where the Group operates include: Australia 30%, South Africa 27%, Colombia 35%, Mozambique 0%, Brazil 34% and Chile 27%.
42. 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 royalty related tax expense.

CASH FLOW

Group free cash flow from operations, excluding EAIs, was an inflow of US$107M in FY26 (FY25: US$192M inflow), which reflected higher profitability and an unwind in working capital, partially offset by an increase in growth capital expenditure at Hermosa (-US$194M) and higher income tax payments (-US$49M).

Working capital decreased by US$82M in FY26, reflecting the timing of receivables, and lower inventories and payables at Mozal Aluminium as the smelter transitioned to care and maintenance in March 2026.

Separately, we received net distributions[43] of US$503M (FY25: US$66M) from our EAIs in FY26. This included a record US$401M from Sierra Gorda (FY25: US$176M) reflecting strong operating performance and higher metal prices, and a net distribution of US$102M from our manganese business (FY25: US$110M net funding) as external insurance recoveries related to Australia Manganese were finalised.

Free cash flow from operations excluding EAIs

US$M	FY26	FY25
Operating profit/(loss) from continuing and discontinued operations	**1,385**	493
Non-cash or non-operating items	**167**	1,029
Share of (profit)/loss from EAIs	**(89)**	(99)
(Gain)/loss from sale of operations	**(16)**	47
Change in working capital	**82**	(37)
Cash generated from operations	**1,529**	1,433
Total capital expenditure, excluding EAIs	**(1,094)**	(963)
Operating cash flows generated from operations after capital expenditure	**435**	470
Net interest paid[44]	**(43)**	(42)
Income tax paid	**(285)**	(236)
Free cash flow from operations	**107**	192

Working capital movement

US$M	FY26	Commentary
Trade and other receivables	**93**	Collection of receivables, partially offset by higher commodity prices
Inventories	**42**	Predominantly lower inventories at Mozal Aluminium
Trade and other payables	**(89)**	Mozal Aluminium transitioned to care and maintenance
Provisions and other liabilities	**36**	
Total working capital movement	**82**	

43. Net distributions from our material EAIs (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. FY26 net distributions from our material EAIs comprise a distribution (+US$401M) from Sierra Gorda and a net distribution from Australia Manganese (+US$102M). The distribution from Sierra Gorda (US$401M) relates to accrued interest.
44. 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[45], excluding EAIs, increased by US$131M to US$1,094M in FY26, largely reflecting higher growth capital expenditure at Hermosa:

- Safe and reliable capital expenditure decreased by US$140M to US$213M, reflecting a reduction in sustaining capital intensity following the divestment of IMC and Cerro Matoso;
- Improvement and life extension capital expenditure increased by US$66M to US$113M, as we advanced development of new mining areas at Worsley Alumina;
- Growth capital expenditure increased by US$194M to US$711M[46] at Hermosa as we progressed underground development and surface infrastructure construction for the Taylor zinc-lead-silver project, and completed the exploration decline for the Clark deposit in Q2 FY26; and
- Intangibles and capitalised exploration expenditure increased by US$11M to US$57M with the continuation of multiple exploration programs targeting base metals in highly prospective mineral belts.

Our share of capital expenditure for our material EAIs decreased by US$43M to US$347M in FY26:

- Capital expenditure for our Sierra Gorda EAI increased by US$12M to US$241M, as the operation continued its investment in deferred stripping and tailings infrastructure; and
- Capital expenditure for our manganese EAIs decreased by US$55M to US$106M, as Australia Manganese executed its recovery plan in FY25, and South Africa Manganese completed work to access new mining areas at Wessels.

Capital expenditure (South32 share)[45]

US$M	FY26	FY25
Safe and reliable capital expenditure	**207**	269
Improvement and life extension capital expenditure	**111**	44
Growth capital expenditure	**711**	517
Intangibles and the capitalisation of exploration expenditure	**57**	45
Discontinued operations[(a)]	**8**	88
Total capital expenditure (excluding EAIs)	**1,094**	963
EAIs capital expenditure	**347**	390
Total capital expenditure (including EAIs)	**1,441**	1,353

(a) Reflects Cerro Matoso (FY26: US$6M safe and reliable capital expenditure and US$2M improvement and life extension capital expenditure; FY25: US$27M safe and reliable capital expenditure and US$3M improvement and life extension capital expenditure), and IMC (FY26: nil; FY25: US$57M safe and reliable capital expenditure and US$1M capitalised exploration).

45. 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.
46. Hermosa growth capital expenditure excludes lease payments of US$53M for self generated power and other assets directly attributable to construction of infrastructure at the Taylor deposit. These self generated power and other costs were included in our capital cost estimate provided in market release "Hermosa project update" dated 30 April 2026.

BALANCE SHEET

Group net cash increased by US$160M to US$283M in FY26, as improved profitability and higher EAI net distributions (+US$503M), more than offset our investment in growth at Hermosa (-US$711M) and returns to shareholders (-US$327M).

We continue to prioritise a strong balance sheet and retain access to significant liquidity, including our undrawn US$1.4B sustainability-linked revolving credit facility, which matures in December 2028. Following announcement of the Transaction, our BBB+/Baa1 credit ratings were placed under review by S&P Global Ratings and Moody's, respectively, reflecting a reduction in business scale and diversification.

Net cash

US$M	FY26	FY25
Cash and cash equivalents	**2,134**	1,757
Lease liabilities	**(748)**	(713)
Other interest bearing liabilities	**(1,103)**	(921)
Net cash[a]	**283**	123

(a) FY25 net cash included US$80M classified as held for sale as part of the Cerro Matoso disposal group.

DIVIDENDS AND CAPITAL MANAGEMENT

Consistent with our current 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 5.4 cents per share (US$242M) in respect of H2 FY26, representing 41% of Underlying earnings attributable to members.

The Board has also resolved to extend our US$2.6B capital management program by a further six months to 10 September 2027[47], with US$209M remaining to be returned to shareholders.

Until completion of the Transaction, earnings from the Aluminium Value Chain Assets will form part of South32's Underlying earnings and accordingly the calculation of dividends under our current policy to distribute a minimum 40% of Underlying earnings attributable to members as ordinary dividends.

Dividends announced

Period	Dividend per share (US cents)	US$M	Franking	Pay-out ratio
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%
H1 FY26	3.9	175	100%	40%
H2 FY26	5.4	242	100%	41%

South32 shareholders registered on the South African branch register will not be able to dematerialise or rematerialise their shareholdings between 16 and 18 September 2026 (both dates inclusive), nor will transfers to/from the South African branch register be permitted between 11 and 18 September 2026 (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	14 September 2026
Last day to trade cum dividend on the Johannesburg Stock Exchange (JSE)	15 September 2026
Ex-dividend date on the JSE	16 September 2026
Ex-dividend date on the ASX and London Stock Exchange (LSE)	17 September 2026
Record date (including currency election date for ASX)	18 September 2026
Payment date	15 October 2026

47. Since inception of our capital management program, US$1.8B has been allocated to our on-market share buy-back (837M 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 101% of FY26 Group copper equivalent production[48] guidance, despite localised weather impacts.

Looking ahead, Sierra Gorda is expected to deliver copper equivalent production growth[49] of 5% in FY27 and a further 2% in FY28, underpinned by higher planned copper grades in the next phase of the mine plan.

At Cannington, we have increased ore processed by 20% to 2.1Mtpa in FY27, with milling of lower grade stockpiled material[50] to supplement ore mined. Payable zinc equivalent production[51] is expected to be 290.0kt over both FY27 and FY28, reflecting planned metal grades.

At Australia Manganese, production guidance for FY27 and FY28 is set at 2,650kwmt to 2,900kwmt, reflecting constrained mine pit access due to elevated water volumes. FY28 production guidance is subject to receipt of required approvals for additional water management infrastructure, and its subsequent installation during the next dry season.

FY27 production guidance for our aluminium value chain business remains unchanged. As the Transaction is expected to complete in H2 FY27, we have not provided guidance for FY28.

Production guidance (South32 share)

	FY26	FY27e[(a)]	FY28e[(a)]	Key guidance assumptions
Sierra Gorda (non-operated)				
Ore processed (Mt)	21.0	**21.8**	**21.8**	Higher planned copper grades
Payable copper equivalent production (kt)[49]	*87.8*	***91.8***	**94.0**	
Payable copper production (kt)	69.2	**79.0**	**79.0**	
Payable molybdenum production (kt)	1.9	**0.5**	**1.0**	
Payable gold production (koz)	18.5	**20.0**	**20.0**	
Payable silver production (koz)	741	**700**	**700**	
Cannington				
Ore processed (kdmt)	2,163	***↑2,100***	**2,100**	Processing of lower grade stockpiled material to supplement ore mined
Payable zinc equivalent production (kt)[51]	*290.0*	***290.0***	**290.0**	
Payable silver production (koz)	8,906	***↑8,725***	**8,725**	Average metal grades in accordance with the mine plan
Payable lead production (kt)	82.9	**80.0**	**80.0**	
Payable zinc production (kt)	39.2	***↑45.0***	**45.0**	
Australia Manganese				
Manganese ore production (kwmt)	3,031	**2,650 - 2,900**	**2,650 - 2,900**	Managing constrained pit access and progressing approvals for additional water discharge options
South Africa Manganese				
Manganese ore production (kwmt)	2,085	**2,000**	**2,000**	Subject to our continued use of higher cost trucking
Worsley Alumina[52]				
Alumina production (kt)	3,722	**3,900**	**N/A**	Further improvement in bauxite supply to the refinery
Brazil Alumina (non-operated)[52]				
Alumina production (kt)	1,411	**1,360**	**N/A**	Expected to operate near nameplate capacity
Brazil Aluminium (non-operated)[52]				
Aluminium production (kt)	144	**140**	**N/A**	Continuing to stabilise operations
Hillside Aluminium[52, 53]				
Aluminium production (kt)	717	**720**	**N/A**	Expected to continue to test maximum technical capacity

(a) The denotation (e) refers to an estimate or forecast year.

48. Group FY26 payable copper equivalent production, calculated by applying FY26 realised prices for all operations.
49. 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. FY26 realised prices for copper (US$5.92/lb), molybdenum (US$25.90/lb), gold (US$4,462/oz) and silver (US$70.6/oz) have been used for FY26, FY27e and FY28e.
50. The stockpiled material referred to in this report is not included as Mineral Resources in accordance with the JORC (2012) Code.
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. FY26 realised prices for zinc (US$3,000/t), lead (US$1,944/t) and silver (US$66.4/oz) have been used for FY26, FY27e and FY28e.
52. FY28 guidance not provided, reflecting expected completion of the Transaction in H2 FY27.
53. Production guidance does not assume any load-shedding impact on production.

COSTS AND CAPITAL EXPENDITURE

Operating unit costs guidance

The Group's cost base was largely unchanged in FY26, as the divestment of lower returning businesses, and active cost management, which supported a US$58M reduction in controllable costs, offset uncontrollable cost pressures in raw material input prices and freight rates from the conflict in the Middle East, and stronger producer currencies.

Looking ahead, we expect a continuation of these external impacts, including generally stronger producer currencies, to influence Operating unit costs in FY27. We continue to pursue cost efficiencies to mitigate these impacts, while higher planned volumes at Sierra Gorda and processing of lower grade stockpiles at Cannington are expected to benefit Operating unit costs.

As previously announced, in connection with the Transaction, we expect to reduce the Group's functional support costs by approximately US$125M per annum, with the full benefit expected to be realised in FY29. These cost savings will be reflected in both lower Group and unallocated expenses and reduced Operating unit costs. We recently implemented the first phase of this work, streamlining senior leadership roles, accountabilities and support functions.

Operating unit cost

	FY26e(a),54	FY26	H1 FY26	H2 FY26	FY27e(a),55	Key guidance assumptions
Sierra Gorda (non-operated)						
(US$/t)(b)	17.0	**18.9**	17.0	20.9	**17.5**	Higher planned volumes and lower labour costs to more than offset inflation
Cannington						
(US$/t)(b)	205	**185**	183	187	**205**	Stronger Australian dollar, general inflation, and costs to support an extended mine life
Australia Manganese						
(US$/dmtu, FOB)	2.40	**2.62**	2.31	2.93	**3.15**	Lower planned volumes, a stronger Australian dollar and general inflation
South Africa Manganese						
(US$/dmtu, FOB)	3.10	**3.22**	3.09	3.35	**3.50**	Inflation and higher in-land logistics costs
Worsley Alumina						
(US$/t)	310	**313**	318	308	**320**	Higher planned volumes and reduced caustic soda consumption, more than offset by a stronger Australian dollar, higher energy prices and inflation
Brazil Alumina (non-operated)						
(US$/t)	Not provided	**324**	320	330	**Not provided**	Will continue to be influenced by energy and raw material input prices
Brazil Aluminium (non-operated)						
(US$/t)	Not provided	**2,895**	2,919	2,870	**Not provided**	Will continue to be influenced by raw material input prices and ramp-up profile for all three potlines
Hillside Aluminium						
(US$/t)	Not provided	**2,298**	2,295	2,301	**Not provided**	Will continue to be influenced by raw material input prices, the South African rand and inflation-linked energy costs

(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.

54. FY26e Operating unit cost guidance includes royalties (where appropriate), the influence of exchange rates, and various assumptions for FY26, including: an alumina price of US$340/t; a manganese ore price of US$4.40/dmtu for 44% manganese product; a silver price of US$47.0/oz; a lead price of US$2,000/t (gross of treatment and refining charges); a zinc price of US$2,980/t (gross of treatment and refining charges); a copper price of US$4.80/lb (gross of treatment and refining charges); a molybdenum price of US$22.00/lb (gross of treatment and refining charges); a gold price of US$3,900/oz; an AUD:USD exchange rate of 0.66; a USD:ZAR exchange rate of 17.50; a USD:COP exchange rate of 3,940; USD:CLP exchange rate of 950; and a reference price for caustic soda; which reflect forward markets as at February 2026 or our internal expectations.
55. FY27e Operating unit cost guidance includes royalties (where appropriate) and the influence of exchange rates, and various assumptions for FY27, including: an alumina price of US$320/t; a manganese ore price of US$4.90/dmtu for 44% manganese product; a silver price of US$65.0/oz; a lead price of US$2,000/t (gross of treatment and refining charges); a zinc price of US$3,500/t (gross of treatment and refining charges); a copper price of US$6.20/lb (gross of treatment and refining charges); a molybdenum price of US$26.00/lb (gross of treatment and refining charges); a gold price of US$4,300/oz; an AUD:USD exchange rate of 0.70; a USD:ZAR exchange rate of 17.00; USD:CLP exchange rate of 930; and a reference price for caustic soda; which reflect forward markets as at August 2026 or our internal expectations.

Financial and operating performance summary continued

Capital expenditure guidance (excluding exploration and intangibles)

FY27 capital expenditure guidance for base metals and manganese, including EAIs, is expected to increase by US$395M to US$1,500M as we invest in our base metals growth projects, continuing construction of Hermosa's Taylor project and commencing Sierra Gorda's fourth grinding line expansion project:

– Safe and reliable: expected to increase by US$24M to US$395M, including deferred stripping at Sierra Gorda, and additional water infrastructure at Australia Manganese to manage elevated water volumes;
– Improvement and life extension: expected to increase by US$82M to US$105M, with investment in Sierra Gorda's fourth grinding line project and underground infrastructure upgrades at Cannington to support an extended mine life; and
– Growth: Hermosa capital expenditure is expected to increase by US$289M to US$1,000M[56], reflecting a planned increase in surface infrastructure construction activity.

FY27 capital expenditure guidance for the Aluminium Value Chain Assets is expected to increase by US$28M to US$300M:

– Safe and reliable: expected to increase by US$59M to US$225M, including additional bauxite residue disposal activity and planned infrastructure upgrades at Worsley Alumina, and replacement of pot tending assemblies at Hillside Aluminium; and
– Improvement and life extension: expected to decrease by US$31M to US$75M, as we execute the Worsley Mine Development Project, including the Nullaga mine development, at Worsley Alumina.

Capital expenditure for base metals and manganese

US$M	FY26	FY27e[(a)]
Sierra Gorda	227	**220**
Cannington	41	**80**
Australia Manganese	75	**80**
South Africa Manganese	22	**15**
Cerro Matoso[57]	6	**–**
Safe and reliable capital expenditure (excluding EAIs)	47	**80**
Safe and reliable capital expenditure (including EAIs)	371	**395**
Sierra Gorda	8	**90**
Cannington	1	**10**
Australia Manganese	3	**5**
South Africa Manganese	5	**–**
Cerro Matoso[57]	2	**–**
Group & Unallocated	4	**–**
Improvement and life extension capital expenditure (excluding EAIs)	7	**10**
Improvement and life extension capital expenditure (including EAIs)	23	**105**
Hermosa	711	**1,000**
Growth capital expenditure	711	**1,000**
Total capital expenditure (excluding EAIs)	765	**1,090**
Total capital expenditure (including EAIs)	1,105	**1,500**

Capital expenditure for Aluminium Value Chain Assets

US$M	FY26	FY27e[(a)]
Worsley Alumina	55	**85**
Brazil Alumina	25	**35**
Brazil Aluminium	15	**15**
Hillside Aluminium	62	**90**
Mozal Aluminium (care & maintenance)[58]	9	**–**
Safe and reliable capital expenditure	166	**225**
Worsley Alumina	105	**75**
Hillside Aluminium	1	**–**
Improvement and life extension capital expenditure	106	**75**
Total capital expenditure	272	**300**

(a) The denotation (e) refers to an estimate or forecast year.

56. Hermosa growth capital expenditure guidance excludes expected lease payments of ~US$60M for self generated power and other assets directly attributable to construction of infrastructure at the Taylor deposit. These self generated power and other costs were included in our capital cost estimate provided in market release "Hermosa project update" dated 30 April 2026.
57. Reflects five months of ownership prior to the divestment of Cerro Matoso on 1 December 2025.
58. Capital expenditure for Mozal Aluminium reflects the period ending March 2026.

Capitalised exploration guidance

FY27 Group capitalised exploration guidance, including EAIs, is expected to increase by US$36M to US$80M, reflecting increased exploration drilling at Hermosa as we test regional targets in our highly prospective regional land package, and exploration and study work at Ambler Metals to progress the high-grade Arctic polymetallic deposit.

Capitalised exploration (South32 share)

US$M	FY26	FY27e[a]
Capitalised exploration (excluding EAIs)	37	**70**
EAIs capitalised exploration	7	**10**
Capitalised exploration (including EAIs)	44	**80**

(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.

	FY26	FY27e[a]	Commentary
Group and unallocated expense in Underlying EBIT (excluding greenfield exploration and third party products and services EBIT)			
(US$M)	63	**120**[b]	FY26 reflected favourable inter-group inventory adjustments in our aluminium value chain (US$46M) Guidance reflects current run-rate, ahead of Transaction completion
Hermosa expenses included in Underlying EBIT			
(US$M)	46	**45**	Work across the broader Hermosa project
Underlying depreciation and amortisation			
(US$M)	745	**800**[b]	Higher depreciation at Sierra Gorda with higher deferred stripping amortisation reflective of the mine sequence
Underlying net finance costs			
(US$M)	175	**180**[b]	Reflects current balance sheet
Greenfield exploration			
(US$M)	34	**40**	Exploration activity targeting base metals in highly prospective regions

(a) The denotation (e) refers to an estimate or forecast year.
(b) Guidance reflects ownership of the Aluminium Value Chain Assets for FY27.

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 beginning page 39.

Operations table (South32 share)

	Underlying revenue		Underlying EBIT	
US$M	FY26	FY25	FY26	FY25
Sierra Gorda	**1,154**	832	**561**	318
Cannington	**852**	659	**364**	204
Hermosa	**–**	–	**(46)**	(45)
Australia Manganese	**675**	42	**143**	(125)
South Africa Manganese	**364**	353	**2**	24
Worsley Alumina	**1,319**	1,917	**5**	619
Brazil Alumina	**502**	749	**(27)**	226
Brazil Aluminium	**441**	355	**20**	(97)
Hillside Aluminium	**2,236**	1,989	**581**	85
Mozal Aluminium (care & maintenance)	**890**	979	**182**	55
Third party products and services[59]	**262**	370	**18**	18
Inter-segment / Group and unallocated	**(780)**	(1,264)	**(97)**	(179)
South32 Group (excluding IMC and Cerro Matoso)	**7,915**	6,981	**1,706**	1,103
IMC[60]	**–**	144	**–**	50
Cerro Matoso	**193**	485	**11**	58
South32 Group	**8,108**	7,610	**1,717**	1,211

59. FY26 Underlying revenue on third party products and services sold from continuing operations comprises US$77M for aluminium, US$1M for alumina, US$35M for manganese, US$94M for freight services and US$55M for raw materials. FY26 Underlying EBIT on third party products and services sold from continuing operations comprises US$8M for aluminium, US$11M for alumina and US$(1)M for freight services. FY25 Underlying revenue on third party products and services sold from continuing operations comprises US$142M for aluminium, US$28M for alumina, US$35M for manganese, US$50M for freight services and US$115M for raw materials. FY25 Underlying EBIT on third party products and services sold from continuing operations comprises US$3M for aluminium, US$16M for alumina and US$(1)M for raw materials.
60. FY25 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.

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[61] decreased by 3% (or 2.6kt) to 87.1kt in FY26, but exceeded guidance, as strong by-product volumes more than offset weather-related impacts in H2 FY26.

Payable copper equivalent production[61] is expected to increase by 5% to 91.8kt in FY27 and a further 2% to 94.0kt in FY28, supported by higher planned copper grades in the next phase of the mine plan.

Operating costs

Operating unit costs increased by 17%, to US$18.9/t ore processed in FY26, reflecting a one-off workforce payment following the finalisation of new three-year industrial agreements, together with higher diesel prices and a stronger Chilean peso.

Our operating margin increased to a record 66% (FY25: 58%), reflecting higher average metal prices.

We expect FY27 Operating unit costs to decrease by 7% to US$17.5/t ore processed, with higher planned volumes and normalisation of labour costs following the one-off workforce payment, partially offset by general inflation. Exchange rate and price assumptions for FY27 Operating unit cost guidance are detailed on page 35, footnote 55.

Financial performance

Underlying EBIT increased by 76% (or US$243M), to US$561M in FY26, as higher average realised metal prices (+US$344M) more than offset lower sales volumes (-US$22M), the one-off workforce payment (-US$27M), and higher diesel prices (-US$4M).

Depreciation and amortisation increased by US$33M to US$197M in FY26, largely due to higher deferred stripping amortisation reflective of the mine sequence.

Capital expenditure

Safe and reliable capital expenditure was US$227M in FY26 and is expected to be largely unchanged at US$220M in FY27, as the operation continues deferred stripping activity and investment in tailings infrastructure.

Improvement and life extension capital expenditure was US$8M in FY26 and is expected to step up to US$90M in FY27 as execution of the fourth grinding line project (the Project) commences. The Project, which was approved for execution on 30 June 2026, is expected to increase processing capacity by ~25% to ~60Mtpa (100% basis) and deliver an ~30% increase in copper equivalent production from FY31[62]. Total capital expenditure for the Project is expected to be ~US$725M[63] (100% basis) over FY27 to FY30.

On 8 June 2026, Sierra Gorda and BHP Spence signed a non-binding memorandum of understanding for the purpose of identifying and evaluating opportunities for operational collaboration across these nearby mines.

South32 share	FY26	FY25
Ore mined (Mt)	**19.6**	23.0
Ore processed (Mt)	**21.0**	21.7
Ore grade processed (%, Cu)	**0.42**	0.42
Payable copper equivalent production (kt)[61]	**87.1**	89.7
Payable copper production (kt)	**69.2**	71.4
Payable molybdenum production (kt)	**1.9**	1.5
Payable gold production (koz)	**18.5**	27.9
Payable silver production (koz)	**741**	584
Payable copper sales (kt)	**69.1**	72.9
Payable molybdenum sales (kt)	**2.1**	1.3
Payable gold sales (koz)	**18.6**	28.5
Payable silver sales (koz)	**737**	599
Realised copper sales price (US$/lb)	**5.92**	4.18
Realised molybdenum sales price (US$/lb)	**25.90**	21.12
Realised gold sales price (US$/oz)	**4,462**	2,877
Realised silver sales price (US$/oz)	**70.6**	31.7
Operating unit cost (US$/t ore processed)[64]	**18.9**	16.1

South32 share (US$M)	FY26	FY25
Underlying revenue	**1,154**	832
Underlying EBITDA	**758**	482
Underlying EBIT	**561**	318
Net operating assets	**1,883**	1,769
Capital expenditure	**235**	216
Safe and reliable	**227**	191
Improvement and life extension	**8**	25
Exploration expenditure	**12**	13
Exploration expensed	**6**	–

61. 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. 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 and FY26. FY26 realised prices for copper (US$5.92/lb), molybdenum (US$25.90/lb), gold (US$4,462/oz) and silver (US$70.6/oz) have been used for FY27e and FY28e.
62. Based on expected increase in average copper equivalent production over CY31 to CY41.
63. US dollars (real). Based on a USD:CLP exchange rate of 900. Reflects ~US$190M in FY27, ~US$290M in FY28, ~US$200M in FY29 and ~US$45M in FY30.
64. 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.

Financial and operating performance summary continued

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[65] decreased by 12% (or 28.8kt) to 205.4kt in FY26, reflecting lower planned metal grades in accordance with the mine plan. This was partly offset by an 11% increase in ore processed, as lower grade stockpiled material was milled.

Looking ahead, the processing of lower grade stockpiles is expected to support ore processed rates of 2.1Mtpa across both FY27 and FY28, with payable zinc equivalent production[65] guidance set at 290.0kt for both years, reflecting planned metal grades.

Operating costs

Operating unit costs decreased by 5%, to US$185/t ore processed in FY26, as higher ore processed more than offset higher price-linked royalties and a stronger Australian dollar.

Our operating margin increased to 53% (FY25: 43%), reflecting stronger metal prices and lower Operating unit costs.

We expect FY27 Operating unit costs to increase by 11% to US$205/t ore processed, reflecting a stronger Australian dollar, general inflation, and costs to support an extended mine life. Exchange rate and price assumptions for FY27 Operating unit cost guidance are detailed on page 35, footnote 55.

Financial performance

Underlying EBIT increased by 78% (or US$160M), to US$364M in FY26, as higher average realised metal prices (+US$324M) more than offset lower planned sales volumes (-US$131M), higher price-linked royalties (-US$10M) and a stronger Australian dollar (-US$15M).

Capital expenditure

Capital expenditure was US$42M in FY26 and is expected to increase to US$90M as we invest in underground infrastructure upgrades to support mine life extensions.

Study work on mine life extension options from both underground and open pit resources continues to progress, with a final investment decision for the open pit development targeted for H1 FY28.

South32 share	FY26	FY25
Ore mined (kwmt)	**2,113**	1,960
Ore processed (kdmt)	**2,163**	1,944
Ore grade processed (g/t, Ag)	**150**	191
Ore grade processed (%, Pb)	**4.6**	5.6
Ore grade processed (%, Zn)	**2.6**	3.1
Payable zinc equivalent production (kt)[65]	**205.4**	234.2
Payable silver production (koz)	**8,906**	10,292
Payable lead production (kt)	**82.9**	92.4
Payable zinc production (kt)	**39.2**	44.5
Payable silver sales (koz)	**8,693**	11,019
Payable lead sales (kt)	**82.8**	99.3
Payable zinc sales (kt)	**38.0**	45.7
Realised silver sales price (US$/oz)	**66.4**	31.9
Realised lead sales price (US$/t)	**1,944**	1,883
Realised zinc sales price (US$/t)	**3,000**	2,648
Operating unit cost (US$/t ore processed)[66]	**185**	194

South32 share (US$M)	FY26	FY25
Underlying revenue	**852**	659
Underlying EBITDA	**451**	281
Underlying EBIT	**364**	204
Net operating assets	**46**	131
Capital expenditure	**42**	49
Safe and reliable	**41**	49
Improvement and life extension	**1**	–
Exploration expenditure	**4**	6
Exploration expensed	**1**	2

65. 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. 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 and FY26. FY26 realised prices for zinc (US$3,000/t), lead (US$1,944/t) and silver (US$66.4/oz) have been used for FY27e and FY28e.
66. 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.

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.

South32 share	FY26	FY25
Manganese ore production (kwmt)	**3,031**	1,106
Manganese ore sales (kwmt)	**3,598**	253
Realised external manganese ore sales price (US$/dmtu, FOB)[67,68]	**4.23**	3.68
Operating unit cost (US$/dmtu, FOB)[68,69]	**2.62**	–

South32 share (US$M)	FY26	FY25
Underlying revenue	**675**	42
Underlying EBITDA	**229**	(105)
Underlying EBIT	**143**	(125)
Net operating assets	**190**	240
Capital expenditure	**78**	115
Safe and reliable	**75**	114
Improvement and life extension	**3**	1
Exploration expenditure	**5**	5
Exploration expensed	**4**	5

Volumes

Australia Manganese saleable production increased to 3,031kwmt in FY26, as operations resumed following the impacts of Tropical Cyclone Megan in the prior period. Notwithstanding, production was below plan, as the operation managed elevated site water levels resulting from ongoing groundwater inflows and significant wet season impacts.

Production guidance for FY27 and FY28 is set at 2,650kwmt to 2,900kwmt, reflecting constrained mine pit access due to elevated water volumes. FY28 production guidance is subject to receipt of required approvals for additional water management infrastructure, and its subsequent installation during the next dry season.

Operating costs

Operating unit costs were US$2.62/dmtu in FY26, reflecting a stronger Australian dollar and higher diesel prices.

We expect FY27 Operating unit costs to increase to US$3.15/dmtu, reflecting lower planned volumes, a stronger Australian dollar and general inflation. Exchange rate and price assumptions for FY27 Operating unit cost guidance are detailed on page 35, footnote 55.

Financial performance

Underlying EBIT increased to US$143M in FY26 (FY25: loss of US$125M), with sales volumes increasing to 3,598kwmt, following the restart of operations and commissioning of new wharf infrastructure in the prior period.

Separately, external insurance recoveries of US$92M in relation to the impacts of Tropical Cyclone Megan were received in FY26. This income was excluded from Underlying earnings as an earnings adjustment.

Capital expenditure

Capital expenditure was US$78M in FY26 and is expected to be US$85M in FY27 including investment in additional water infrastructure, subject to receipt of regulatory approvals.

67. Realised ore prices are calculated as external sales Underlying revenue less freight and marketing costs, divided by external sales volume.
68. FY26 average manganese content of external ore sales was 41.6% on a dry basis (FY25: 41.5%). 100% of FY26 external manganese ore sales (FY25: 100%) were completed on a CIF basis. FY26 realised FOB ore prices and Operating unit costs have been adjusted for freight and marketing costs of US$68M (FY25: US$8M), consistent with our FOB cost guidance.
69. 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[70], which had been on care and maintenance since FY20.

Volumes

South Africa Manganese saleable production decreased by 3% (or 66kwmt) to 2,085kwmt in FY26, but exceeded guidance, as the operation completed planned maintenance and additional underground development activity at Wessels.

Production is expected to be 2,000kwmt across both FY27 and FY28, subject to our continued use of higher cost trucking.

Operating costs

Operating unit costs increased by 6% to US$3.22/dmtu in FY26, reflecting a stronger South African rand and higher diesel prices.

We expect FY27 Operating unit costs to increase by 9% to US$3.50/dmtu, reflecting general inflation and higher in-land logistics costs. Exchange rate and price assumptions for FY27 Operating unit cost guidance are detailed on page 35, footnote 55.

Financial performance

Ore Underlying EBIT decreased by US$28M to US$2M in FY26, as higher sales volumes (+US$14M), were more than offset by a stronger South African rand (-US$18M), higher trucking costs (-US$3M) and diesel prices (-US$3M).

Capital expenditure

Capital expenditure was US$27M in FY26 and is expected to decrease to US$15M in FY27 following the completion of mine access work at Wessels.

South32 share	FY26	FY25
Manganese ore production (kwmt)	**2,085**	2,151
Manganese ore sales (kwmt)	**2,181**	2,096
Realised external manganese ore sales price (US$/dmtu, FOB)[71,72]	**3.65**	3.71
Operating unit cost (US$/dmtu, FOB)[72,73]	**3.22**	3.05

South32 share (US$M)	FY26	FY25
Underlying revenue	**364**	353
Manganese ore	**364**	353
Manganese alloy	**–**	–
Underlying EBITDA	**30**	46
Manganese ore	**30**	52
Manganese alloy	**–**	(6)
Underlying EBIT	**2**	24
Manganese ore	**2**	30
Manganese alloy	**–**	(6)
Net operating assets/(liabilities)	**211**	252
Manganese ore	**211**	252
Manganese alloy	**–**	–
Capital expenditure	**27**	44
Safe and reliable	**22**	28
Improvement and life extension	**5**	16

70. Refer to media release "Completion of Metalloys Manganese Alloy Smelter Divestment" dated 3 June 2025.
71. Realised ore prices are calculated as external sales Underlying revenue less freight and marketing costs, divided by external sales volume.
72. FY26 average manganese content of external ore sales was 38.5% on a dry basis (FY25: 38.9%). 95% of FY26 external manganese ore sales (FY25: 92%) were completed on a CIF basis. FY26 realised FOB ore prices and Operating unit costs have been adjusted for freight and marketing costs of US$61M (FY25: US$54M), consistent with our FOB cost guidance.
73. FOB Ore Operating unit cost is Underlying revenue less Underlying EBITDA, freight and marketing costs, divided by ore sales volumes.

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 exported to the Hillside Aluminium smelter and other smelters around the world.

South32 share	FY26	FY25
Alumina production (kt)	**3,722**	3,727
Alumina sales (kt)	**3,630**	3,699
Realised alumina sales price (US$/t)	**363**	518
Operating unit cost (US$/t)	**313**	303

South32 share (US$M)	FY26	FY25
Underlying revenue	**1,319**	1,917
Underlying EBITDA	**181**	795
Underlying EBIT	**5**	619
Net operating assets	**1,705**	1,707
Capital expenditure	**160**	106
Safe and reliable	**55**	87
Improvement and life extension	**105**	19
Exploration expenditure	**4**	2
Exploration expensed	**4**	2

Volumes

Worsley Alumina saleable production was largely unchanged at 3,722kt in FY26, with improved bauxite availability offset by a weather-related disruption to third-party gas supply in Q3 FY26.

Production is expected to increase by 5% to 3,900kt in FY27, supported by further improvements in bauxite quality through the Worsley Mine Development Project[74].

Operating costs

Operating unit costs increased by 3%, to US$313/t in FY26, as reduced caustic soda consumption (FY26: 111kg/t, FY25: 119kg/t) resulting from improved bauxite quality, together with lower contractor costs reflecting timing and optimisation of maintenance activities, were more than offset by a stronger Australian dollar and general inflation.

Our operating margin decreased to 14% (FY25: 41%), as alumina prices declined from elevated levels in FY25.

We expect FY27 Operating unit costs to increase by 2% to US$320/t, with higher planned volumes and reduced caustic soda consumption, more than offset by a stronger Australian dollar, higher energy prices and general inflation. Exchange rate and price assumptions for FY27 Operating unit cost guidance are detailed on page 35, footnote 55.

Financial performance

Underlying EBIT decreased by 99% (or US$614M) to US$5M in FY26, as lower contractor expenditure (+US$25M) and caustic soda consumption (+US$16M), were more than offset by a 30% decrease in the average realised price of alumina (-US$563M), a stronger Australian dollar (-US$37M) and general inflation (-US$21M).

Capital expenditure

Safe and reliable capital expenditure was US$55M in FY26 and is expected to increase to US$85M in FY27 as we invest in additional bauxite residue disposal capacity and infrastructure upgrades.

Improvement and life extension capital expenditure was US$105M in FY26 and is expected to decrease to US$75M in FY27 as we execute the Worsley Mine Development Project, including the Nullaga mine development.

74. 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. 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 5% (or 71kt) to a record 1,411kt in FY26, as the refinery operated above nameplate capacity driven by improved plant availability.

Production is expected to be 1,360kt in FY27.

Operating costs

Operating unit costs were largely unchanged at US$324/t in FY26, as higher volumes and lower planned maintenance, were partially offset by a stronger Brazilian real and general inflation.

Our operating margin decreased to 6% (FY25: 38%) as alumina prices declined from elevated levels in FY25.

While Operating unit cost guidance is not provided for this non-operated facility, the refinery's cost profile will continue to be influenced by energy and raw material input prices.

Financial performance

Underlying EBIT decreased by US$253M to a loss of US$27M in FY26, as higher sales volumes (+US$33M) and lower planned maintenance (+US$22M), were more than offset by a 36% reduction in the average realised price of alumina (-US$280M).

Our share of the loss from our equity accounted interest in MRN was US$16M in FY26.

Capital expenditure

Capital expenditure decreased by US$16M to US$25M in FY26 and is expected to be US$35M in FY27.

South32 share	FY26	FY25
Alumina production (kt)	**1,411**	1,340
Alumina sales (kt)	**1,409**	1,349
Realised sales price (US$/t)	**356**	555
Operating unit cost (US$/t)[(a)]	**324**	326

South32 share (US$M)[(b)]	FY26	FY25
Underlying revenue	**502**	749
Underlying EBITDA	**29**	283
Underlying EBIT	**(27)**	226
Net operating assets	**562**	638
Capital expenditure	**25**	41
Safe and reliable	**25**	35
Improvement and life extension	**–**	6

(a) Excludes the profit/(loss) from our equity accounted interest in MRN.
(b) Results for Brazil Alumina include MRN on an equity accounted basis.

BRAZIL ALUMINIUM

Location: **Maranhão, Brazil**
South32 share: **40 per cent (non-operated)**

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.

South32 share	FY26	FY25
Aluminium production (kt)	**144**	138
Aluminium sales (kt)	**143**	138
Realised sales price (US$/t)	**3,084**	2,572
Operating unit cost (US$/t)	**2,895**	3,239

South32 share (US$M)	FY26	FY25
Underlying revenue	**441**	355
Underlying EBITDA	**27**	(92)
Underlying EBIT	**20**	(97)
Net operating assets	**74**	71
Capital expenditure	**15**	9
Safe and reliable	**15**	9
Improvement and life extension	**–**	–

Volumes

Brazil Aluminium saleable production increased by 4% (or 6kt) to 144kt in FY26, with the smelter's operator implementing additional measures to improve process stability, following unplanned pot outages and energy disruptions in December 2025.

Production is expected to be 140kt in FY27 as the smelter continues to stabilise operations.

Operating costs

Operating unit costs decreased by 11%, to US$2,895/t in FY26, as higher volumes and lower alumina input prices, more than offset a stronger Brazilian real and general inflation.

While Operating unit cost guidance is not provided, the smelter's cost profile will continue to be influenced by raw material input prices and the ramp-up profile for all three potlines.

Financial performance

Underlying EBIT improved by US$117M to US$20M in FY26 (FY25: loss of US$97M), driven by higher average realised aluminium prices (+US$70M) and sales volumes (+US$16M), together with lower alumina input prices (+US$60M).

Capital expenditure

Capital expenditure was US$15M in FY26 and is expected to be unchanged at US$15M in FY27.

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.

South32 share	FY26	FY25
Aluminium production (kt)	**717**	718
Aluminium sales (kt)	**688**	732
Realised sales price (US$/t)	**3,250**	2,717
Operating unit cost (US$/t)	**2,298**	2,507

South32 share (US$M)	FY26	FY25
Underlying revenue	**2,236**	1,989
Underlying EBITDA	**655**	154
Underlying EBIT	**581**	85
Net operating assets	**858**	788
Capital expenditure	**63**	67
Safe and reliable	**62**	66
Improvement and life extension	**1**	1

Volumes

Hillside Aluminium saleable production was largely unchanged at 717kt in FY26, as the smelter continued to test its maximum technical capacity, despite the impact of load-shedding.

Production is expected to be 720kt[75] in FY27.

Operating costs

Operating unit costs decreased by 8%, to US$2,298/t in FY26, as lower alumina input prices more than offset a stronger South African rand and inflation-linked indexation of energy costs.

Our operating margin increased to 29% (FY25: 8%), reflecting a 20% increase in the average realised price of aluminium and lower 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 and other external factors including the South African rand and inflation-linked indexation of energy costs.

Financial performance

Underlying EBIT increased by 584% (or US$496M), to US$581M in FY26, as higher average realised aluminium prices (+US$365M), lower alumina input prices (+US$238M) and reduced pot relining (+US$16M), more than offset lower sales volumes (-US$118M) due to the timing of sales, and a stronger South African rand (-US$57M).

Capital expenditure

Capital expenditure was US$63M in FY26 and is expected to increase to US$90M in FY27 as we continue our investment to replace the pot tending assemblies.

75. Production guidance for Hillside Aluminium does not assume any load-shedding impact on production.

MOZAL ALUMINIUM

(CARE AND MAINTENANCE)

Location: **Maputo, Mozambique**
South32 share: **63.7 per cent**

Mozal Aluminium is located near Maputo, Mozambique.

On 15 March 2026, Mozal Aluminium was placed on care and maintenance, due to the inability to secure sufficient and affordable electricity supply[76].

Volumes

Mozal Aluminium saleable production was 248kt in the period to March 2026.

Operating costs

Operating unit costs increased by 6%, to US$2,571/t in FY26, reflecting higher priced alumina under a legacy supply contract with Worsley Alumina, and a stronger South African rand.

Financial performance

Underlying EBIT increased by 231% (or US$127M) to US$182M in FY26, reflecting a 16% increase in our average realised price of aluminium.

Separately, employee separation costs and termination of contractual arrangements (US$33M) and non-cash write-down of inventories (US$89M) were incurred in FY26, related to the smelter's transition to care and maintenance. These expenses were excluded from Underlying earnings as significant items.

Capital expenditure

Capital expenditure decreased by US$12M to US$9M in FY26.

South32 share	FY26	FY25
Aluminium production (kt)	**248**	355
Aluminium sales (kt)	**275**	351
Realised sales price (US$/t)	**3,237**	2,789
Operating unit cost (US$/t)	**2,571**	2,433

South32 share (US$M)	FY26	FY25
Underlying revenue	**890**	979
Underlying EBITDA	**183**	125
Underlying EBIT	**182**	55
Net operating assets/(liabilities)	**(96)**	152
Capital expenditure	**9**	21
Safe and reliable	**9**	21
Improvement and life extension	**–**	–

76. Refer to market release "Mozal Aluminium placed on care and maintenance" dated 16 March 2026.

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 have the potential to 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 categories based on shared characteristics or scope, and these categories 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 FY26, we managed 12 strategic risks, which are outlined in subsequent pages with their respective risk appetite. We monitor our strategic risks over the course of the year, and use key risk indicators to inform us of internal and external changes in risk exposure, and to frame appropriate management responses where required. This information is reported to our Risk and Audit Committee and Sustainability Committee 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.

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.

- **First line:** Responsible for designing, implementing and executing processes and controls in order to manage our risks.
- **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.
- **Third line:** Our Group Assurance function provides independent and objective assurance over the Group's system of risk management and control.

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

Risk management continued

Risk trend and strategic alignment

↑ — ↓ The inherent risk impact or likelihood has increased, decreased, or not materially changed, over the past 12 months. Changes reflect the underlying risk exposure, and exclude how we respond to, or control for these changes.

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

The 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 FY26

↑	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

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. 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 FY26

Tragically, in March 2026 Simon Mukwarami was fatally injured in an incident at Worsley Alumina while he and his work crew were undertaking a plant maintenance activity at the refinery. We are cooperating with authorities in relation to their investigations and activities.

We continue to look for opportunities to ensure our existing systems, processes, procedures, permits, risk assessments and controls are suitable and effectively implemented. Our approach in FY26 has centred on improving our safe systems of work, capabilities and the effectiveness of our critical controls related to material risks. This year we enhanced leadership presence in the field with a focus on leader coaching, coupled with an increased identification of hazards and non-compliances.

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 have simplified our safe systems of work, with associated and optimised performance requirements designed to prevent and mitigate potential exposure to health and safety risks.
- We are implementing our multi-year Group-wide Safety Improvement Program designed to change mindsets and behaviours to achieve a step change in our safety performance.
- We investigate actual and potential significant events that could have led to severe injury or higher outcomes, put new or enhanced controls in place where necessary and share the learnings across our organisation.
- We identify, assess and mitigate psychosocial risks across our business, and do not tolerate any form of inappropriate conduct including bullying, harassment, discrimination or victimisation.
- In line with the three lines operating model, we have assurance functions independent of our operating activities that provide assurance against our own internal standards.

Learn more about how we are keeping our people safe and well on page 61.

PORTFOLIO RESHAPING

Our objective is to improve our return on invested capital and create shareholder value by increasing our exposure to high-quality assets 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.

Risk exposure trend FY26

Consistent with the prior year, there is a constructive outlook for future-facing commodities, with growing attractiveness for critical minerals in stable jurisdictions, and structural headwinds for carbon-intensive sectors and assets. These factors continue to concentrate competition for development and operating assets in developed and/or low-risk jurisdictions, and drive 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 base 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. On 30 June we entered into a binding conditional agreement to sell our aluminium value chain assets to Alcoa Corporation[1]. The transaction repositions us as an upstream base metals focused company with high-margin assets and transformational growth.
- 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.

[1] Refer to market release “Agreement to sell aluminium value chain assets to Alcoa for up to US$5.6b and Chief Executive officer transition” dated 1 July 2026 for further details.

Risk management continued

CLIMATE CHANGE AND ENVIRONMENT

Climate change creates the potential for physical risks to our business, our people and the infrastructure, communities, environment and value chains on which we rely. The political, social and economic responses to climate change and the transition to a low-carbon economy also create transition risks that may affect our business performance. In addition, our business depends on environmental assets and ecosystem services and has the potential to impact the natural environment through land and water use, waste generation and emissions.

Risk exposure trend FY26

Energy transition efforts across industry remain ongoing, against a backdrop of continued regulatory scrutiny from more granular mandatory climate-reporting requirements, expanding carbon-pricing coverage, and elevated physical-climate signals. Australia's environmental laws, amended in late 2025, aim to streamline approval processes, enhance transparency, and tighten compliance obligations and penalties. The implications for the mining sector will remain uncertain until subordinate legislation and policy are finalised.

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 critical 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 addressing climate-related risks and opportunities is outlined in the Addressing Climate Change section of this Annual Report and in our Climate Change Action Plan 2025 at *www.south32.net*.
- We have set an aim to achieve a minimum of no net loss or net gain of biodiversity[2] in life-of-operation planning and manage biodiversity impacts and risks by implementing biodiversity management plans and applying the mitigation hierarchy – avoid, minimise, rehabilitate/restore and offset.
- We monitor inflows, uses, losses and outflows to support effective water management and where operationally feasible, recover, reuse and recycle water to support water efficiency. We also implement water-related projects and initiatives tailored to local water contexts and challenges.
- We manage waste-related risks by identifying and tracking waste streams, assessing risks across handling, storage, transport and disposal, and implementing controls aligned with regulatory requirements and internal standards.
- We manage air emissions by identifying key sources and assessing potential impacts using a Source-Pathway-Receptor approach, supported by monitoring programs and defined exposure thresholds.

Learn more about our approach to managing climate and nature-related risks on pages 71 to 109.

MAINTAIN, REALISE OR ENHANCE THE VALUE OF OUR MINERAL INVENTORY

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

Risk exposure trend FY26

The inherent risk trend remains constant from the prior year. However, factors influencing the value of our mineral inventory are increasingly being shaped by non-technical constraints, with rising influence from climate transition policy, biodiversity expectations, water scarcity and social licence considerations on resource access and development viability. Alongside an ageing profile of operational infrastructure, these factors increase uncertainty in mine planning, tenure security, reserve conversion and long-term value realisation.

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, and maximise the 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 report Mineral Resources and Ore Reserves in accordance with the JORC Code as required in Chapter 5 of the ASX Listing Rules.
- 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 238.

2. Measured at the completion of closure against a pre-operation or pre-expansion baseline for new operations and significant expansions, and against a 2020 or earlier baseline for existing operations.

CYBERSECURITY AND PRIVACY

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.

Risk exposure trend FY26

As geopolitical competition for strategic resources intensifies, Australian mining companies are likely to become increasingly attractive targets for cyber intrusion. Third-party risk remains a threat, as multiple high-profile global companies have been targeted in large-scale cyber compromises. The rapid uptake of generative artificial intelligence (AI) is increasing the sophistication and scale of fraud, deepfakes, and cyber-attacks.

Risk appetite

We are not willing to take risks that compromise 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 have developed our cybersecurity strategy and risk controls aligned to the National Institute of Standards and Technology cybersecurity and privacy framework.
- 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 use cyber threat intelligence services to enable informed cyber risk management activities.

Learn more about how we manage cybersecurity and privacy on page 69.

PREDICTABLE OPERATIONAL PERFORMANCE

External volatility and challenges can impact predictable performance and prevent us from reliably delivering on our strategic objectives. We build resilience and predictability into our business by remaining focused on keeping 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 FY26

While the trend remains constant from prior years, operational predictability is increasingly being challenged by compounding external disruptions as operational systems are exposed to more frequent, correlated shocks rather than isolated events. The interaction of factors such as extreme weather, infrastructure stress, cyber-kinetic threats, supply chain disruption, and regulatory complexity all contribute to potential exposures of unplanned outages and performance volatility.

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 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 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, or supply chain disruptions) and safely restore our operations, with the aim of protecting the health and safety of our people and the communities in which we operate.

Learn more about our operational performance in Our strategy in action on page 15.

Risk management continued

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 FY26

Conditions challenging project development have persisted through FY26, with approvals complexity and cost inflation as common project disruptors. Supply chain and skills constraints persist, with these external pressures continuing to influence investment decisions and intensify focus on 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.
- Our joint venture agreements include mechanisms which enable South32 to exercise appropriate oversight of project, schedule and cost outcomes.

Learn more about our project execution in Our strategy in action on page 16.

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.

Risk exposure trend FY26

Globally, supply chain resilience is being increasingly challenged, with heightened exposure to trade policy, geopolitical tensions and climate-driven disruptions increasing interruption risk. Supply chains are increasingly treated as strategic and national security assets, contributing to fragmentation of global trade flows. Disruptions in CY26, including conflict in the Middle East, have impacted costs and access to key inputs (e.g. oil) and commodities (i.e. aluminium). In March 2026, the Mozal Aluminium smelter was placed on care and maintenance after it was unable to secure a new electricity supply agreement.

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 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 relating to potential shortages, critical suppliers and categories, vendor liquidity, logistics, climate change and decarbonisation, and modern slavery.
- We work 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.

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.

Risk exposure trend FY26

Culture and talent risks remain elevated due to ongoing skill shortages. AI is expected to increasingly reshape workforce size and structure over the medium term through productivity gains and automation. While impacts on the mining industry were limited in FY26, organisations are expected to continue focusing on operating models, workforce transition, training and future labour needs.

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 the standards of conduct that we expect of our employees and contractors, executive management and Directors. We support and encourage people to speak up when our values and Code of Business Conduct are not being followed. Our leadership model defines the accountabilities, behaviours and competencies expected of our people. Together with our values, they clearly define our expectations for workplace behaviours.
- We engage with our employees on our culture and their experiences working at South32, including through periodic perception surveys, to inform our approach to continuous improvement.
- Our talent management process seeks to identify key talent, provide them with development opportunities, and promote movement within South32. Ultimately, this process aligns people's capabilities with work opportunities to perform business-critical roles.
- We support professional development and provide learning opportunities for employees. Our learning and development channels include internal training and learning programs for specific role profiles, self-assigned learning, and external capability programs with specialist vendors.

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. Our purpose and strategy expressly balance economic outcomes with social and environmental outcomes, now and into the future. In the decisions we take, we seek to mitigate our 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.

Risk exposure trend FY26

There have been no significant changes in material sustainability topics between reporting years. The geopolitical and economic uncertainty through FY26 has broadly focused global attention and action towards trade, market access, security and supply chain resilience, with a corresponding softening of expectations from some stakeholders with respect to sustainability-related action.

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:

- 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, and to inform decision-making.
- Through our Sustainability Governance Framework and periodic 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 risk assessments, social baseline studies, and social impact and opportunity assessments to improve our understanding of the communities in which we operate.
- 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 inform our social investment program.

Learn more about how we are delivering value to society, on page 65. Details of the external standards and initiatives that guide us are outlined on page 58.

Risk management continued

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.

Risk exposure trend FY26

Through FY26, heightened geopolitical fragmentation, trade weaponisation, deterioration of global institutions, and growth of nationalistic and protectionist policy are embedding as structural features of the current risk environment, rather than episodic shocks. Various armed conflicts, particularly in Ukraine, Iran and their surrounding areas, continue to exacerbate economic and policy uncertainty and amplify exposure to sanctions, supply disruption and market volatility across energy and resources sectors.

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 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 on matters related to our business.
- We work through selected industry associations to influence how the industry is positioned.
- 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 FY26

Higher macro-economic volatility is being driven by geopolitical fragmentation, trade disruption, inflation persistence and financial market instability. These conditions are increasing pressure on capital allocation, forecasting reliability, counterparty stability and funding resilience, as policy-driven shocks and regionalised economic outcomes become more frequent and less predictable.

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. Capital allocation plans are adjusted according to market conditions.
- 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 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.
- We regularly review commodity prices and exchange rates, which inform our operational plans.

Learn more about our capital management framework on page 33 and 254.

SUSTAINABILITY

Sustainability continued

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.

Our business delivers minerals and metals critical for the energy transition and modern life, while supporting economic and social development. At the same time, our activities can result in adverse impacts. In pursuing our purpose and strategy, we seek to balance environmental, social and economic considerations, with the aim of reducing adverse impacts and creating enduring stakeholder value.

Our Sustainability Policy sets out our commitment to continuously improve performance, optimise our positive contributions and mitigate adverse impacts. This commitment underpins the five interconnected pillars of our sustainability approach. Our sustainability approach is further described in a series of 'Our Approach' documents, available on our website, which outline how we manage a range of sustainability-related matters.

Our Sustainability Policy and broader sustainability approach are shaped by global standards and industry frameworks, including the United Nations Sustainable Development Goals and the International Council on Mining and Metals (ICMM) Mining Principles, Performance Expectations and Position Statements.

Our approach and reporting are also informed by the Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD). We prepare our climate-related disclosures in accordance with the Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures, with further detail provided in the Addressing Climate Change section on page 77.

We are committed to transparently reporting our sustainability performance through clear, meaningful disclosures that build stakeholder trust and support continuous improvement. We support efforts to harmonise sustainability standards and frameworks, and enhance sustainability-related disclosures. In FY26, we continued to contribute to the consultation process for the Consolidated Mining Standard Initiative, which aims to unify four key responsible mining standards into a single framework.

Information on our material sustainability topics is disclosed across our 2026 Annual Reporting Suite and supplemented by topic-specific disclosures, policies and other information available on our website at *www.south32.net*.

Material topic disclosure locations

Sustainability Pillar	Our material topics	Our Approach document	Annual Report (Sustainability)	Tax reports[1]	Climate-related Methodology	Modern Slavery Statement	Databook and Index[2]
Protecting and respecting our people	Safety		●				●
	Wellbeing and psychosocial health		●				●
	Diversity, equity and inclusion	●	●				●
	Attraction and retention	●					●
Delivering value to society	Economic contribution	●	●	●			●
	Communities and social impact	●	●				●
	Indigenous engagement	●	●				●
	Cultural heritage	●	●				●
Operating ethically and responsibly	Human rights	●	●			●	●
	Business ethics and integrity		●	●			●
	Privacy, cybersecurity and AI		●				●
	Responsible value chain	●				●	●
	Closure and post-mining	●	●				●
	Sustainability governance and disclosure		●				●
Managing our environmental impact	Biodiversity and ecosystems	●	●				●
	Water use and stewardship	●	●				●
	Pollution and effluents		●				●
	Waste and tailings	●	●				●
	Circular economy						●
Addressing climate change	Climate resilience and adaptation		●		●		●
	Emissions, decarbonisation and transition risk		●		●		●

1. Includes our Tax Transparency and Payments to Governments Report 2026 and Tax Transparency Databook 2026.
2. Includes our Sustainability Databook 2026 and Sustainability Standards and Frameworks Index 2026.

Material sustainability topics

We conduct materiality assessments to identify sustainability topics that are material to our business and stakeholders. The outcomes inform our prioritisation of activities and how we identify, monitor and report on sustainability-related matters.

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). The assessment adopted a five-stage approach, including:

- desktop analysis, stakeholder engagement
- topic prioritisation
- validation with senior leaders
- finalisation with the Board's Sustainability Committee.

In FY26, we reviewed the continued relevance of these topics, focusing on impact materiality in line with GRI requirements. This review confirmed that there were no changes to our material sustainability topics. Although some topics are prioritised more highly than others for the purposes of reporting, we consider all identified topics to be material to our business.

As in previous years, material topics have been grouped into thematic sections in this report to provide a consistent and structured overview of our performance and progress.

Sustainability governance

Our Board represents our shareholders and promotes and protects the interests of South32. The Board oversees the management of material exposures to sustainability-related risks and opportunities, including climate-related risks and opportunities, as part of its oversight of the Group's strategy, risk management framework and significant capital allocation and investment decisions.

The skills and experience of Directors, individually and collectively, are assessed annually against those required to oversee the Group's strategy and risk profile, and are documented in our Board skills matrix. The results are used to inform Board composition, succession planning and priorities for the Board's continuing education program.

The Board skills matrix includes a range of sustainability-related capability areas, including health and safety, social performance, environment and climate change, as well as people and remuneration, and technology and innovation (including artificial intelligence). This includes an understanding of the nature- and climate-related risks and opportunities relevant to a global mining and metals company.

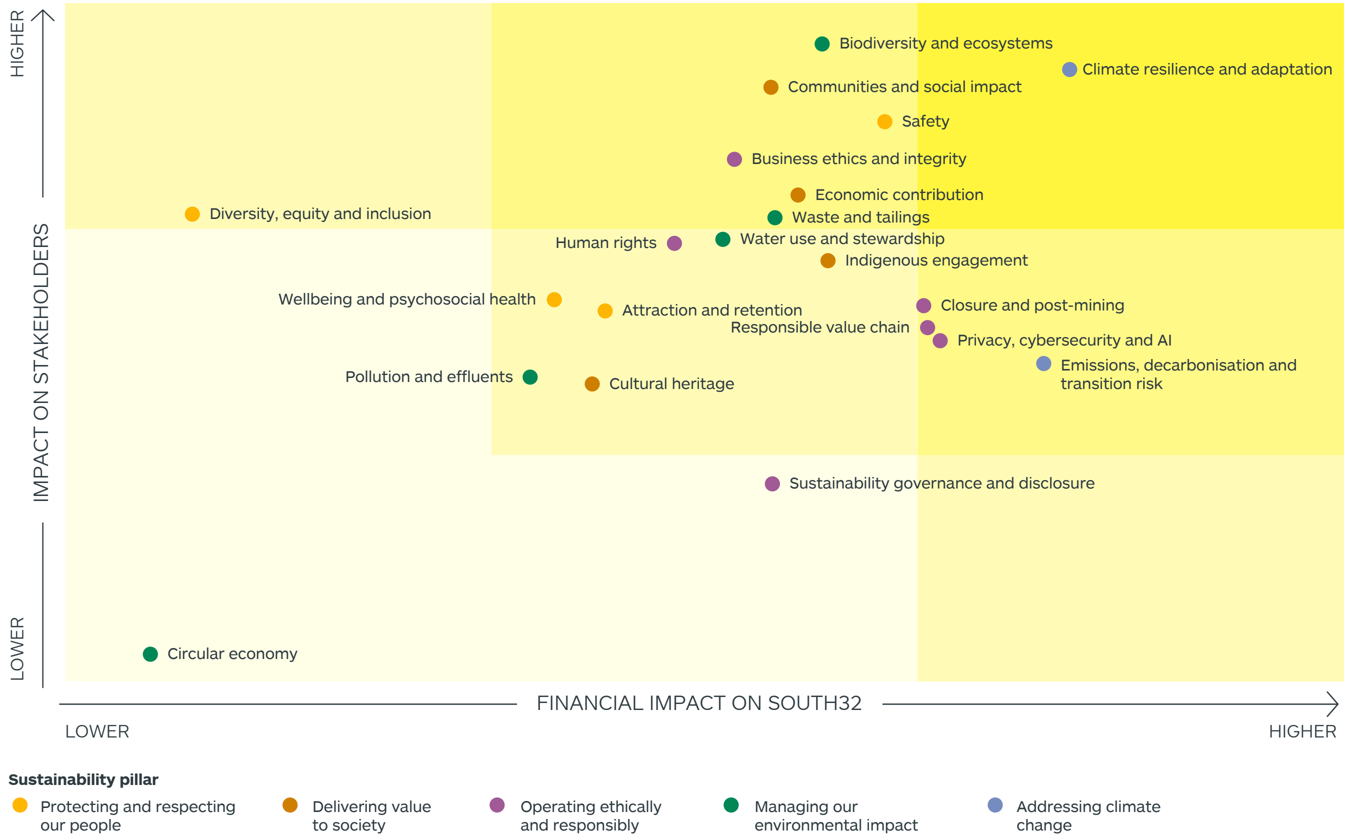
More information about our Directors and the Board's skills evaluation process is provided on pages 119 and 131.

Remuneration

Sustainability performance is embedded in our employee reward framework. In FY26, 35% of the performance metrics in our Business Scorecard, a key input into the determination of short-term incentives, were sustainability-related.

A portion, 20%, of the long-term incentive for the CEO and Lead Team is linked to our response to climate change and our portfolio transition towards commodities critical to the energy transition. Performance against these measures is assessed by the Board at the end of each four-year performance period.

Materiality assessment outcomes



Sustainability continued

Sustainability Committee

Oversees sustainability management, performance, assurance and reporting practices, including health and safety performance and the Group's resilience and response to climate-related risks and opportunities. The Committee endorses:

- material public sustainability commitments, including our FY35 emissions reduction target, and monitors performance against them
- our Climate Change Action Plan and monitors progress against the plan
- sustainability-related disclosures in the Annual Report, including climate-related disclosures
- the scope of external and internal sustainability assurance.

The Committee meets quarterly and receives regular updates on sustainability matters, including health and safety performance, climate change and environment-related matters, tailings management and social performance.

Risk and Audit Committee

Oversees corporate reporting, risk management and assurance practices. The Committee considers climate-related risks and opportunities as part of its financial reporting and risk oversight responsibilities, including:

- reviewing sustainability-related disclosures where they contain financial information or may affect the Group's financial reporting
- approving the scope of external and internal sustainability assurance
- considering advice from the Sustainability Committee on material exposures to sustainability-related risks and opportunities.

Remuneration Committee

Oversees remuneration policy and our employee remuneration and benefits framework, including endorsing to the Board:

- the annual Business Scorecard and associated outcomes, including sustainability and climate-related performance measures recommended by the Sustainability Committee
- remuneration outcomes for the CEO and approving outcomes for Lead Team members
- annual assessment outcomes for executive equity-based award performance conditions, including sustainability-related conditions.

Nomination and Governance Committee

Reviews Board composition, performance, succession planning and corporate governance practices. The Committee annually assesses whether the Board collectively has the skills and experience required to oversee material risks and opportunities, including climate-related risks and opportunities, informed by advice from the Sustainability Committee.

The Board's Committees operate in a coordinated manner to support oversight of climate-related matters. Climate-related risks and opportunities are escalated between Committees and the Board as appropriate to support alignment between sustainability performance, financial reporting and remuneration outcomes.

Chief Executive Officer and Lead Team

Day-to-day management of the Group is delegated to the CEO, who is responsible for developing and implementing the Group's strategy, annual plan and budget, and is accountable to the Board for performance within delegated authority. The CEO is supported by the Lead Team in executing the Group's strategy in alignment with our purpose, values, Code of Business Conduct and Board-approved risk appetite.

The CEO and Lead Team implement our Sustainability Policy and Climate Change Action Plan, maintain systems of internal controls and assurance to identify and manage sustainability-related risks and opportunities, and monitor performance against the Group's material public sustainability commitments, including our FY35 emissions reduction target. They are informed about climate-related matters through management processes, including regular reporting on GHG emissions, decarbonisation initiatives and risk management activities.

The CEO and Lead Team report to the Board, including through the Sustainability Committee and Risk and Audit Committee, on sustainability and climate-related matters. Management accountability for sustainability-related matters is supported through defined executive responsibilities. For example, the Chief Legal, External Affairs and Sustainability Officer (CLEASO) approves our internal environment and climate change, and social performance standards, and the Chief Technical and Operating Officer approves health and safety standards. These standards establish performance requirements across key sustainability-related areas and support management of sustainability-related risks and opportunities.

Climate Change Steering Committee (CCSC)

The CCSC is composed of Lead Team members (including the CLEASO). It supports the development and implementation of our Climate Change Action Plan and the integration of our climate change response into our strategy, governance and risk management processes.

The CCSC meets twice yearly and reviews six-monthly progress and performance reporting on GHG emissions, decarbonisation initiatives and risk management activities. CCSC members also receive half-yearly risk reports, which include information on climate-related risks.

Further detail on the roles and responsibilities of the Board and its Committees, including matters relating to sustainability and climate change oversight, is set out in the Board Charter and Committee Terms of Reference, available at www.south32.net.

Learn more about Board and Committee activities relating to sustainability, including climate change, on pages 127 and 139.

PROTECTING AND RESPECTING OUR PEOPLE

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

SAFETY AND HEALTH

We are deeply saddened by the death of Simon Mukwarami, a contractor who was fatally injured in March 2026 while he and his work crew were undertaking a plant maintenance activity at the Worsley Alumina refinery. The incident involved a fall from height. Our thoughts remain with Simon's family, friends and colleagues. Together with our contracting partner and a specialist third party, Miners' Promise, we have provided support to Simon's family. Support has also been made available to our workforce.

We are cooperating with authorities in relation to their investigations and activities. While Worsley Alumina has existing procedures, permits, risk assessments and controls for working at-heights hazards, including unprotected edges and voids, and management of change processes, we have taken steps to further enhance awareness of these as part of our cooperation with the authorities. This has included reviewing existing systems of work and risk management controls for fall from height hazards, and updating training, permitting processes and supporting policies and procedures.

We continue to look for opportunities to design tasks in a way that eliminates or reduces fall from height risks so far as practicable, and to ensure our existing systems, processes, procedures, permits, risk assessments and controls are suitable and effectively implemented.

In FY26, we were saddened to hear that a maintenance employee was fatally injured in an incident at the Alumar smelter in Brazil, a non-operated joint venture. Together with our joint venture partner, we supported the smelter's response, including its incident investigation and provision of assistance to family members and colleagues.

Fatality and serious injury elimination

Our approach to fatality and serious injury elimination focuses on proactively identifying and managing fatality and serious injury risks through:

- monitoring precursors to serious incidents, with a focus on hazards and events that have the potential to result in a fatality or serious injury; this helps us to identify, prioritise and manage critical risks
- identifying and defining risk energy sources (such as gravitational energy, electrical energy, vehicle energy and machine energy) and establishing critical controls to manage associated risks
- empowering our people to take action, including stopping work where there is an actual or potential threat to health and safety; our risk and event management system supports proactive hazard identification, reporting and follow-up
- investigating significant actual and potential events and hazards in line with our internal investigation protocol, enabling us to capture learnings and continuously strengthen controls.

A key aspect of our approach is our 'safety guarantee'. Before commencing work, we ask our people to reflect on whether they can guarantee their safety and that of their colleagues. If the answer is no, they are expected to stop, consider what needs to be done differently, and only proceed when the work can be performed safely.

FY26 performance and progress

We analyse a range of lagging and leading safety and risk performance indicators to identify trends and inform risk reduction activities. We also set health and safety KPIs in our annual Business Scorecard, as detailed on page 160.

Several lagging indicators improved in FY26, with LTIF and TRILF decreasing by approximately 30% and TRIF decreasing by 8% year-on-year. HPIIF remained at 0.2, reinforcing our focus on preventing serious harm. Leading indicators relating to the reporting of significant hazards and significant event near misses remained consistent with prior years, reflecting continued emphasis on identifying and reporting serious safety risks. While these indicators are encouraging, we recognise that fatalities and serious injuries remain a risk in our industry. We continue to focus on eliminating fatalities and serious injuries through embedding of our 'safety guarantee' and the ongoing strengthening of critical risk management practices.

Safety and health performance[3]

	FY26									
Performance metric	Australia Manganese	Cannington	Hermosa	Hillside Aluminium	Mozal Aluminium	South Africa Manganese	Worsley Alumina	FY26	FY25	FY24
Fatalities from health and safety incidents	0	0	0	0	0	0	1	**1**	1	0
Lost time injury frequency (LTIF)	2.9	3.0	1.0	0.0	0.3	0.6	1.6	**1.0**	1.4	2.0
Total recordable injury frequency (TRIF)	7.1	12.5	1.6	0.2	0.6	1.3	8.0	**3.4**	3.7	5.1
High-potential injury and illness frequency (HPIIF)	0.0	0.4	0.0	0.0	0.0	0.0	0.7	**0.2**	0.2	0.5
Total recordable illness frequency (TRILF)	0.7	3.0	0.0	0.2	0.0	0.0	2.0	**0.7**	1.0	1.3
Total significant hazards frequency (SHF)	—	—	—	—	—	—	—	**245**	196	122
Significant hazard to significant event near miss ratio	—	—	—	—	—	—	—	**77**	78	21

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. FY26 totals include assets not separately presented in this table, including operations divested during the year. Refer to our Sustainability Databook 2026 for more information on our reporting boundaries.

Sustainability continued

Driving continuous improvement

Our global Safety Improvement Program focuses on safety leadership and empowering our people to take ownership of their safety and that of others, improving critical control effectiveness, and enhancing systems and processes that support safe work.

A key component of the program is our LEAD Safely Every Day (LSED) training, which builds a common understanding of safety leadership. Following the initial rollout, implementation continued in FY26 across leaders, frontline employees and selected contractors, with delivery tailored to operational requirements.

During FY26, we progressed a range of initiatives through operation-specific safety improvement plans, with a focus on enhancing safety leadership, investigation capability and quality, and critical control management.

Safety leadership and empowerment

We continue to embed the concepts of our LSED program across our business through visible felt leadership, where leaders demonstrate care and commitment to safety through regular engagement in the field, and coached safety interactions, which provide real-time feedback and development to strengthen capability and reinforce safe behaviours.

We monitor this through Workplace Interaction Frequency (WPIF), which measures the frequency of leadership safety interactions in the field relative to hours worked, and Coached Interactions (CI%), which measures the proportion of workplace interactions assessed as coaching-focused to support learning, accountability and safer work practices. FY26 WPIF and CI% both exceeded annual Business Scorecard targets, reflecting our continued focus on visible leadership engagement in the field and improving the quality of safety conversations across our operations.

To promote shared learning and empowerment, our CEO Safety Guarantee Awards recognise individuals and teams who identify and implement safety improvement ideas that support our 'safety guarantee'. A safety champion is recognised each quarter, with an annual winner selected from the quarterly recipients. Learn about these initiatives on page 14 and at *www.south32.net*.

Investigation capability and quality

Recognising the importance of consistent, high-quality investigations in identifying systemic issues and preventing serious injuries and fatalities, we progressed several initiatives during FY26 to further strengthen investigation capability. This included real-time coaching and delivering in-person training to support improved investigation planning, facilitation and quality.

These initiatives were complemented by trials of an AI-enabled investigation tool and the introduction of a new internal standard for event reporting, management and investigation. Together, these initiatives support more consistent learning, clearer accountability, and improved identification and management of safety and health risks.

In FY27, we intend to continue embedding these initiatives across our business, supporting our ongoing focus on preventing serious injuries and fatalities in line with our 'safety guarantee'.

Enhancing critical control management

Critical controls are the key safeguards relied upon to prevent or mitigate potentially fatal and other high-consequence events. During FY26, we worked to align our internal critical control methodology with the Critical Control Management Good Practice Guide, published by ICMM in April 2026. Our updated methodology provides a more consistent approach to identifying, implementing and verifying these controls across our operations.

To support implementation, we have updated relevant internal standards to clarify performance requirements and introduced additional verification activities to strengthen assurance that critical controls are being implemented as intended. Together, these enhancements support a more structured and industry-aligned approach to managing safety risks across the Group.

Contractor management

Our internal contractor management standard outlines performance expectations across the full contractor lifecycle. During FY26, we continued to strengthen our contractor management approach, recognising the important role contractors play in supporting our operations, projects and exploration activities.

This included revising the standard to strengthen governance and risk management requirements across the contractor lifecycle and targeted implementation activities to embed the revised requirements. We also further integrated contractor management requirements within broader internal standards and processes, including training, risk management, safety and asset management, to support a more integrated approach to managing contractor-related risks.

During the year, we introduced additional internal metrics to monitor the involvement of supplier and contractor companies in significant safety events, significant hazards and workplace interactions. These metrics complement our existing contractor safety performance measures, helping to identify trends and strengthen contractor oversight.

CASE STUDY

Shaping safer workplaces through contractor insights

Contractors play a critical role in our business and understanding their experiences helps strengthen our safety management approach and outcomes. In FY26, we introduced a new confidential survey, available in multiple local languages, to better understand the perspectives of contractors working across our operations.

We received responses from over 2,000 participants, providing valuable insights into their awareness of our 'safety guarantee', perceptions of our safety management approach, confidence to speak up, and opportunities to improve safety performance.

Survey insights indicated strong alignment with our safety expectations, including a shared understanding of our 'safety guarantee' and confidence to speak up and stop unsafe work. They also highlighted opportunities to improve the consistency of how safety concerns are acknowledged, addressed and communicated.

In FY27, we will continue to focus on coaching-based leadership, visible leadership in the field and site-specific improvement initiatives informed by the survey findings. We also plan to repeat the survey periodically to monitor progress and support continuous improvement.

Light vehicles and mobile surface equipment

Light vehicles and mobile equipment (LVME) interaction remains a priority focus area, contributing to 25% of potential significant events in FY26. We completed implementation of our Mobile Equipment Collision Avoidance (MECA) program in FY26, with activities focused on embedding vehicle interaction risk management into our broader risk management processes and day-to-day activities.

This included:

- **Risk management integration:** aligning how vehicle-related risks are identified and managed within our Group risk management system, including mapping key risks and critical controls to the Earth Moving Equipment Safety Round Table framework, a recognised industry approach to vehicle interaction risk management.
- **Vehicle interaction maturity assessments:** using findings from ICMM's Vehicle Interaction Maturity Framework self-assessments completed in FY25 to identify opportunities to strengthen vehicle interaction controls, including physical segregation measures and technologies for fatigue monitoring and collision intervention. Assessment outcomes informed prioritised improvement actions across our operations.
- **Control enhancements:**
    - continuing the rollout of fatigue monitoring systems across our operations and select contractors to strengthen management of fatigue-related vehicle risks in shift-based operational environments
    - continuing implementation of collision-avoidance systems to support management of vehicle interaction risks in mixed-fleet environments
    - progressing light vehicle bypasses at high-risk intersections at Australia Manganese to reduce interactions between light and heavy vehicles and strengthen reliance on engineered controls.

Following completion of the MECA program, vehicle interaction risks will continue to be managed through our risk management processes, including implementation of critical controls.

Potential occupational exposures

Our activities present a range of potential occupational exposure and health risks, including airborne contaminants, hazardous substances and non-ionising radiation. We manage these risks by identifying key health hazards and setting Occupational Exposure Limits (OELs). OELs are informed by legislative requirements, independent expert guidance and scientific evidence, and are periodically reviewed.

We manage occupational exposure risks through a range of prevention, monitoring and response measures. These include ventilation and dust suppression systems, and respiratory protective equipment programs. Reactive controls include health surveillance, biological monitoring and investigation of exceedances to identify root causes and improve control effectiveness.

In FY26, revised OELs were implemented across our operations ahead of anticipated regulatory changes in Australia and South Africa. In FY27, we plan to identify and prioritise projects to further strengthen controls and support compliance with the revised OELs across our operations.

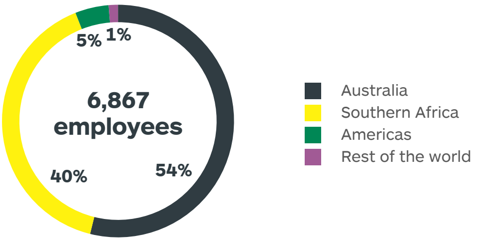
Find more information about our safety and health management approach at www.south32.net.

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[4]



Our culture

We use a range of mechanisms to assess and monitor culture. These include engagement with employees and a representative group of contractors through our Your Voice survey, and regular reporting to the Board and Lead Team on people and culture matters. This reporting includes Your Voice survey insights, workplace misconduct, attrition risk, and talent and succession management outcomes.

Our annual Your Voice survey is conducted confidentially and captures workforce perceptions across key workforce and culture dimensions. Results are reviewed against external global benchmarks and shared with line leaders to support meaningful team discussions and identify improvement opportunities.

While our 2026 Your Voice survey recorded a lower participation rate, favourable responses improved across the five dimensions assessed, including experiences relating to safety, engagement, inclusion, leadership and workplace conduct. These results will continue to inform our focus on building leadership capability and fostering safe and respectful workplaces for our people.

FY26 Your Voice survey results summary[5]

Response rate: 76% participation rate (FY25: 81%).
'Safety guarantee': 87% favourable response (FY25: 85%).
Leadership: 80% favourable response (FY25: 78%).
Employee engagement: 81% favourable response (FY25: 78%).
Employee experience: 81% favourable response (FY25: 78%).
Workplace misconduct intolerance / leadership response: 81% favourable response (FY25: 79%).

Inclusion and diversity

Our approach to inclusion and diversity is guided by our Inclusion and Diversity Policy. Each year, we develop a Group-wide Inclusion and Diversity Action Plan, approved by our CEO, to guide our efforts in building a more inclusive workplace.

Key activities delivered through our FY26 plan included:

- enhancing leadership capability through targeted development programs to support inclusive leadership and cultural outcomes
- maturing our inclusion and diversity approach through effectiveness testing, strengthening governance arrangements and supporting consistent implementation across our business
- continuing the implementation of our Group-wide psychosocial risk framework.

4. Includes direct employees at non-operated joint ventures.
5. FY25 results restated to exclude Cerro Matoso, which was divested 1 December 2025, and Mozal Aluminium, which was placed on care and maintenance in March 2026.

Sustainability continued

We assess our inclusion and diversity progress against a set of annual measurable objectives approved by our Board. A subset of these objectives is included in our Business Scorecard, detailed on page 160.

We met six of our seven FY26 measurable objectives, including objectives relating to women's representation in our workforce, leadership roles and on the Board, and local workforce diversity. We completed 100% of the actions in our FY26 Group Inclusion and Diversity Action Plan. Changes to Lead Team composition during the year resulted in women's representation falling below our objective at year-end.

We periodically review our compensation practices to support employee pay equity. Ratios of entry-level wages to living wages in locations where we operate and pay equity data is available in our Sustainability Databook 2026 at *www.south32.net*.

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 (including sexual harassment), discrimination and other disrespectful behaviours are psychosocial hazards inconsistent with our Code and are not tolerated. Inappropriate conduct is addressed through formal disciplinary processes.The Sustainability Committee receives regular reporting on reported workplace conduct concerns and trends, while material workplace conduct concerns are reported quarterly to the Business Conduct Committee and twice yearly to the Risk and Audit Committee.

Sexual harassment remains a focus area within our broader approach to workplace conduct. All reported events are investigated, and the Sustainability Committee is regularly informed of the number of reported events. Where legally permissible, case-level information is reported quarterly to the Business Conduct Committee and CEO, and twice-yearly to the Risk and Audit Committee.

Learn more about how we manage workplace and business conduct concerns on page 69.

Through our Your Voice employee survey we ask our people to share their experience of working at South32, including instances of bullying, discrimination, harassment, sexual harassment and aggression.

In FY26, there was a continued reduction in the proportion of respondents who reported experiencing workplace misconduct. Since the introduction of the Your Voice survey in 2022, employee experiences of workplace misconduct have declined, and reporting rates have increased. While these trends are encouraging, we recognise the importance of continuing to strengthen our management of psychosocial risks and workplace conduct, consistent with our 'safety guarantee'.

Psychosocial risk management

In FY26, we progressed the implementation of our psychosocial risk management framework which standardises how psychosocial risks are identified, assessed and managed across our business. Key actions included:

- deploying psychosocial risk management training for leaders to strengthen capability in identifying, assessing and managing psychosocial risks
- expanding our Workplace Behaviour discussion series to include a new aggression and violence module. This leader-led program reinforces our Speak Up Policy and explores topics including bullying, harassment, discrimination, aggression, sexual harassment and conflicts of interest
- completing psychosocial risk assessments across our global operations, building on the assessments completed at Australian operations in FY25
- launching a new psychosocial risk management procedure, including supporting tools and guidance material
- updating investigation and reporting procedures to strengthen consistency, transparency and accountability of material workplace conduct case management.

FY26 inclusion and diversity measurable objective performance

Measurable objective scope (%)	FY26 objective		FY26	FY25[6]
Women in our total workforce	Achieve at least 26.1%	■	**26.3**	25.6
Women on our Board	Maintain at least 40%	■	**50.0**	54.5
Women in our Lead Team[7]	Maintain at least 40%	□	**28.6**	50.0
Women in leadership roles[8]	Achieve at least 24.7%	■	**24.9**	24.2
Improve/maintain local workforce diversity	Achieve at least 2 of 3 targets	■	**2 of 3 achieved**	3 of 3 achieved
Black People in our South African workforce[9]	Year-on-year improvement		**90.3**	89.5
Black People in management roles in our South African workforce[10]	Achieve at least 60%		**56.5**	60.0
Aboriginal and Torres Strait Islander Peoples in our Australian workforce[11]	Achieve at least 2.25%		**3.09**	2.00
Inclusion Index Score	Achieve at least 80.2%	■	**82.8**	80.2
Group Inclusion and Diversity Action Plan	100% delivered	■	**100% delivered**	92% delivered

■ Measurable objective met □ Measurable objective not met

6. For comparability, FY25 outcomes have been restated to exclude Cerro Matoso (divested on 1 December 2025) and Mozal Aluminium (placed on care and maintenance on 15 March 2026). As previously reported (including both operations), women represented 23.1% of the total workforce and 23.6% of leadership roles, the Inclusion Index Score was 82.1%, and local workforce diversity performance was five of five targets achieved.
7. Lead Team at 30 June 2026 comprised of Graham Kerr, Matthew Daley, Sandy Sibenaler, Kelly O'Rourke, Erwin Schaufler, Noel Pillay and Simon Collins. Effective 3 August 2026, Lead Team comprises of Matthew Daley, Sandy Sibenaler, Kelly O'Rourke, Simon Collins and David Palmer with an outcome of 40%.
8. 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.
9. 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.
10. 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.
11. 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 seek to contribute to the social and economic development of the countries and communities where we operate through the taxes and royalties we pay, the employment and business opportunities we support, our social investments, and the value we generate for shareholders.

Economic value distributed to stakeholders in FY26 (US$ million)[12]

Country / Region	Total economic value distributed	Paid in operating costs (incl. to suppliers)	Paid in employee wages and benefits	Paid to Governments (incl. royalties)	Spent on social investments[13]	Paid to shareholders
Australia	**2,211**	1,562	423	222	4	–
Southern Africa	**2,112**	1,780	135	183	14	–
United States	**43**	29	10	3	1	–
Rest of the world	**2,207**	1,287	420	168	4	327
South32 total	**6,573**	**4,658**	**988**	**576**	**23**	**327**

COMMUNITY RELATIONSHIPS

Our Approach to Partnering with Communities outlines our commitment to building trusted and meaningful relationships with local communities.

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

Community relationships

Community engagement and research helps us to understand the actual and potential impacts of our activities, as well as community aspirations, interests, expectations and concerns. These insights inform our operation-specific stakeholder engagement and social performance plans, which are regularly updated to remain responsive to community needs and reflect the evolving context of each location.

During FY26, we continued work arising from social impact assessments completed at our South African operations in FY25. This included the use of findings to inform business planning at South Africa Manganese and enhance communication and engagement with stakeholders at Hillside Aluminium. We also continued our Local Voices program at Worsley Alumina, using regular pulse surveys to monitor community perceptions, with outcomes published on our website.

At Hermosa, we continued activities to support the development of a Community Protection and Benefits Agreement (CPBA), a framework intended to formalise commitments relating to community wellbeing, local economic participation and investment priorities. This included signing a Community Investment Agreement with local community and government stakeholders, providing funding for near-term community projects while the broader CPBA is developed.

Learn about stakeholder engagement during Mozal Aluminium's transition into care and maintenance on page 70.

Addressing stakeholder concerns

We maintain complaints and grievance mechanisms that are designed to be locally appropriate, culturally sensitive and aligned with the effectiveness criteria of the United Nations Guiding Principles on Business and Human Rights. In FY26, we received 192 community complaints through these mechanisms (FY25: 93), of which 92% have been resolved. The increase was primarily driven by complaints relating to dust and noise at Worsley Alumina, reflecting increased operational activity near residential areas, weather conditions influencing dust generation, together with increased awareness and utilisation of our community reporting channels. We continue to engage with affected communities and implement measures to address community concerns and reduce operational impacts, including those outlined in this report.

CASE STUDY

Building a community benefit model for sugilite

Sugilite is found sporadically, in limited quantities, within manganese ore at our Wessels mine at South Africa Manganese. While not actively mined, processed or sold as a product, its value in jewellery, ornamental and spiritual markets has contributed to theft and unauthorised trading, as well as broader social impacts within local communities.

In 2021, the regulator accepted a prospecting right application that overlaps with Wessels. The overlapping application remains subject to ongoing legal proceedings and contributed to uncertainty regarding access rights and heightened community tensions. In response, we worked to clarify legal rights, improve transparency with affected stakeholders and support the development of a sustainable community benefit model. Central to this was a broad engagement program reaching over 2,000 stakeholders through interviews, surveys and community meetings. Feedback informed the design of a proposed independent governance structure with joint South32 and community representation, underpinned by transparency and accountability.

Drawing on these outcomes, we are progressing a community-informed model to support community development initiatives through potential future proceeds from sugilite sales, and have established communication channels to support transparency and ongoing dialogue. Key actions progressed include plans for a non-profit entity with interim governance, regulatory approvals, and further exploration of sugilite processing.

FY26 community complaints by type

Complaint category	%
Noise	**45 %**
Dust	**31 %**
Business and employment opportunities	**6 %**
Stakeholder engagement	**5 %**
Other	**5 %**
Traffic and road use	**4 %**
Environment	**2 %**
Employee and contractor behaviour	**1 %**

12. Refer to the Sustainability Databook 2026 supporting footnotes and reporting boundaries. The sum of figures may vary due to rounding.
13. Our contributions to community programs comprise direct investment (including Enterprise Development), in-kind support and administrative costs.

Sustainability continued

Economic development and social investment

Economic development and social investment initiatives are shaped by local priorities and context, supporting economic and social outcomes in the regions where we operate. Our operations maintain plans that are regularly reviewed and updated to respond to evolving stakeholder priorities and interests.

We assess the impact of initiatives in these plans using an impact measurement framework that supports data collection and analysis of stakeholder and community outcomes. Insights from these assessments inform future decisions, enhance program design and support transparent reporting. Delivery of economic development plans is also linked to performance and reward through our Business Scorecard, detailed on page 160.

In FY26, we:

- sourced 23% of total procurement expenditure across our operations from local suppliers. We seek to source goods and services from local businesses and track performance against annual local procurement targets at each operation
- supported Aboriginal and Torres Strait Islander economic participation in Australia through procurement, employment and community investment under our Reconciliation Action Plan, including exceeding our FY26 procurement target with 3.1% of influenceable spend[14] directed to Aboriginal and Torres Strait Islander businesses. Learn more about our Reconciliation Action Plan performance on page 67
- invested US$13.8 million through our Enterprise and Supplier Development (ESD) program in South Africa, exceeding our statutory target of US$9.5 million. Our ESD program supports economic transformation through the development of small, medium and micro enterprises within and beyond our supply chain.

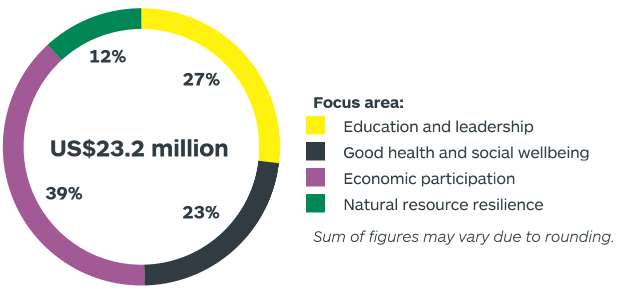
Local procurement and economic transformation

Measure	FY26	FY25	FY24
Local procurement (US$ million)	**969**	1,064	1,160
Proportion of local procurement spend (%)	**22.9**	23.4	26.1
Procurement from Aboriginal and Torres Strait Islander businesses (A$ million)	**32.3**	23.8	33.8
ESD spend (US$ million)	**13.8**	10.5	9.7

Social investment

Social investment comprises direct investment, in-kind support and administrative costs. Our FY26 social investment increased 5% year-on-year to US$23.2 million (FY25: US$22.2 million), distributed across four focus areas.

FY26 social investment by focus area



Sum of figures may vary due to rounding.

FY26 stakeholder priorities and social investment outcomes

We seek to tailor our social investment and economic development activities to locally identified stakeholder priorities.

Australia

Key stakeholder priorities

- **Social outcomes:** Education, youth engagement and wellbeing, particularly in Indigenous and regional communities.
- **Economic participation:** Barriers to participation, including workforce readiness, childcare and limited local services.
- **Culture and Country:** Indigenous partnerships, cultural heritage protection and access to Country.
- **Environment:** Environmental stewardship, rehabilitation and biodiversity, including long-term closure outcomes.

FY26 investment outputs and outcomes

- **29** Indigenous students received scholarships and **715** Indigenous people participated in education and employment programs.
- **625** small businesses were supported through business development programs and grants.
- **A$100,000** was invested as part of our five-year partnership with the Australian Research Council Training Centre for Advancing Archaeology in the Resources Sector.
- Programs through our funding of the Australian Wildlife Conservancy supported the conservation of **10** species.

Americas

Key stakeholder priorities

- **Employment and skills:** Local employment pathways, workforce readiness and skills development, including education and STEM pathways.
- **Economic participation:** Local business capacity and procurement readiness to support participation.
- **Infrastructure and services:** Pressure on local infrastructure and services due to project-related activities.
- **Tribal and environment stewardship:** Tribal engagement, environmental stewardship and impact mitigation.

FY26 investment outputs and outcomes

- More than **13,000** children were supported and over **100** adults gained technical certifications through education programs.
- **23** local vendors and **11** Tribal contractors were onboarded into our vendor readiness program at Hermosa.
- **US$80,000** was invested in community health transport services to improve access to healthcare.

Southern Africa

Key stakeholder priorities

- **Employment and inclusion:** Unemployment and post-school skills, particularly for youth and women.
- **Infrastructure and services:** Access to healthcare, potable water and transport, and education constraints.
- **Food security and livelihoods**: Risks linked to declining agricultural productivity, land degradation and water scarcity.
- **Community safety and wellbeing:** Social risks associated with crime, gender-based violence and broader community wellbeing.

FY26 investment outputs and outcomes

- **607** bursaries were provided, with 73% of these supporting women and girls in higher education.
- **US$1.6 million** was invested in bridges connecting communities and water infrastructure servicing more than 2,000 households.
- **US$370,000** was invested in food security and agricultural programs, benefiting more than 400 households.
- Delivered **50** road safety training sessions to community leaders, students and teachers, supporting safer roads in Mozambique.

14. Influenceable spend is external categories of spend where Aboriginal and Torres Strait Islander businesses participate in the local open market.

Indigenous, Traditional and Tribal Peoples

Our Approach documents relating to engagements with Indigenous, Traditional and Tribal Peoples, and Cultural Heritage, outline our approach to building strong partnerships that support preservation of cultural heritage and create opportunities through employment, procurement, social investment and training.

In FY26, we strengthened this approach through updates to our internal Social Performance Standard, improving alignment with the ICMM Indigenous Peoples and Mining Position Statement. Key enhancements included strengthened expectations for engagement with Indigenous, Traditional and Tribal Peoples on relevant matters, and guidance on culturally appropriate processes, including where agreement may not be reached.

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

Strengthening relationships and cultural heritage

We work to build trusted relationships with Indigenous, Traditional and Tribal Peoples through ongoing engagement, formal agreements and long-term partnerships, while supporting the preservation of cultural knowledge and cultural heritage. Key activities in FY26 included:

Worsley Alumina, Australia:

We continued to implement our Noongar Standard Heritage Agreement with the Gnaala Karla Booja Aboriginal Corporation (GKB), which provides a framework for Aboriginal heritage survey processes. Separately, we provided funding to support GKB's heritage resources and capability in its role as an Aboriginal Heritage Service Provider.

We also continued our partnership with the Leschenault Catchment Council's Danju – Jobs Together program, a community-led Aboriginal land management and employment initiative that supports rehabilitation activities at Worsley's bauxite mine, while building skills and employment pathways for Noongar participants.

Australia Manganese, Australia:

We continued our collaboration with the Anindilyakwa Land Council to engage in a culturally appropriate and inclusive manner with Traditional Owners, including on education, community development and our operations at Australia Manganese.

Through our social investment program, we continued a range of partnerships focused on supporting community priorities and long-term outcomes:

- **Employment and education pathways:** We continued to partner with the Polly Farmer Foundation and GEBIE Next Generation, supporting the delivery of education, mentoring and work readiness initiatives that aim to build skills and improve employment pathways for Anindilyakwa people
- **Community health and wellbeing:** We provided funding support for community-led health initiatives delivered by the MJD Foundation and Bush Fit Mob, including on-Country services and programs that promote physical health, wellbeing and culturally appropriate community engagement
- **Cultural preservation and connection to Country:** We continued our partnership with the Anindilyakwa Land and Sea Rangers program, which enables Traditional Owners to manage land and sea Country, maintain cultural practices and strengthen the transfer of cultural knowledge across generations.

Cannington, Australia:

We entered a five-year industry partnership with the Australian Research Council Training Centre for Advancing Archaeology in the Resources Sector. This partnership is focused on research, capability development and knowledge sharing to improve collaboration with Traditional Owners and the integration of heritage considerations into business decision-making.

Hermosa and Roosevelt projects, United States:

At Hermosa, we continued to engage with Native American Tribes to maintain ongoing dialogue on cultural interests, potential impacts and project development. During FY26, we hosted site visits to facilitate information sharing, relationship building and Tribal input on cultural heritage considerations. We also progressed consultation processes with Tribal stakeholders to support culturally appropriate management of cultural heritage.

At our Roosevelt early-stage exploration project in Alaska, we continued working with tribal communities to support local employment, workforce capability development and cultural preservation. This included prioritising local hiring, promoting culturally safe workplaces, delivering training and job fairs across tribal villages, and partnering with communities on social mapping and cultural heritage initiatives.

Supporting reconciliation in Australia

Our second Innovate Reconciliation Action Plan (RAP) concluded in June 2026, marking eight years since our first RAP was launched in 2018. Over this period, we focused on building relationships, supporting cultural heritage management, and advancing economic participation and social inclusion, establishing a strong foundation for ongoing integration of these practices across our business.

During FY26, we progressed several key objectives, including:

- **Procurement:** We work to identify opportunities that create meaningful and lasting change. In FY26, we launched a three-year Indigenous procurement strategy to increase the participation of Aboriginal and Torres Strait Islander businesses in our supply chain in Australia. 3.1% of FY26 influenceable spend[15] was with these businesses, exceeding our 2.7% target.
- **Employment:** We aspire to be an employer of choice for Aboriginal and Torres Strait Islander peoples by supporting a culturally inclusive work environment and growing representation across our workforce. In FY26, targeted employment, retention and pathway programs supported Aboriginal and Torres Strait Islander representation reaching 3.09% of our Australian workforce, exceeding our 2.25% target.
- **Partnerships:** We seek to build and maintain strong relationships in the communities where we operate. In FY26, we provided US$1.1 million in funding support across Australia through partnerships with Indigenous organisations and Traditional Owners for initiatives supporting cultural heritage management, education and community development.
- **Cultural capability:** We continue to support culturally aware workplaces. In FY26, we delivered cultural awareness training at Australia Manganese and Cannington, focused on strengthening understanding of Aboriginal and Torres Strait Islander history, culture and local engagement.

In FY27, we will continue to support reconciliation through our broader engagement and partnerships with Indigenous, Traditional and Tribal Peoples, building on the work undertaken to date.

15. Influenceable spend is external categories of spend in Australia where Aboriginal and Torres Strait Islander businesses participate in the local open market.

Sustainability continued

OPERATING ETHICALLY AND RESPONSIBLY

Our approach is grounded in high standards of integrity and accountability, and ethical and responsible business conduct.

HUMAN RIGHTS

Our Approach to Human Rights outlines our commitment to respecting human rights. It also describes how we identify, assess and manage human rights risks, and provide for or cooperate in remedy where impact occurs.

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

Identifying and managing human rights risk

We identify, assess and manage human rights risks consistent with the UN Guiding Principles on Business and Human Rights (UNGPs). Our salient human rights issues, identified through an externally facilitated assessment in FY24, remain unchanged and continue to inform our risk management and due diligence approach.

Human rights due diligence

In FY26, we continued to enhance our due diligence approach, further embedding it into our processes for identifying, assessing and managing human rights risks across our operations and value chain. Key activities included:

- improving alignment of our governance and business practices with the ICMM Indigenous Peoples Position Statement, strengthening expectations for engagement and respect for the rights of Indigenous, Traditional and Tribal Peoples
- continuing to strengthen our approach to operating in, or sourcing from, conflict-affected and high-risk areas (CAHRAs), including enhancing our risk assessment and management processes in alignment with OECD guidance
- conducting operation- and Group-level gap assessments against the Voluntary Principles on Security and Human Rights at selected operations. The assessments confirmed that robust internal governance arrangements and expectations are in place, while identifying opportunities to strengthen implementation consistency across operations. The findings are informing improvement actions and implementation priorities
- completing Human Rights Risk Self-Assessments at operations to evaluate human rights risks, existing controls and relevant changes in operational or local context. Priority issue areas identified in FY26 are detailed in our Sustainability Databook 2026 at *www.south32.net*
- assessing remuneration against living wage benchmarks in the jurisdictions in which we operate to inform remuneration decisions and the provision of a living wage for our employees.

Modern slavery risk

In FY26, we continued our efforts to identify, assess and address modern slavery risks across our operations, supply chains and business relationships. Our Modern Slavery Statement 2026 provides further information on our approach and actions.

Find our Modern Slavery Statement 2026 at www.south32.net.

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 human rights due diligence approach

We apply risk-based due diligence across our operations and value chain to:

Identify and assess risks and potential impacts

Address impacts (prevent, mitigate and remediate)

Monitor effectiveness

Report on outcomes and progress

Supporting controls and enablers

Standards and governance
Policies, standards and oversight by Board and leadership

Assessments and due diligence
Risk-based assessments and due diligence across operations, suppliers and customers

Access to remedy
Accessible and safe complaint and grievance mechanisms

Stakeholder engagement
Workforce training, industry and civil engagement

ETHICS AND BUSINESS INTEGRITY

Our Code of 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 how reports are managed. We do not tolerate any form of retaliation against anyone who raises a concern or cooperates in an internal investigation.

Concerns can be reported, including anonymously, via our independently operated EthicsPoint hotline. Reports are initially assessed by our Business Integrity team and allocated based on their nature, urgency and severity. Oversight is provided by our Business Conduct Committee, which meets quarterly, and our Risk and Audit Committee, which receives twice-yearly reporting on material matters. These matters are reported to the Board as appropriate.

Training on our Code is mandatory for all new employees and select contractors, with regular refresher training provided.

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 establish mandatory controls to manage legal and reputational risks, with a focus on higher-risk activities such as third-party due diligence and transactional oversight.

Our ABC program includes:

- risk assessments, monitoring and testing of internal control effectiveness
- mandatory training for employees identified as having a higher risk of exposure to bribery and corruption, completed on joining South32 and supported by regular refresher training
- targeted additional training and awareness sessions led by our Business Integrity team
- pre-approval for gifts, entertainment and hospitality above modest value, social investments and sponsorships, attendance at paid political activities, and other transfers of value to a government official.

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

CYBERSECURITY AND AI

Key elements of our approach to managing cybersecurity risk include:

- monitoring critical cybersecurity control effectiveness and conducting annual independent reviews of our cybersecurity risk management system and information security controls
- mandatory cybersecurity awareness training for employees and select contractors
- managing third-party cyber risk through a dedicated reporting platform and contractual requirements addressing cybersecurity and privacy obligations
- reporting cybersecurity risk monthly to our Lead Team and Board and twice yearly to the Risk and Audit Committee.

Material breaches are managed under our internal cyber incident response plan. No significant cybersecurity breaches occurred within our technology environment or via third parties during FY26.

In FY26, we progressed our cybersecurity strategy through testing response plans and enhancing data security, insider risk[16] and identity security controls. In FY27, we plan to enhance cyber resilience through continued improvements in third-party risk management and broader data security measures, aligned with evolving regulatory requirements.

Artificial intelligence (AI)

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

- **Safety:** Supporting safety risk management through insights from past events and investigations
- **Value generation:** Improving production throughput, yields and blending, while delivering sustainability co-benefits such as reduced energy and water use
- **Exploration:** Enhancing the speed and efficiency of exploration and orebody insights
- **Productivity enablers:** Leveraging AI to improve efficiency through faster, more accessible insights and information.

We take a risk-based approach to AI, with governance and internal controls designed to support its safe and ethical development and use. Building on our FY25 assessment of alignment with national and international responsible AI frameworks[17], during FY26 we progressed alignment with these standards and developed a cybersecurity strategy for AI to support its secure and responsible use across our business.

Our Approach to Value Chain Management

Our Approach to Value Chain Management outlines how we identify, assess and manage sustainability-related risks across our suppliers, contractors, customers and maritime transport activities through engagement, due diligence and risk management processes.

Find Our Approach to Value Chain Management at www.south32.net.

16. Insider risk refers to risks arising from the actions of authorised users, including accidental, negligent or malicious misuse of systems, data or information.
17. 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).

Sustainability continued

CLOSURE

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

Find Our Approach to Closure at www.south32.net and learn more about our closure provisioning on page 208.

Closure planning

Closure planning is a priority from early stages of project development and throughout an operation's lifecycle. We maintain closure plans for all operations and projects under our operational control. Where relevant, this includes long-life or indefinite assets, such as ports and supporting infrastructure.

Closure plans incorporate progressive rehabilitation to reduce impacts of land disturbance from our activities and support the eventual relinquishment of landholdings, with the approach tailored to the characteristics and context of each operation or project.

Closure planning for our operations is undertaken in line with our internal closure standard and refined over time as mine life assumptions and technical understanding evolve. These updates are informed by operational insights and, where relevant, engagement with stakeholders, including Indigenous, Traditional and Tribal Peoples and regulators, and may incorporate independent third-party input.

In FY26, we continued to progress closure readiness and alignment with industry good practice, including by conducting closure maturity assessments at selected operations using the ICMM Closure Maturity Framework. These assessments involved workshops to evaluate the maturity of progressive rehabilitation and closure planning practices, identifying opportunities to further strengthen closure planning and support continuous improvement across our operations.

At Australia Manganese, we progressed closure planning and stakeholder engagement during FY26. This included completing the first stage of the closure pre-feasibility study, evaluating post-mining landform options to inform closure design and stakeholder engagement, and engaging with the Anindilyakwa Land Council, the statutory representative body for the Traditional Owners of the Groote Archipelago, with a focus on long-term land use and rehabilitation.

Learn about Cannington's mine life extension on page 16.

CASE STUDY

Supporting our people and the community through transition at Mozal Aluminium

In March 2026, Mozal Aluminium was placed into care and maintenance after the operation was unsuccessful in securing a sufficient and affordable long-term electricity supply, despite extensive engagement with key stakeholders. While this was not the outcome we had sought, we are proud of Mozal Aluminium's significant contribution to the Mozambique community and economy over its 25 years of operation.

Key measures implemented to mitigate potential social and human rights impacts included:

- engaging with our workforce, their representatives and communities to understand potential impacts
- providing redundancy entitlements, financial transition support, counselling and wellbeing services, and financial literacy training
- continuing select education, skills and local enterprise initiatives in line with existing commitments
- maintaining accessible grievance and feedback mechanisms.

Closure planning progressed throughout FY26 to support the safe suspension of operational activities, with a focus on workforce welfare. Planning will continue during the care and maintenance period, as we assess potential future pathways for the operation.

MANAGING OUR ENVIRONMENTAL IMPACT

We recognise the importance of responsibly managing our environmental impacts across the lands and waters where we operate.

NATURE

Our mining, processing, refining and smelting activities interact with the natural environment through land and water use, waste generation and emissions. At the same time, we depend on environmental assets and ecosystem services, including water availability, soil stability, climate regulation and biodiversity, to sustain our operations and support long-term value creation.

These interactions create both impacts and dependencies, giving rise to nature-related risks and opportunities. Understanding and managing these effectively supports operational resilience, stakeholder trust, regulatory compliance and continued access to resources.

Strengthening our understanding

Since FY23, we have been deepening our understanding of nature-related impacts and dependencies through:

- participating in Taskforce on Nature-related Financial Disclosures (TNFD) studies and applying the TNFD LEAP (Locate, Evaluate, Assess and Prepare) approach
- developing internal guidance to support the assessment and calculation of biodiversity values
- working with external experts to assess nature-related impacts and dependencies, as disclosed in our 2025 Annual Report on page 45.

Building on this work, in FY26 we:

- analysed ecological sensitivities within and near our operations and development projects
- assessed the nature-related risks and opportunities most relevant to our operations and operating context, drawing on our understanding of nature-related impacts and dependencies, strategic and operational risk registers, evolving external frameworks, and internal expertise across nature, climate and risk management disciplines.

The outputs of and insights from this work are summarised in the following tables.

Ecological sensitivities in proximity to our assets

The table below summarises ecological sensitivities identified within or near our operations and development projects. Australia Manganese, Worsley Alumina and Hermosa have the highest potential impacts due to their proximity to areas of biodiversity importance, high ecosystem integrity and high physical water risk. Further information is available in our Sustainability Databook 2026.

	Located in or near areas of		
	Biodiversity importance	High ecosystem integrity	High physical water risk
Australia Manganese	✓	✓	✓
Worsley Alumina	✓	✓	✓
Hermosa	✓	✓	✓
Cannington	✓	–	✓
Hillside Aluminium	✓	–	✓
South Africa Manganese	✓	–	✓

Biodiversity importance: operations located in or near areas recognised for their significant biodiversity values, including Protected Areas and Key Biodiversity Areas, or where species classified as Critically Endangered, Endangered or Vulnerable on the IUCN Red List have the potential to occur within a specified buffer zone.

High ecosystem integrity: areas with largely intact ecosystems that support biodiversity and ecosystem services.

High physical water risk: areas exposed to water-related challenges, including water scarcity, flooding and poor water quality.

Climate-nature nexus

Climate and nature are closely interconnected. Changes in climate can affect biodiversity, water resources and ecosystem functioning, while the condition of ecosystems can influence resilience to physical climate impacts and support adaptation outcomes. These interconnections were considered in our assessment of climate- and nature-related risks and opportunities.

Find our climate-related risks and opportunities on page 90.

Nature-related risks and opportunities

Nature-related risks and opportunities currently assessed as most relevant to our business are summarised in the table below.

Nature-related risks and opportunities	Type	Time horizon
Resource efficiency and innovation: Smart design principles and technological and process innovations may reduce operational footprints, create value from waste streams, improve resource efficiency, and strengthen rehabilitation and closure outcomes.	Opportunity	Medium and long-term
Biodiversity and ecosystem impacts: Biodiversity impacts, including habitat disturbance and invasive species, together with evolving stakeholder and regulatory expectations regarding biodiversity protection and nature recovery, may increase operational complexity, remediation and closure costs, constrain access to resources, and adversely affect relationships with communities and regulators.	Risk	Short, medium and long-term
Water security: Changes in water availability or quality arising from operational, cumulative and climatic impacts may increase costs, disrupt operations, and adversely affect ecosystems and other water users.	Risk	Short, medium and long-term
Environmental contamination and air emissions: Pollution impacts arising from contamination, air emissions, noise, vibration and dust may adversely affect ecosystems and communities, resulting in increased costs, operational disruption and more stringent regulatory requirements.	Risk	Short, medium and long-term

Sustainability continued

BIODIVERSITY

Our Approach to Biodiversity outlines how we address impacts to biodiversity and ecosystem services. Aligned with ICMM's Nature Position Statement, which reflects a shared ambition among members to contribute to a nature positive future, we aim to achieve no net loss or net gain of biodiversity by the completion of closure[18].

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

Land stewardship

We own, lease and manage more than 550,000 hectares of land, including operational areas, areas undergoing rehabilitation and land managed for conservation and other strategic purposes. Approximately 97% of this land remains undisturbed by our activities. This includes 4,684ha managed for conservation at Worsley Alumina. Of the 3% (17,741ha) of land disturbed by our activities, 38% (6,745ha) is currently under active rehabilitation.

The extent of progressive rehabilitation varies by operation, reflecting mining methods and site context. At Worsley Alumina and Australia Manganese, shallow mining methods allow for controlled removal of topsoil, ore extraction and revegetation after mining, with over half of land disturbed at Worsley and 31% at Australia Manganese under rehabilitation. Opportunities for progressive rehabilitation are more limited at operations with stable surface footprints, predominantly underground mining methods or smelting operations, including South Africa Manganese's Mamatwan and Wessels mines, Cannington and Hillside Aluminium. At Hermosa, rehabilitation and closure objectives are integrated into project planning and permitting. As a future underground operation under development, opportunities for progressive rehabilitation are limited.

Progressive rehabilitation is embedded in life-of-operation planning. Rehabilitation activities typically begin once mining is complete and include backfilling, landform recontouring, re-spreading overburden and topsoil – often sourced from adjacent new mining areas – followed by revegetation with local native species. Scientific monitoring programs are implemented, based on agreed and licence-defined success and completion criteria.

Land not required for operational purposes creates opportunities to support land stewardship. During the year we developed an integrated land management plan for Cowie Station, a 94,000ha pastoral property near Cannington with significant cultural heritage and biodiversity values. The plan establishes an adaptive, multi-use management framework to conserve these values alongside pastoral activities, while informing closure planning and maintaining flexibility for future land use and tenure outcomes. Priority actions are now being progressed in collaboration with Traditional Owners and other stakeholders.

Learn about how we are managing environmental impacts at Hermosa at www.south32.net.

Managing biodiversity risks and impacts

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

At Worsley Alumina, we continued ecological restoration and environmental stewardship activities across landholdings and biodiversity offset properties to support habitat recovery, long-term biodiversity outcomes and compliance with environmental approvals. During FY26, we:

- completed baseline flora, fauna and soil mapping across 900ha to inform restoration planning, and continued restoration activities, including weed control and feral animal management
- planted approximately 3.5ha of organic canola to provide a food source for black cockatoos while native vegetation establishes, and installed artificial cockatoo breeding hollows and other habitat structures to support species return
- identified an additional population of the Cossack orchid, a threatened species, and implemented protective management measures, including disturbance buffer zones and ongoing monitoring, to support conservation within operational areas.

At Australia Manganese, we:

- commenced a rehabilitation uplift program to support habitat restoration and species return through native seed germination trials and installation of habitat features
- progressed development of a feral cat management plan to reduce invasive predator impacts and help protect threatened and native species, with implementation planned from FY27
- finalised our no net loss/net gain plan for the Eastern Leases, assessing biodiversity impacts and identifying measures to achieve no net loss or a net gain by completion of closure, informing future biodiversity management activities.

Local and regional partnerships

We continue to contribute to biodiversity conservation outcomes through local and regional partnerships, including:

- co-funding PhD-led environmental DNA research at Worsley Alumina, in partnership with Curtin University, to improve detection and understanding of species presence within rehabilitation areas
- partnering with the Western Australian Department of Biodiversity, Conservation and Attractions to assess fauna presence and abundance in forested areas near Worsley Alumina affected by harvesting, controlled burns and feral animal management programs, improving understanding of feral species control effectiveness and fire impacts on fauna
- supporting the Australian Wildlife Conservancy's Mt Gibson Wildlife Sanctuary, contributing to species monitoring, feral animal control and mammal reintroductions. In FY26, we expanded the partnership to support species protection in the Northern Territory.

Landholdings composition (hectares)	FY26 total[19]	Australia Manganese	Cannington	Worsley Alumina	Hillside Aluminium	South Africa Manganese	Hermosa
Total landholdings (owned/leased/managed)	**550,167**	13,215	121,692	387,009	158	3,322	24,421
% of total landholdings disturbed by our activities	**3 %**	46 %	1 %	2 %	100 %	28 %	0.4 %
Total landholdings disturbed by our activities	**17,741**	6,082	820	9,372	158	917	106
% classified as disturbed	**62 %**	69 %	100 %	49 %	100 %	93 %	98 %
% under progressive rehabilitation	**38 %**	31 %	– %	51 %	– %	7 %	2 %

18. Measured against a pre-operation or pre-expansion baseline for new operations and significant expansions, and against a 2020 or earlier baseline for existing operations.
19. FY26 total disturbed landholdings includes Mozal Aluminium which is in care and maintenance (215ha), and Bayside Aluminium smelter which has been closed (135ha).

WATER

Our operational water sources include groundwater, surface water, seawater and third-party supply. Where operationally feasible, water is recovered, reused and recycled to support efficient water use. Water not consumed in processes, retained in product or entrained in waste is discharged to the environment or supplied to third parties in line with regulatory requirements.

Water volumes across our operations reflect differences in climate, operational context and water source availability. We monitor inflows, uses, losses and outflows to support effective water management and report our operational water account in alignment with the Minerals Council of Australia's Water Accounting Framework.

Our approach to managing water resources and addressing water-related risks and opportunities is outlined in Our Approach to Water.

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

Our FY26 operational water account

FY26 total water withdrawals increased by 19% compared with FY25, primarily due to increased dewatering activities at Australia Manganese, where elevated site water levels and ongoing groundwater inflows continued to challenge water management capacity and operational continuity. Third-party water withdrawals also increased to meet higher demand at Worsley Alumina. Water consumption increased by 4%, largely due to higher entrainment losses to waste following the resumption of mining activities at Australia Manganese in May 2025. Despite these changes, operational water efficiency continued to improve, with 84% of water used in our operations reused or recycled within our reporting boundary.

WATER INPUTS/WITHDRAWAL (ML)

116,939

↑ 19% from FY25

Withdrawal source	ML
Groundwater	**75,773**
Surface water	**36,514**
Third-party water	**4,652**
Seawater	**0**

- **79%** of water withdrawn is classified as freshwater
- **3%** of water withdrawn is from areas exposed to baseline water stress

WATER TO TASKS (ML)

243,874

↓ 13% from FY25

OPERATIONAL WATER EFFICIENCY

84%

↑ 1% from FY25

REUSED/RECYCLED WATER (ML)

206,058

↓ 12% from FY25

WATER OUTPUTS/DISCHARGE (ML)

82,197

↑ 4% from FY25

Discharge destination and water consumption	ML
Groundwater	**515**
Surface water	**6,486**
Third-party water	**271**
Seawater	**314**
Consumption	**74,611**

- **51%** consumed through entrainment in waste and product
- **32%** 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.

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

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.

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

Water outputs/discharge: Water released from the operational water system through discharge to the environment, supply to third parties, or other outputs, including water consumed in operations (e.g. evaporation, entrainment in product, waste or other losses).

Find more water-related data in our Sustainability Databook 2026 at www.south32.net.

Managing water-related risks

Water-related risks, including variable or excess water supply and changes in water quality from operational, cumulative and climatic impacts, can increase costs, disrupt operations, and adversely affect ecosystems and other catchment users. We manage these risks through water risk and opportunity screening across our operations and projects to identify exposures and inform water management.

Material water risks are captured in our risk management system and managed through site-specific controls, informed by the mitigation hierarchy adapted to water (avoid, minimise, reuse, recycle, discharge and offset), operational water needs, local catchment conditions, community needs and interactions with natural ecosystems.

We implement site-specific projects and initiatives, tailored to local water conditions and challenges. These include dewatering programs at operations with high precipitation and groundwater inflows, such as Australia Manganese, and water management activities at Hermosa and Cannington to manage excess water and maintain safe, efficient site access.

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

Sustainability continued

FY26 water-related projects and initiatives

In FY26, we continued the rollout of site water management and water balance improvements, with a particular focus on operations subject to highly variable water conditions, including Australia Manganese and Cannington. This work focused on improving how water is planned, managed and monitored across the life of our operations, including through greater integration of mine planning, dewatering, water reuse and recycling and excess water management, to support decision-making, operational resilience and regulatory compliance.

Other key activities progressed during the year included the installation of infrastructure to treat non-potable municipal water at Hillside Aluminium, eliminating operational use of potable water and increasing water availability for domestic use.

At Hermosa, we progressed groundwater monitoring activities, including enhancements to an on-site water treatment plant to improve treatment of contaminants in groundwater discharged through dewatering. We also continued our well protection program at Hermosa to monitor potential impacts associated with groundwater management activities.

Learn more about Hermosa's water management at www.south32.net.

Water-related objectives

In FY22, we established a Water Efficiency Target (WET) as one of three KPIs under our Sustainability-Linked Loan. Following a review of historical water accounting methodologies and related data restatements in FY25, it has been agreed with the lenders that the WET will not be assessed in FY26 and FY27 while we continue to strengthen water data governance and reporting processes. The other two KPIs, relating to GHG emissions reduction and energy efficiency, continue to be assessed.

Since establishing the WET, our portfolio and water-related risk profile have evolved, and our approach to water management has continued to develop, with an increased focus on operation-specific water-related risks and opportunities. Consistent with this approach, we set context-specific objectives at operations where material water-related risks have been identified.

Contextual water targets

South Africa Manganese

Risk: Growing water scarcity, increasing competition for water resources and ageing regional distribution infrastructure present water supply risks 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 FY26, we completed a community water access project in the Joe Morolong Municipality, Northern Cape, South Africa, including the installation of solar-powered pumping infrastructure and the refurbishment of community boreholes to improve access to safe, reliable water for local residents.

Water quality assessments and borehole performance testing undertaken during implementation confirmed the suitability of the water supply and supported improvements in borehole performance. The project was delivered in consultation with community representatives and local stakeholders, supporting the municipality's broader water access objectives.

We will continue to engage with stakeholders to support the long-term sustainability of the project

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 FY26, we progressed activities to support near-term water security and long-term operational resilience in the context of increasing climate variability.

We completed a review of water supply options and identified a preferred solution to optimise existing third-party supply arrangements and improve supply reliability and security. Engagement and negotiations with relevant stakeholders are underway and expected to continue into FY27. We also commenced a long-term water security study to assess future supply options and align near-term actions with our broader water security objectives.

Australia Manganese

Risk: Water management requirements exceed the capacity and/or quality limits of the receiving environment, dewatering system or operational water uses.

Objective: Maintain effective management of water volumes and quality from all sources to support operational continuity and avoid adverse impacts to the environment and communities.

Update: Water management remained a focus for the operation in FY26 as elevated site water levels, resulting from ongoing groundwater inflows and wet season rainfall, continued to challenge water management capacity and operational continuity. Activities focused on maintaining water management capacity to support delivery of the mine plan, while managing the environmental impacts associated with dewatering and excess water management.

Key activities included strengthening water management governance and controls, progressing short-, medium- and long-term initiatives to manage increasing water volumes, and improving water management planning and oversight. This included:

- securing temporary authorisation to transfer water from the Eastern Leases to the Western Leases to reduce the risk of overtopping and associated environmental impacts
- commencing riverine discharge with regulatory approval and stakeholder agreement to provide an additional pathway for managing excess mine water
- progressing an excess water disposal project to develop long-term infrastructure for discharging excess water to the ocean, manage groundwater inflows and support future operational resilience.

Despite these measures, risk exposure remains high due to the significant volumes of water retained in storage, ongoing groundwater inflows, and constraints on dewatering, storage and discharge capacity during extreme weather events. Maintaining operational continuity continues to require ongoing stabilisation, dewatering, water storage optimisation, monitoring, forecasting and discharge management activities.

In FY27, Australia Manganese will continue to progress initiatives to strengthen its water management and operational resilience, including enhanced water modelling, monitoring and forecasting, improved weather and flood surveillance, updated wet weather response procedures, and trigger-based action plans to support earlier and more effective operational decision-making.

POLLUTION

Our activities generate non-greenhouse gas (GHG) air emissions and waste streams that may affect air and water quality, ecosystems, and human health if not effectively managed.

Air emissions

We adhere to applicable regulatory requirements for assessing ambient air quality and draw on industry guidance, including through our membership of the ICMM, to support effective air emissions management.

We identify air emission sources and assess potential impacts using the Source-Pathway-Receptor method, which considers how emissions are generated, how they may travel through the environment, and who or what could be affected. This supports a focus on the most material air emissions and their potential impacts, including manganese dust and fluoride emissions.

We maintain an internal cross-functional working group, led by our Health and Hygiene team, to guide our approach to mitigating community health risks associated with air emissions. This group assesses health risks, sets exposure limits based on legislation, research and industry practices, and monitors ongoing developments, supporting continuous improvement of our management approach.

Monitoring and mitigation

We monitor air quality to identify and, where appropriate, mitigate potential community health impacts associated with our operations and, where relevant, the transportation of our products. Our air quality monitoring programs include both real-time and compliance monitoring. For example, at Australia Manganese E-Samplers are installed along the peripheries of nearby communities to enable continuous ambient air quality monitoring and real-time responses should a particulate matter exceedance be triggered. High-volume air samplers are also used to monitor fugitive dust. Where exceedances are identified, we investigate root causes and implement corrective actions.

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

Our operations implement a hierarchy of controls that supports compliance with internal and regulatory requirements. Depending on the activity and location, controls may include dust and air quality training, air pollution control systems, dust suppression techniques, enclosed material handling, and progressive rehabilitation and blast management.

We engage with communities to inform our management approach and to understand whether controls are being effectively applied.

Waste management

Most of the waste we generate arises from tailings and processing activities. Additional waste streams include waste rock, process water and other by-products that can contain hazardous substances or exhibit potentially harmful physical properties.

Key aspects of our approach to waste management include:

- **Waste identification and tracking:** Operations maintain waste registers that record the types, volumes and characteristics of waste generated and disposed of. Disposal is undertaken at approved facilities in line with operational procedures and applicable regulations.
- **Risk management:** We assess risks associated with the handling, storage, transport and disposal of waste and implement controls to manage those risks.
- **Regulatory compliance:** Operations implement processes to support compliance with applicable regulatory requirements and internal standards.

Contamination

We manage contamination risks associated with tailings, process water, spills, leaks and the mobilisation of contaminants, including per- and polyfluoroalkyl substances (PFAS) and acid rock drainage. We assess contamination risks and potential impacts using the Source-Pathway-Receptor method, and operations with identified contamination risks maintain registers to support monitoring and management activities.

Each operation applies a risk-based approach tailored to its geological and environmental context, supported by controls such as water management infrastructure, dry-stack tailings storage facilities, water treatment solutions, and site-specific monitoring and management plans where required.

We continue to monitor evolving regulatory requirements and support our operations to implement controls and management plans aligned with applicable laws and environmental standards.

FY26 performance and progress

Initiatives progressed in FY26 included:

- conducting an independent review of the air quality monitoring program at South Africa Manganese, which identified opportunities for continuous improvement in sampling methodologies, equipment and monitoring locations, with implementation activities planned from FY27
- baseline air quality and meteorological monitoring at Hermosa and launching a publicly accessible dashboard, providing access to independently analysed data on airborne particulates and metals, alongside real-time weather information
- an independent health impact assessment at Hermosa, undertaken in partnership with the University of Arizona, to establish baseline community health conditions and inform health management and mitigation measures
- progressing remediation and rehabilitation activities at Hillside Aluminium to support the long-term management of legacy waste and contamination risks
- continuing assessments of the potential presence of PFAS across our operations, including the phased removal of PFAS-based fire suppressants
- completing a battery electric vehicle (BEV) trial at Cannington, demonstrating the potential to reduce diesel particulate matter and associated GHG emissions from underground mining activities. Learnings from the trial have informed industry guidance and will support development of future BEV capability at Hermosa.

Sustainability continued

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.

Find Our Approach to Tailings Management at www.south32.net.

Tailings management

The Global Industry Standard on Tailings Management (GISTM) aims to strengthen industry management practices by integrating social, environmental, local economic and technical considerations throughout a facility's lifecycle. We maintain alignment with the GISTM for all Tailings Storage Facilities (TSFs) that we operate. Relevant public disclosures are available on our website at *www.south32.net*.

FY26 activities and progress

During FY26, we progressed several activities to further strengthen our approach to tailings management, including:

- conducting internal audits of TSFs and water dams at Australia Manganese and Hermosa to assess the effectiveness of critical controls designed to prevent catastrophic failures. The reviews confirmed these controls were operating effectively, while also identifying improvement opportunities, with follow-up actions underway
- advancing closure studies at Australia Manganese to evaluate safe and effective closure options for TSFs and water dams, informing long-term closure planning with consideration of site-specific conditions
- completing laboratory studies with independent experts to test a process for creating a sustainable soil profile from bauxite residue (a by-product of alumina refining), to support progressive rehabilitation of tailings storage areas. Multi-year field trials are planned to evaluate durability and performance under site conditions
- engaging Independent Tailings Review Boards at relevant operations to provide independent technical advice and challenge on tailings management, governance and risk management.

Innovating to derive value from tailings

We continue to assess opportunities to unlock value from tailings through reprocessing, re-mining for mineral recovery, and reuse across our operations. In FY26, this included studies at Australia Manganese to better understand opportunities to recover minerals from finer sand tails[20] and support evaluation of potential reuse applications, including mine void filling.

We also commenced investigations into bacterial-assisted manganese recovery, which uses naturally occurring biological processes to help recover minerals from tailings.

At Cannington, we advanced the second phase of a technology study exploring metal recovery and tailings treatment to support potential alternative end-uses. This included detailed laboratory testing to assess technical feasibility and inform potential applications, such as the potential production of engineered soil products (technosoils).

Tailings storage facilities by GISTM consequence classification

Operation	Total TSFs	Low	Significant	High	Very High
Australia Manganese	**10**	–	6	4	–
Cannington	**3**	–	–	3	–
Hermosa	**1**	–	1	–	–
South Africa Manganese	**4**	4	–	–	–
Worsley Alumina	**9**	–	1	4	4
Total	**27**	**4**	**8**	**11**	**4**

20. Tails refers to the waste stream generated during mineral processing prior to deposition. Once deposited or stored, this material is referred to as tailings.

ADDRESSING CLIMATE CHANGE

Addressing the risks and opportunities presented by climate change is integral to how we optimise, unlock and continue to sustainably shape our business for the future.

OUR CLIMATE-RELATED DISCLOSURES

In accordance with the requirements of the Australian Accounting Standards Board (AASB) S2 Climate-related Disclosures and the Corporations Act 2001, South32 has prepared climate-related disclosures in the Addressing Climate Change section of this Annual Report, including all cross-referenced sections, together with the Climate-related Reporting Methodology 2026 (collectively, the Sustainability Report), in respect of South32 Limited and its subsidiaries and joint arrangements (the Group).

The Climate-related Reporting Methodology 2026 outlines the methodologies and estimation approaches used in preparing our climate-related disclosures. It forms part of our FY26 climate-related disclosures and is cross-referenced, where relevant.

We consider the climate-related disclosures referenced above to be consistent with the four recommendations and 11 recommended disclosures of the Task Force on Climate-related Financial Disclosures (TCFD). All our TCFD climate-related disclosures are contained in this Annual Report save for those in relation to Metrics and Targets recommended disclosure (c) which are included in the Climate-related Reporting Methodology 2026 given the close linkage to the other matters presented in that document. The AASB S2 and TCFD indices in the Methodology outline where relevant disclosures are addressed in our reporting.

Our CCAP 2025 constitutes the Group's transition plan for the purposes of AASB S2.

Cross-references identified by this icon or the words "refer to" form part of the Sustainability Report and have been prepared in accordance with AASB S2.

Other sustainability-related information in this Annual Report and on our website does not form part of the Sustainability Report for purposes of AASB S2. KPMG has provided assurance over select AASB S2 disclosures within the Sustainability Report as detailed in their Independent Assurance Report on page 113.

Find our CCAP 2025, Climate-related Reporting Methodology 2026 and Sustainability Standards and Frameworks Index 2026 at www.south32.net.

Organisational boundaries

South32 applies different organisational boundaries and, where relevant, bases of presentation to its climate-related disclosures, reflecting the nature and purpose of the information presented and the requirements of relevant reporting frameworks and standards. Organisational boundaries determine which operations, investments or activities are included in a disclosure. Presentation bases determine how that information is grouped or presented to support comparability and understanding of the disclosure.

For the purposes of our FY26 AASB S2 climate-related financial disclosures, South32's reporting entity is the same as that used for the related financial statements. Within this reporting entity, operational energy consumption and Scope 1 and Scope 2 emissions are measured and reported on an operational control basis. Other climate-related disclosures, including Scope 3 emissions and climate-related risks and opportunities, may be prepared using different organisational boundaries or presented on a different basis where this better reflects the purpose of the disclosure and aligns with the requirements of relevant reporting frameworks and standards.

Scope 3 emissions are disclosed voluntarily and, consistent with the transitional relief available to South32 for FY26, have not been prepared in accordance with AASB S2.

Additional information on the organisational boundaries and presentation bases used in preparing our climate-related disclosures is provided on page 107.

Emissions in this Sustainability Report refer to greenhouse gas (GHG) emissions.

Basis of preparation

Data and assumptions used in our climate-related financial disclosures are, to the extent practicable, consistent with those used in the related financial statements. Where differences arise, these are explained.

Climate-related risks and opportunities across the value chain, including equity-accounted investments and joint arrangements, are disclosed where they could reasonably be expected to affect the Group's prospects. Quantitative information regarding the financial effects of these risks and opportunities has been provided where required by the standard. Where measurement uncertainty is such that the quantitative information would not be useful, qualitative information, including the financial statement line items potentially impacted, has been provided.

South32 has not provided quantitative information about the financial effects of certain climate-related risks or opportunities where it has determined that those effects are not separately identifiable from the effects of other material factors or drivers. In such cases, South32 has instead provided quantitative information about the combined financial effects of those risks or opportunities. Measurement bases, disaggregation and assumptions are selected to provide decision-useful information on current and anticipated financial effects of climate-related risks and opportunities.

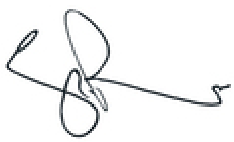
South32 has applied the transitional relief available under AASB S2 and, except where voluntarily presented, has not provided comparative information for climate-related disclosures. South32 has also early adopted the Amendments to AASB S2 Climate-related Disclosures issued in December 2025.

The methodology applied in FY26 is consistent with that applied to the comparative information. Any material changes in methodology or assumptions, and its effect on comparative information, will be disclosed.

AASB S2 Directors' declaration

Each Director, as listed on page 119, declares that, in their opinion, South32 Limited has taken reasonable steps to ensure that the substantive provisions of the Sustainability Report have been prepared in accordance with the Corporations Act, including section 296C (compliance with sustainability standards etc.) and section 296D (climate statement disclosures).

This declaration is made in accordance with a resolution of the Board.



Stephen Pearce
Chair

27 August 2026

Sustainability continued

OUR CLIMATE CHANGE ACTION PLAN

Climate change is reshaping the mining and metals sector through growing demand for materials critical to electrification and low-carbon technologies, evolving energy systems, and increasing exposure to physical climate hazards and extreme weather events.

The risks and opportunities presented by climate change have been a key consideration in the development and implementation of our strategy since our formation. Our CCAP provides the framework through which we are responding. Building on our inaugural 2022 CCAP, our CCAP 2025 is structured around two key components:

- **Taking climate action:** Priority actions to support the transition to a low-carbon, climate-resilient economy:
  - position our portfolio for the energy transition
  - reduce operational emissions
  - support emissions reduction across our value chain
  - strengthen resilience to climate impacts
- **Key enablers:** Capabilities and enabling conditions that support implementation and management of key dependencies.

A non-binding advisory resolution on the 2025 CCAP received strong shareholder support at our Annual General Meeting in October 2025, with 90% of votes cast in favour.

Our CCAP also recognises that addressing climate change requires coordinated action across governments, industry, communities and capital providers. Government action, in particular, is an important enabler for establishing policy frameworks, mobilising investment and supporting decarbonisation at scale. Our approach to government engagement, and climate change more broadly, is guided by our Climate Change Positions.

Find our Climate Change Positions at www.south32.net.

Climate governance

Climate change is a material strategic, financial and governance matter, overseen by our Board and its standing Committees. Climate considerations are integrated into Board strategy discussions. Where relevant to major transactions, climate-related risks and opportunities are considered through due diligence, governance and approval processes, with analysis provided to the Board and relevant Committees as appropriate.

The Board considers trade-offs associated with climate-related risks and opportunities, including implications for capital allocation, portfolio decisions, operational resilience and long-term value. Relevant matters are escalated through established governance processes, including via the Sustainability Committee and Risk and Audit Committee.

Refer to the Sustainability Governance section on page 59-60 for further information on climate-related governance and page 133 for information on the 2026 Board skills matrix: Environment and Climate Change.

Climate-related risks and opportunities

The table below identifies our climate-related risks and opportunities and the extent of exposure across our commodity portfolio. Refer to pages 90 to 103 for more detailed disclosures, including how we identify and assess these risks and opportunities.

		Type	Time horizon[21]	Portfolio exposure
TO1	**Transition-related commodity demand growth:** The energy transition is expected to increase demand for commodities used in renewable and low-carbon technologies, electrification and energy infrastructure, supporting favourable market conditions across our portfolio, in particular for copper, zinc and aluminium.	Opportunity	Short, medium and long-term	● ● ● ●
TR1	**Decarbonisation constraints:** Constraints relating to energy systems and low-carbon technologies may affect the pace, cost and feasibility of operational decarbonisation, particularly within our alumina and aluminium operations.	Risk	Short, medium and long-term	● ●
TR2	**Emissions-limiting regulations**: Emissions-limiting regulations, including carbon taxes, emissions trading systems, the Australian Safeguard Mechanism and carbon border mechanisms, may increase costs, affect demand for emissions-intensive products and influence the competitiveness of our operations.	Risk	Short, medium and long-term	● ●
PR1	**Extreme weather disruption**: Increasing intensity, frequency and variability of extreme weather events, together with longer-term changes in temperature, rainfall patterns and sea level rise, may disrupt our operations, infrastructure and value chain, and affect our ability to operate safely, reliably and efficiently.	Risk	Short, medium and long-term	● ● ● ● ●

KEY: **TO1** Transition Opportunity **TR1** Transition Risk 1 **TR2** Transition Risk 2 **PR1** Physical Risk 1

● Alumina ● Aluminium ● Copper ● Manganese ● Zinc-lead-silver

[21] Time horizons are defined as short-term (0–2 years), medium-term (2–5 years) and long-term (5+ years).

OUR CLIMATE CHANGE ACTION PLAN AT A GLANCE

Our CCAP 2025 provides a three-year framework for responding to climate-related risks and opportunities applicable to our portfolio as at 30 June 2026, informing strategy and decision-making.

Taking climate action[22]

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

Position our portfolio for the energy transition

TO1

- 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

TR1 TR2

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

Support emissions reduction across our value chain

TR2

- Contribute to the reduction of Scope 3 emissions to reach our net zero goal
- Engage 80% of 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 greenhouse gas emissions from international shipping by or around 2050

Strengthen our resilience to climate impacts

PR1

- 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

Supporting a just transition: Address social- and nature-related risks and opportunities arising from our response 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.

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

FY27 review of our CCAP 2025 in response to aluminium value chain assets sale[23]

On 1 July 2026, we announced our entry into a binding conditional agreement to sell our aluminium value chain assets (excluding Mozal Aluminium) to Alcoa Corporation for an implied enterprise value of up to US$5.6 billion, plus related rehabilitation provisions of approximately US$1.1 billion (the Transaction). The Transaction is expected to complete in H2 FY27, subject to satisfaction or waiver of conditions precedent, including South32 shareholder approval.

This Sustainability Report has been prepared based on South32's portfolio as at 30 June 2026 and does not reflect the implications of the proposed Transaction. Accordingly, the climate-related disclosures presented in this report reflect our portfolio as at that date.

Completion of the Transaction would materially change our portfolio, emissions profile, energy use and exposure to certain climate-related risks and opportunities. It would also affect the assumptions and dependencies underpinning our CCAP 2025 and FY35 operational emissions reduction target.

In FY27, we will assess the implications of the Transaction for our climate-related risks and opportunities and the response set out in our CCAP. This review will include our FY35 target and the decarbonisation pathways, assumptions, initiatives, governance and performance measures that underpin our climate change approach and disclosures. Any resulting changes will be reflected in future reporting, as appropriate.

22. This graphic is reproduced from the CCAP 2025 and has been updated solely to reflect changes arising from Mozal Aluminium being placed into care and maintenance in 2026.
23. More details are provided in the market release "Agreement to sell aluminium value chain assets to Alcoa for up to US$5.6b and Chief Executive Officer transition" dated 1 July 2026.

Sustainability continued

CCAP 2025 PROGRESS UPDATE

Our CCAP focuses on continuing to position our portfolio for the energy transition, emissions reduction within our operations and broader value chain, and strengthening resilience to physical climate impacts.

Positioning our portfolio for the energy transition

TO1

We continue to reshape our portfolio towards minerals and metals critical to the world's energy transition. Key actions in FY26 included:

- advancing construction of Hermosa, a regional-scale development project with the potential to produce zinc, silver, copper and battery-grade manganese over several decades
- progressing options at Sierra Gorda copper mine to increase processing capacity and support future production growth
- completing the divestment of Cerro Matoso in response to structural changes in the nickel market.

As outlined on page 79, on 1 July 2026 we announced a step change for our business through the sale of our aluminium value chain assets (excluding Mozal Aluminium) to Alcoa. Completion of the Transaction will reposition South32 as an upstream base metals focused company while reducing exposure to energy-intensive processing[24].

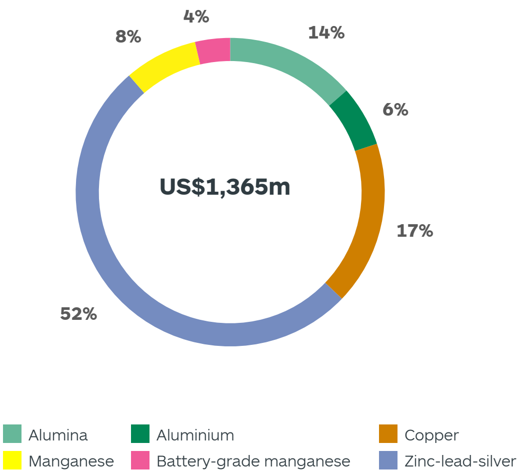
Learn more about our strategic context on page 18.

Allocating capital towards Transition Materials

Under the Climate Action 100+ Net Zero Standard for Diversified Mining, all commodities in our portfolio are classified as Transition Materials[25], reflecting their expected role in supporting the transition to a low-carbon economy. In FY26, capital expenditure relating to these commodities included US$711 million in growth expenditure at Hermosa, and US$241 million in safe and reliable and improvement and life extension expenditure at Sierra Gorda. We also committed US$34 million to greenfield exploration opportunities targeting base metals in highly prospective regions. This allocation is consistent with our strategy and focus on commodities critical to the world's energy transition.

Refer to page 104 for more Transition Materials metrics.

FY26 Group capital expenditure by commodity[26]



Developing Hermosa

Hermosa is a key component of our growth strategy, with multiple pathways to create long-term value through the development of the Taylor zinc-lead-silver deposit and future opportunities at the adjacent Peake copper and Clark manganese deposits.

Taylor is a multi-decade zinc-lead-silver operation under development, with first production expected in H2 FY28. The project has been designed to support future expansion, including potential development of the nearby Peake copper deposit, where ongoing exploration continues to support future production and mine life extension. The Clark deposit also presents a future opportunity to produce battery-grade manganese through a phased development approach.

FY26 progress highlights include:

- advanced construction at Taylor, with significant progress across underground works and surface infrastructure
- completed the exploration decline at Clark and identified an opportunity to extend the decline to provide additional access to the Taylor orebody, improving operational flexibility[27]
- continued exploration at the Peake prospect, with drilling results supporting future development potential[27].

Subsequent to year-end, Hermosa achieved a significant permitting milestone when the United States Forest Service issued its Final Record of Decision, completing the federal National Environmental Policy Act (NEPA) environmental review and approval process for ancillary infrastructure on National Forest Service land.

As development progresses, we continue to evaluate opportunities to reduce Hermosa's future operational emissions through:

- next-generation mine design: application of automation and technology to improve efficiency and lower emissions intensity
- fleet electrification: phased deployment of battery-electric vehicles, forming part of Taylor's underground fleet
- low-carbon energy supply: engagement with utilities and power providers to assess low-carbon electricity supply options.

Further details on Hermosa's development, growth opportunities and project outlook are provided in the market release Hermosa Project Update dated 30 April 2026, available at *www.south32.net*.

Learn more about how Hermosa is managing environmental impacts and contributing value to society at www.south32.net.

24. Details are provided in the market release "Agreement to sell aluminium value chain assets to Alcoa for up to US$5.6b and Chief Executive officer transition" dated 1 July 2026.
25. Excludes gold which is produced as a by-product of copper concentrate production at Sierra Gorda. The contribution of gold to Group revenue averaged 0.9% over FY24 to FY26.
26. Includes Mozal Aluminium up to March 2026, and excludes Cerro Matoso as well as capital expenditure for exploration, intangibles, Group and unallocated capital. The sum of figures may vary due to rounding.
27. Further details are provided in our '2026 Half Year Financial Results' presentation dated 12 February 2026.

Unlocking value at Sierra Gorda

Located in Chile's Antofagasta region, Sierra Gorda is a large-scale, long-life copper mine powered by renewable electricity. During FY26, we worked with our joint venture partner to improve performance and unlock further value, including:

- approving a fourth grinding line project, expected to increase processing capacity and support long-term production growth[28]
- advancing exploration in the Sierra Gorda district, including identifying further resource growth potential at the Catabela Northeast prospect adjacent to the Catabela pit[29]
- assessing opportunities to unlock value from oxide stockpiles
- entering into a non-binding memorandum of understanding with BHP's Minera Spence for the purpose of identifying and evaluating opportunities for operational collaboration.

Base metals exploration

We maintain a broad portfolio of exploration projects, partnerships, strategic alliances and equity interests targeting base metals.

Our 50% interest in the Ambler Metals joint venture provides exposure to the Ambler Mining District, which includes the Arctic deposit, a high-grade polymetallic resource; the Bornite deposit, comprising open pit and underground copper resources, and additional regional base metals targets supporting further exploration potential. In FY26, the joint venture progressed permitting activities for Arctic, including acceptance into the FAST-41 federal permitting framework, and advanced exploration drilling and development studies.

Beyond Ambler, exposures to prospective mineral belts and development opportunities globally include:

- **San Juan copper district (Argentina):** provides exposure to large-scale copper porphyry systems through our interests in Minsud Resources and Aldebaran Resources
- **North America (US and Canada):** exploration targeting copper systems, including projects in Nevada and Arizona and equity exposure to the NAK copper-gold project in British Columbia
- **Kalahari Copper Belt (Southern Africa):** strategic alliance and copper exploration projects across Namibia and Botswana
- **Northern Australia:** copper and zinc exploration targets, including areas with geological similarities to Cannington.

Mozal Aluminium: Care and Maintenance

In March 2026, Mozal Aluminium was placed into care and maintenance after the operation was unsuccessful in securing a sufficient and affordable long-term electricity supply, despite extensive engagement with key stakeholders. While energy use and associated emissions have reduced significantly, residual emissions continue to be reported because the smelter remains under our operational control.

Learn more about support for our workforce and community through Mozal Aluminium's transition on page 70.

Reducing operational emissions

TR1 TR2

FY26 operational emissions

FY26 operational emissions were 20.5 Mt CO_2-e, 1.0% lower than FY25 and 17.1% above the FY21 baseline of 17.5 Mt CO_2e. The increase relative to the FY21 baseline primarily reflects drought conditions in Southern Africa over FY25 and FY26, which reduced the availability of hydroelectricity supplied to Mozal Aluminium and increased reliance on coal-fired Eskom electricity.

In FY26:

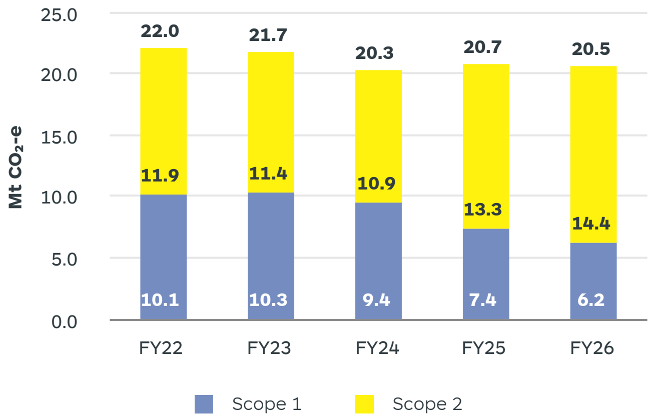
- Scope 1 emissions decreased 16.9% (1.3 Mt CO_2-e) from FY25, primarily reflecting the divestment of Cerro Matoso and placement of Mozal Aluminium into care and maintenance
- Scope 2 emissions increased 8% (1.1 Mt CO_2-e) from FY25, reflecting higher consumption of Eskom-supplied electricity by Mozal Aluminium and an increase in Eskom's emissions factor[30].

Excluding Mozal Aluminium, Hillside Aluminium and Worsley Alumina accounted for over 95% of our FY26 operational emissions:

- Hillside accounted for more than 75% of those emissions. Approximately 90% of the smelter's emissions are Scope 2 emissions associated with electricity purchased from Eskom, which is predominantly generated from coal-fired sources
- Worsley Alumina accounted for around 20% of those emissions, the majority of which arise from the combustion of coal and natural gas to generate the high-pressure steam required for alumina refining. Additional emissions arise from the high-temperature heat required for calcination.

Both operations are part of the Transaction announced on 1 July 2026 and, on completion, will no longer form part of our portfolio.

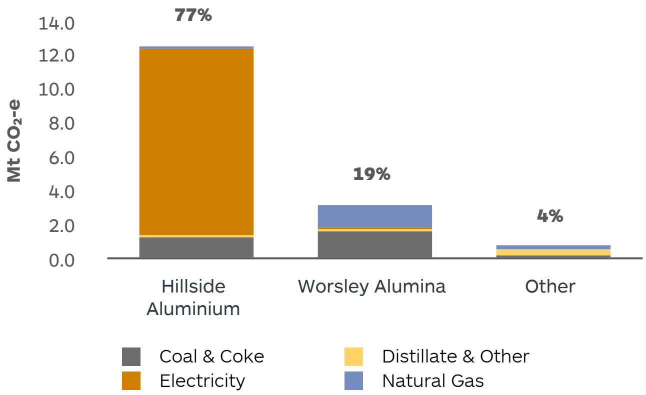
Operational emissions (total operations)



28. Further details are provided in the market release titled 'Final Investment Approval for Sierra Gorda 4th Grinding Line' dated 1 July 2026.
29. For further information on the Catabela Northeast Exploration Target, refer to our 2026 Half Year Financial Results announcement dated 12 February 2026.
30. Emissions arising from our operations' consumption of electricity generated in South Africa varies when Eskom's emissions factor changes. With our large-scale demand for electricity supplied by Eskom, small changes in Eskom's emission factor can have a significant impact on our total operational emissions.

Sustainability continued

FY26 operational emissions by operation and source
(Continuing operations[31,32], excluding Mozal Aluminium)



Our FY35 operational emissions reduction target

We have a target to halve our net operational emissions by FY35, measured against an adjusted FY21 baseline, and a longer-term goal to achieve net zero operational emissions by 2050. These commitments reflect our focus on reducing emissions, noting that progress is unlikely to be linear and may vary year-to-year due to operational changes, investment timing and other external factors outside of our control.

Our FY35 target covers 100% of our operational emissions. The FY21 target baseline, adjusted to reflect divestments and acquisitions completed to date, is 17.5Mt CO_2-e.

As outlined on page 79, completion of the Transaction would materially change our portfolio, the composition of our operational emissions, and the assumptions, pathways and dependencies underpinning our FY35 target. For context, had the aluminium value chain assets not formed part of our portfolio during the FY21 baseline year, our FY21 operational emissions baseline would have been approximately 1.7 Mt CO_2-e.

Given the timing of the Transaction announcement relative to this reporting period, we have not yet completed an assessment of the implications for our FY35 target. In FY27, we will undertake that assessment, including recalculating our FY21 operational emissions baseline to reflect the divestment of the aluminium value chain assets, reviewing whether the FY35 target remains appropriate for the residual portfolio, and reassessing the pathways, assumptions and initiatives underpinning its achievement, including the potential role of carbon credits.

Potential pathways to achieving the FY35 target prior to announcement of the Transaction

Prior to announcement of the Transaction, we identified multiple potential pathways to achieving the FY35 target, each with different implications for emissions outcomes, cost and reliance on external enablers, such as carbon credits. All pathways were contingent on strategic decisions and actions relating to Hillside Aluminium.

Our preferred pathway was to transition the smelter's electricity supply to low-carbon sources. Achieving this outcome requires coordinated multi-stakeholder collaboration and remains subject to external dependencies, including the development of multiple gigawatts of renewable electricity supply, substantial grid infrastructure upgrades, and enabling regulatory and market conditions to support an affordable, reliable and large-scale low-carbon electricity supply solution beyond 2031.

An alternative pathway was to close the smelter upon expiry of the current electricity agreement in 2031 if a feasible low-carbon electricity solution was not secured. This pathway formed the basis for certain long-term financial reporting assumptions[33].

Between these two pathways were a range of potential scenarios for the supply of low-carbon electricity to the smelter over FY32 to FY35 and beyond, influencing the extent to which emissions reductions from other operations would be required to achieve the target and the potential need to offset any residual emissions.

Carbon credits for offsetting emissions

Our approach to operational decarbonisation focuses on emissions avoidance and reduction. Subject to economic feasibility, carbon credits may be used to offset residual emissions where reduction opportunities are not technically or commercially feasible, or cannot be implemented within the required timeframe.

Carbon credits used towards net emissions reporting or achievement of our FY35 target achievement must be issued by a national government or internationally recognised body and are subject to appropriate due diligence. While we have acquired carbon credits to meet regulatory obligations, including under the Australian Safeguard Mechanism, we have not, to date, acquired carbon credits for the purpose of offsetting emissions in our net emissions reporting or supporting achievement of our FY35 target.

Prior to announcement of the Transaction, neither our preferred pathway nor the alternative pathway was expected to require voluntary carbon credits to achieve the FY35 target. On this basis, our associated gross emissions reduction target was the same as our net target. However, our net target provides flexibility to use carbon credits to address any residual shortfall where economically feasible; for example, if there is a small shortfall in low-carbon electricity supply to Hillside Aluminium by FY35.

If the Transaction completes, the assessment of our FY35 target and associated pathways may indicate a role for carbon credits in achieving the current FY35 target or any recalibrated target. This is because adjusting the baseline to exclude the aluminium value chain assets would materially alter both the starting point and supporting pathways that previously underpinned achievement of the target.

Carbon credits may contribute to achieving our 2050 net zero goal, particularly for residual hard-to-abate emissions where viable low-carbon technologies are unavailable or not economically feasible.

Refer to page 104 and to the Climate-related Reporting Methodology 2026 for additional information about our FY35 target and approach to carbon credits.

31. Assets covered by the Transaction announced on 1 July 2026 are treated as continuing operations, notwithstanding that it is expected they will cease to be part of the portfolio during FY27 upon completion of the Transaction.
32. Other is comprised of Australia Manganese (1%), Cannington (1%), South Africa Manganese (1%) and Other (1%, including Hermosa Project).
33. Refer to Financial Report Note 11. Property, Plant & Equipment (Key estimates, assumptions and judgements); Note 13. Impairment of Non-Financial Assets; and Note 15(b). Closure and Rehabilitation.

FY26 progress update

Hillside Aluminium (Hillside)

Hillside's decarbonisation progress is highly dependent on developments in South Africa's energy system and long-term access to reliable, affordable low-carbon electricity. It is also exposed to evolving international carbon regulation through exports to Europe, including the European Union's Carbon Border Adjustment Mechanism (EU CBAM).

During FY26, we progressed engagement with Eskom on a potential affordable, low-carbon electricity supply solution for Hillside beyond expiry of the current power contract in 2031. Activities included establishing a joint working group to progress technical, commercial and policy matters, holding technical and commercial workshops on Hillside's operational and energy requirements, and establishing an expanded cross-divisional Eskom deal team, including representatives from Eskom's renewable energy business unit, Eskom Green.

Engagement focused on renewable electricity supply pathways, firming requirements, grid and transmission considerations, contracting structures, and relevant electricity market and policy developments. As part of the working group's initial activities, Eskom undertook a site visit to gain an appreciation of operational and system integration considerations, and Hillside's economic and social contribution.

Energy and emissions intensity

Improving energy efficiency remains an important component of Hillside's decarbonisation approach. As at FY26-end, AP3XLE energy efficiency technology has been installed in 66% of Hillside's pots, supporting improved electricity efficiency of 13.51 MWh/t Al and reduced emissions intensity.

During FY26, we continued to assess Eskom's nuclear-derived environmental attribute certificates (EACs), including their potential relevance under the EU CBAM. Ongoing uncertainty regarding the treatment and recognition of these attributes meant we did not actively pursue this option further during FY26.

Worsley Alumina (Worsley)

Worsley's decarbonisation progress is closely linked to the development and deployment of low-carbon technologies and enabling energy infrastructure. Key dependencies include access to reliable and cost-competitive low-carbon electricity, transmission capacity within the South West Interconnected System (SWIS), and policy and market settings. Decarbonisation planning also needs to consider Western Australia's broader energy transition, including the phased retirement of coal-fired power generation and development of renewable energy and transmission infrastructure.

In FY26, we progressed a range of initiatives to support the development of potential decarbonisation pathways for Worsley.

Coal alternative steam supply

Historically, steam generation has relied on a combination of three coal-fired boilers and a multi-fuel co-generation facility with two boilers that consume mostly coal, as well as biomass and diesel. Worsley has begun reducing this system's reliance on coal, with two of the five boilers converted to natural gas in FY24, reducing the operation's annual emissions by approximately 10% relative to the FY21 baseline.

An alternative steam supply study is assessing the conversion of the remaining boilers from coal to natural gas as an interim measure ahead of longer-term electrification. In FY26, we progressed the study, including confirming preferred infrastructure configurations, capacity requirements and sequencing aligned to maintenance cycles. This involved consideration of a range of factors, including evolving energy market and infrastructure conditions, capital allocation priorities, and the need to maintain a reliable and cost-competitive energy supply.

We also considered the planned retirement of Western Australia's coal-fired power generation and the timing of replacement capacity — including renewable generation, storage, firming capability and supporting transmission infrastructure — alongside recent Western Australian Government measures to extend domestic coal supply to support energy security during the transition.

Biomass consumption

Biomass can partially displace coal in existing multi-fuel co-generation facility boilers, providing a low-carbon fuel alternative within current infrastructure. In FY26, the refinery's biomass consumption nearly doubled, supported by improved resource availability, contributing to a 3% reduction in Scope 1 emissions year-on-year.

While biomass reduces emissions from electricity and steam generation, its contribution to overall emissions reduction remains constrained by the capacity of existing boiler and fuel handling systems.

Steam electrification

Electrification of steam generation and calcination is considered the long-term pathway to reduce emissions at Worsley.

In FY25, we secured A$4.4 million from the Australian Renewable Energy Agency, to be matched by Worsley, to support a pre-feasibility study into technologies for partial steam electrification. In FY26, the first phase of the study was completed, advancing the assessment of potential technology pathways and their integration with existing refinery processes.

The study identified a technically feasible pathway for partial steam electrification. However, high capital intensity and current electricity market conditions remain significant barriers to implementation. These findings reinforce the need for a phased approach to decarbonisation aligned with the availability of reliable and affordable low-carbon electricity. A report on the completed study is expected to be published on the Australian Renewable Energy Agency website in 2026.

Renewable energy and transmission engagement

Access to renewable electricity is critical to enabling electrification pathways at Worsley. In FY26, we continued engaging with energy and carbon market participants, including Western Power, to assess renewable energy supply options and the infrastructure required to support potential electrification pathways. We also progressed power system modelling and connection planning to better understand electricity and transmission requirements for potential electrification scenarios.

Worsley's decarbonisation pathway continues to evolve, reflecting developments in energy markets, enabling infrastructure and the maturity and commercial viability of low-carbon technologies.

Sustainability continued

CASE STUDY

FY26 activities supporting a just transition

We believe that action to address climate change should consider socioeconomic impacts, risks and opportunities to help mitigate potential adverse effects on people and communities.

South Africa

Hillside is a significant employer and economic contributor in KwaZulu-Natal and plays an important role in South Africa's aluminium industry.

We continue to engage with Eskom, government and industry stakeholders to support a just energy transition in South Africa. In FY26, we participated in national and provincial government discussions and industry forums, such as the KwaZulu-Natal Energy Indaba, South Africa Investment Conference, Energy Intensive Users Group (EIUG) and the 2026 Aluminium Conference hosted by the Aluminium Federation of South Africa (AFSA).

Engagement focused on enabling South Africa's decarbonisation ambitions while maintaining energy security, industrial competitiveness and the long-term viability of energy-intensive industries. Topics included electricity pricing, market reform, transmission and generation investment, and the policy and infrastructure settings required to support industrial decarbonisation.

Learn more about Hillside's 30-year anniversary and contribution to aluminium beneficiation in South Africa at www.south32.net

Collie, Western Australia

Worsley Alumina is located near the town of Collie, where the energy transition is reshaping both the regional economy and energy system.

The Western Australian Government is progressing its Just Transition framework for Collie, centred on the phased retirement of state-owned coal-fired power generation by 2030. In February 2026, the Government released Collie's Just Transition Plan 2026–2030, focused on supporting affected workers and attracting new industries and jobs.

Recognising the scale and complexity of the transition, the Government has taken measures to support energy security and reliability while replacement infrastructure is developed. In 2026, the Griffin Coal State Agreement was extended to June 2031 to support continued coal supply during the transition period, providing short- to medium-term certainty of domestic coal supply as the energy system evolves.

Significant investment and planning is also underway across the South West Interconnected System (SWIS) to support renewable energy deployment, transmission expansion, storage capacity and industrial electrification.

Worsley participates in the Collie Just Transition Working Group, led by the Department of the Premier and Cabinet, including through committees focused on workforce transition and regional development. This engagement supports our understanding of evolving regional, infrastructure and policy settings relevant to Worsley's decarbonisation pathway.

Pathways to net zero

We have a long-term goal to achieve net zero operational emissions by 2050. Prior to the Transaction announcement, we expected our post-FY35 emissions to be concentrated in industrial processes and energy-intensive operations where commercially viable low-carbon technologies are not yet available, sufficiently mature or deployable at scale. Progress beyond FY35 was therefore expected to become increasingly dependent on the development, availability and commercial deployment of emerging decarbonisation technologies. These technologies face significant technical, infrastructure and economic challenges, require substantial upfront capital investment and often have long development timeframes. Achievement of our long-term goal may also require the use of carbon credits for offsetting. In light of the sale of our aluminium value chain assets, we plan to review our pathway to achieve net zero operational emissions by 2050.

In FY26, we continued to collaborate with others to explore potential solutions, including through the following initiatives:

HILTCRC

Heavy Industry Low-Carbon Transition Cooperative Research Centre (HILT CRC)

HILT CRC is a collaborative venture between industry, government and research organisations to develop, de-risk and accelerate technologies for heavy industry decarbonisation. We remain a core partner, with representation on its Steering Committee and research advisory groups, supporting research aligned to our decarbonisation and operational efficiency objectives.

A key focus of our engagement is AlumiNEXT, HILT's alumina program, which is evaluating options to reduce emissions at existing refineries and supports the development of next-generation process efficiency technologies. In FY26, this work advanced modelling of energy use and emissions across alumina refining and identified priority opportunities to reduce emissions in heat and steam processes.

We are also the industry representative on projects focused on biomass and waste-derived fuels as alternatives for high-temperature heat, including calcination, and thermal upgrading technologies aimed at improving ore and feedstock quality and increasing process efficiency.

HILT also supports engagement with alumina customers on value chain emissions reduction, as outlined on page 87.

BLUVEIN

BluVein

We participate in the BluVein collaboration, which is developing dynamic energy transfer technology to support electrification of heavy mining fleets, reducing the need for onboard batteries and static charging bays in space- and ventilation-constrained environments. The BluVein1 system enables in-motion charging of battery electric vehicles and is particularly suited to underground haulage. This technology has the potential to improve operational efficiency, reduce emissions and diesel particulate matter, and support broader deployment of battery electric vehicles in underground mining environments.

In FY26, the project advanced beyond component testing into full-scale system trials in an operational quarry environment, with laboratory, mechanical and electrical validation completed. The project is supported by funding from the Australian Renewable Energy Agency's (ARENA) Powering the Regions program, with activities expected to continue into FY27, subject to achievement of key technical milestones and validation of system performance.

Supporting emissions reduction across the value chain

TR2

FY26 Scope 3 emissions

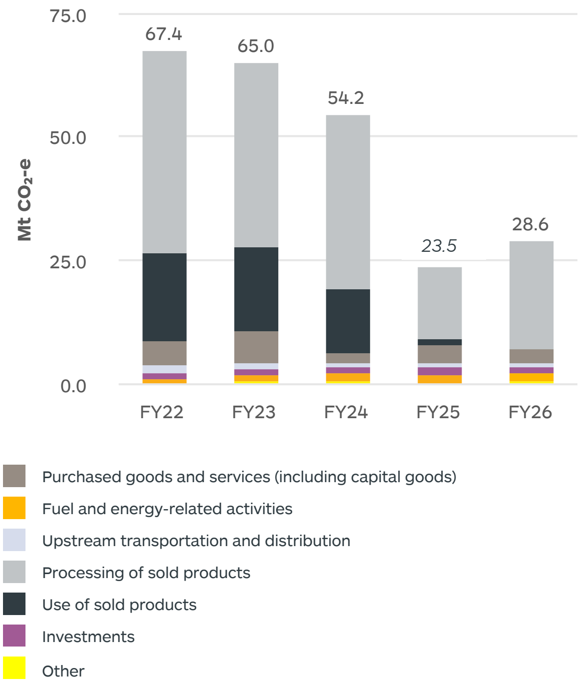
FY26 Scope 3 emissions totalled 28.6 Mt CO_2-e, 22% higher than FY25[34]. The increase was primarily driven by higher emissions from processing of sold products (Category 10), which increased 50% due to higher alumina sales volumes and increased manganese ore sales following the restart of operations at Australia Manganese. Emissions from upstream transportation and distribution (Category 4) also increased due to higher shipment volumes associated with Australia Manganese.

These increases were partly offset by lower emissions from purchased goods and services (Category 1), which decreased 22% due to portfolio changes, including the divestment of Cerro Matoso and the transition of Mozal Aluminium to care and maintenance. Emissions from fuel- and energy-related activities (Category 3) decreased 5% for the same reasons, while downstream transportation and distribution (Category 9) emissions decreased 20% due to fewer FOB shipments.

Following the divestment of Illawarra Metallurgical Coal in August 2024, emissions from use of sold production (Category 11) are no longer applicable to South32, resulting in a year-on-year decrease of 1.5 Mt CO_2e. Emissions from investments (Category 15) remained broadly unchanged.

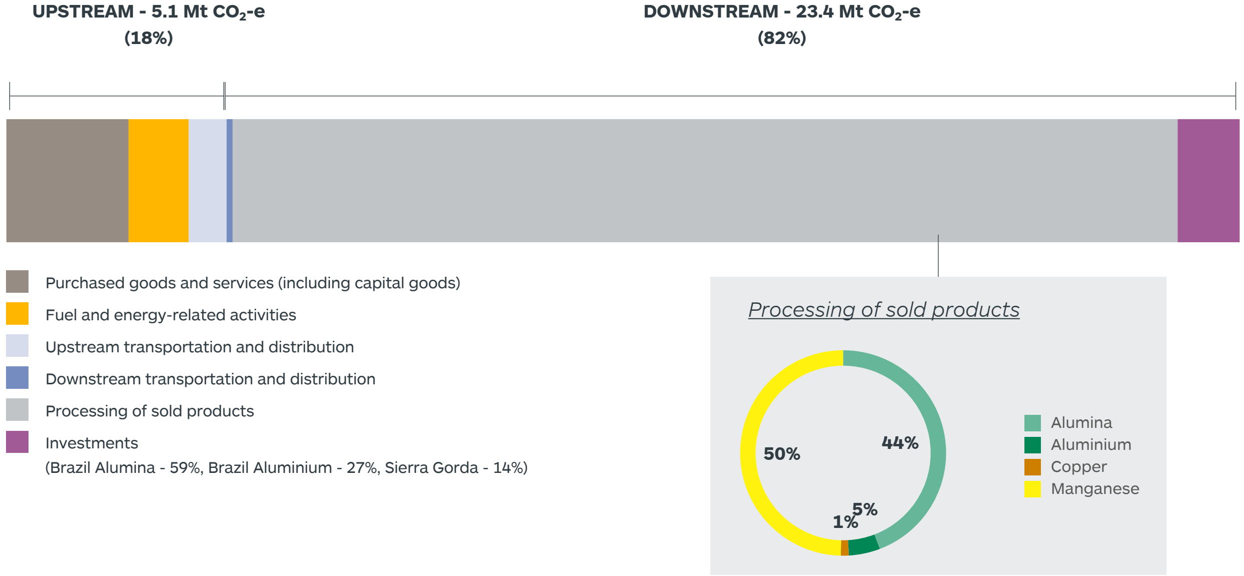
Our Scope 3 emissions inventory is available in our Sustainability Databook 2026 and the calculation methodology is outlined in the Climate-related Reporting Methodology 2026.

Scope 3 emissions (total operations)



The FY22 to FY25 emissions reductions shown above reflect the sale of Illawarra Metallurgical Coal in August 2024 and Cerro Matoso in December 2025, as well as calculation methodology enhancements.

FY26 Scope 3 emissions by position in our value chain (continuing operations)



Upstream activities account for almost 20% of our Scope 3 emissions, with most of these emissions relating to purchased goods and services (including raw materials) and fuel and energy-related activities. Downstream activities account for over 80% of Scope 3 emissions, with a significant portion of these emissions arising from product processing — in particular, the smelting of alumina into aluminium ingots.

34. FY25 Scope 3 emissions have been restated following the identification of a third-party calculation error. FY25 total revised to 23.5 Mt CO_2-e (previously 22.7 Mt CO_2-e).

Sustainability continued

Our approach and progress

The Scope 3 component of our net zero emissions by 2050 goal recognises our responsibility to contribute to reducing value chain emissions. As outlined in our 2025 CCAP, our approach to Scope 3 emissions focuses on targeted stakeholder engagement across four priority areas aimed at supporting emissions reduction across the value chain. This includes:

- measurable objectives to engage with 80% of key suppliers and 80% of key customers by the end of FY28[35]
- a commitment to support global efforts to reduce emissions from international shipping.

As part of the review of our 2025 CCAP described on page 79, we will assess the implications of the Transaction for our Scope 3 commitments, including our net zero emissions by 2050 goal.

Engagement focus areas

We engage through multiple channels, including:

- collecting emissions data from suppliers through direct engagement, contractual arrangements and publicly available sources
- sharing technical knowledge directly, and through industry initiatives and research partnerships
- engaging with key customers to exchange product-specific emissions data and share insights on shared challenges
- collaborating with suppliers, customers and industry partners on research, innovation and pilot projects.

FY26 progress update

Supplier engagement (upstream)

In FY26, we engaged with over 80% of key suppliers across energy and fuels, transport and logistics, mining and maintenance services, construction, and traded inputs. Engagement focused on improving emissions data to strengthen understanding of upstream emissions and support more targeted engagement.

Key observations include:

- while updated contract templates include emissions data clauses, voluntary data sharing remains the most effective approach in practice
- engagement in South Africa identified several lower-emissions transport initiatives being progressed by suppliers, including higher cargo utilisation and greater use of electric vehicles.

These insights reinforce the importance of relationship-based engagement alongside contractual mechanisms. We will continue to monitor supplier initiatives and assess opportunities to participate where aligned with our operational and commercial objectives.

Customer engagement (downstream)

In FY26, we engaged with over 90% of key customers across alumina, aluminium, manganese and zinc-lead-silver, complemented by participation in industry-led platforms and research initiatives. Engagement focused on knowledge sharing and ambition alignment to understand customer priorities and inform future engagement.

Key insights include:

- economic constraints and limited willingness or ability to pay in some market segments indicate that, despite growing interest, downstream demand for low-carbon products is not yet translating into a premium across markets
- as lower-cost abatement options are exhausted, further downstream emissions reductions become more challenging and may require higher-cost and/or less-mature technologies
- policy mechanisms such as the EU Carbon Border Adjustment Mechanism are increasing scrutiny of embedded emissions, particularly in aluminium, with potential implications for customer preferences and market access
- opportunities exist to support emissions reductions through contractual and logistics mechanisms, although appetite remains constrained where these increase costs
- physical climate risks are shared across the value chain, with growing customer interest in how these risks are identified and managed.

Collectively, these insights indicate that while regulatory drivers and transparency requirements are increasing, commercial incentives for Scope 3 emissions reduction are not yet consistently aligned across commodities. This reinforces our focus on:

- prioritising continued engagement where regulatory or customer readiness to engage on decarbonisation is strongest
- supporting emissions reductions through operational and logistics efficiencies (for example, slower sailing speeds and maximising cargo stem size) where cost impacts are limited
- exploring collaborative initiatives and data-sharing arrangements to strengthen capability and support readiness for evolving market and regulatory expectations.

Technology and innovation collaboration

In FY25, we entered into a Memorandum of Understanding with Taiyuan Guohong Ferroalloy Co. Ltd, a manganese smelting group, to develop a pelletised manganese feedstock for use in electric furnaces. The initiative aims to improve furnace efficiency and reduce environmental impacts, including energy consumption, emissions and dust generation.

The pelletisation trial was completed in FY26 and demonstrated that pellets can replace sinter, an energy-intensive, processed manganese feedstock, with lower energy use and emissions. Next steps include progressing further testing and exploring research collaboration opportunities relating to the recycling and reuse of lower-grade manganese ore tailings.

35. Engagement percentage for our measurable objectives is tracked based on the number of key suppliers (upstream) and quantity of product sold (downstream). We define 'key suppliers' as those with ongoing relationships that contribute to our upstream transition risk exposure, and 'key customers' as those with ongoing, high-value relationships.

Collaboration through research and industry bodies

In FY26, we continued to focus engagement with alumina customers through the Heavy Industry Low-Carbon Transition Cooperative Research Centre (HILT CRC), as outlined on page 84. Through this platform, we collaborate with customers and industry participants to share knowledge, discuss decarbonisation priorities and explore opportunities for research and technology development across the alumina value chain.

In FY26, we secured approval for a collaborative research project with alumina customer Emirates Global Aluminium (EGA) through the HILT CRC Opportunity Fund. Commencing in FY27, the project will explore technologies that could support lower-emissions alumina production and contribute to emissions reductions across the value chain.

In FY26, we contributed to commodity Life Cycle Assessment (LCA) initiatives, including a new International Zinc Association LCA study and LCA refresh project by the International Manganese Institute, with data contributed from Cannington and South Africa Manganese. This work supports more consistent and transparent measurement of product-level emissions as customers, regulators and value chain frameworks place increasing focus on embedded emissions and product transparency.

Shipping

We support the International Maritime Organization's goal to achieve net zero emissions from international shipping by or around 2050[36]. We engage with freight providers, customers and suppliers through industry collaboration, transparency initiatives and commercial mechanisms that incentivise improved emissions performance.

In FY26, we remained a signatory to the Sea Cargo Charter and prepared a voluntary emissions report for CY25 based on 100% actual data, improving transparency of our shipping emissions performance. We also continued our membership of the Sustainable Shipping Initiative.

Emissions-linked freight and collaborations

Since FY22, we have partnered with Klaveness Combination Carriers (KCC) to apply a Carbon Adjustment Factor to selected freight contracts. This mechanism links freight rates to emissions performance against an agreed baseline and provides a financial incentive for improved emissions performance, with associated revenues intended to support vessel efficiency improvements.

Performance under this arrangement remained strong in CY25. The majority of voyages (12 of 16) performed below their agreed emissions baselines, with overall emissions approximately 4% lower than target. During the year, KCC also progressed fleet efficiency improvements, including retrofit activities.

For CY26, the emissions baseline has been further reduced compared with CY25, reflecting ongoing fleet developments and agreed operating parameters. Additional new-build vessels are expected to support shipments, including one fitted with suction sail technology to reduce fuel consumption and emissions through wind-assisted propulsion.

We have expanded the use of emissions-linked mechanisms beyond KCC. In FY25, we finalised a similar arrangement with MACS Shipping for the transport of aluminium ingots from Hillside Aluminium. In FY26, we established a further Carbon Adjustment Factor arrangement for alumina shipments from Brazil Alumina to Canada.

More broadly, we continue to work with customers, suppliers and logistics providers to identify opportunities to improve freight efficiency and reduce value chain emissions. During the year we:

- entered into a three-year agreement with China Aluminium International Trading Group to increase parcel sizes, supporting freight cost efficiencies and reduced maritime emissions
- progressed a digital partnership with TrimSAIL and Tarbit Tankers B.V. for tankers carrying liquid pitch. In FY26, two vessels were fitted with sensors to monitor vessel movement, speed and fuel use. Data will be used to identify opportunities to optimise voyage efficiency, costs and emissions
- entered into an agreement with Oldendorff Carriers for the transport of manganese ore from South Africa to China, under which Oldendorff is to report emissions for South32-nominated voyages, enabling performance tracking and structured data-sharing to support future emissions reduction.

Resourcing climate-related activities

Beyond capital allocated towards Transition Materials, we invest in energy efficiency and emissions reduction initiatives. Decarbonisation expenditure is defined within our internal investment standard, considered as part of our broader capital allocation framework and tracked through regular reporting. It is funded through a combination of operating cash flows and balance sheet capacity. FY26 decarbonisation expenditure totalled US$3.4 million, including energy efficiency technology at Hillside Aluminium and studies at Worsley Alumina.

We also incur operating expenditure to support CCAP implementation, including through sustainability, energy and carbon markets, market analysis, and technology teams, as well as external affairs teams managing stakeholder engagement. This reflects a cross-functional approach, with specialist capabilities across technical, commercial and stakeholder-facing functions contributing to the management of climate-related risks and opportunities. We expect resourcing requirements, including workforce capabilities, to evolve over time as studies progress, technologies mature and commercial arrangements for low-carbon electricity supply are developed.

For such time as these assets remain part of our portfolio, developing on-balance-sheet renewables and related infrastructure at Hillside and Worsley is not aligned with our strategy or core capabilities. Our focus remains on securing reliable, affordable and low-carbon electricity supply through third-party arrangements, including engaging with utilities and counterparties on power purchase agreements and other supply solutions. These arrangements, which may include long-term offtake agreements, can support the development of low-carbon supply and may influence the timing and profile of future capital and operating expenditure.

36. As outlined in Strategic Direction 3 of the International Maritime Organization's Strategic Plan for the Organization for the Six-Year Period (2024–2029), which focuses on responding to climate change and reducing greenhouse gas emissions from international shipping. Learn more at www.imo.org.

Sustainability continued

Strengthening our resilience to climate impacts

PR1

Our CCAP 2025 includes a Climate Adaptation and Resilience Plan, which comprises five key initiatives to strengthen preparedness, resilience and adaptive capacity across our operations and value chain. The plan is informed by asset-level physical climate risk assessments, including site-specific climate projections under SSP2-4.5 and SSP5-8.5 scenarios, and analysis of exposure pathways through which physical climate hazards may affect our operations.

Key initiatives	Focus Areas			
Strengthen present-day resilience				
1 Embed enhanced weather forecast data and climate outlooks to strengthen operational extreme weather decision-making.	■	■	■	■
2 Integrate physical risk management insights into our insurance program.	■	■		
Strengthen capabilities for future resilience				
3 Develop updated guidance and tools for assessing and managing physical climate risks, to enable the embedding of adaptation into key business processes.	■	■	■	■
4 Share information about local climate vulnerabilities with communities, supporting them to build adaptive capacity and climate resilience.	■		■	
Continuously improve physical climate risk management				
5 Incorporate climate expertise into material risk reviews, apply leading practices and support skill building to enhance ongoing management of physical climate risks.	■	■	■	■

Key: Operational resilience, Value chain, Workforce and communities, Nature

FY26 progress update

During FY26, we progressed a range of initiatives to strengthen resilience to physical climate-related impacts.

Strengthening present-day resilience

As part of managing exposure to acute weather hazards, we continued to enhance forecasting and response capabilities.

At Worsley Alumina, we commenced implementing risk-based weather forecasts and associated automated severe weather alerts to support refinery and port operational preparation and weather-response processes. We also completed a risk assessment of bushfire risk to critical conveyor infrastructure, informing mitigation measures, such as vegetation management and optimisation of protection zones, and supported regional emergency preparedness initiatives to strengthen local bushfire response capability.

At Australia Manganese, where operations span a large and climatically variable area, forecasting capability was enhanced through the introduction of location-specific forecasts for rainfall, fog and dust, supporting more targeted operational planning and risk mitigation.

Strengthening future resilience capabilities

To support consistent integration of climate-related assumptions in long-term decision-making, we progressed the integration of physical climate considerations into site planning, project design and risk assessment processes. This included refining planning assumptions used in life-of-operation planning and updating project environment guidance to strengthen consideration of physical climate risks across the project lifecycle.

In response to continued projections of declining cool season rainfall and increasing intensity of short-duration rainfall events in south-west Australia, we commenced a study in FY26 to better understand hydrological variability at Worsley Alumina under current and future climate scenarios.

The study is assessing potential impacts on water security, extreme rainfall events and water management risks to support longer-term adaptation planning and operational resilience.

At Hermosa, we progressed initial scoping to identify opportunities to strengthen community engagement on climate risks and longer-term adaptation planning.

Supporting communities to strengthen natural resource resilience is one of our social investment focus areas. Learn more on page 65.

Continuously improving physical climate risk management

We continued to incorporate climate expertise into material risk reviews during FY26. This included a review of supply chain risks to assess the potential impacts of weather- and climate-related disruptions on critical inputs. Existing controls, including critical supplier and category management processes, were enhanced through material stocking strategies designed to improve resilience to supply disruptions during significant weather events.

Climate expertise was also incorporated into operation-led material risk reviews, supporting the identification and assessment of physical climate risks and the integration of these considerations into risk management processes and controls.

Using AI to assess climate risks across our value chain

We rely on third-party freight and logistics networks to transport materials and products between our operations and customers globally. These networks are inherently exposed to a range of climate hazards. During FY26, we expanded our assessment of physical climate risks across the value chain to include inland logistics networks and customer regions, building on FY25 assessments of freight routes and discharge ports.

Generative AI tools supported a high-level assessment of climate hazards (including temperature and rainfall variability, storms, floods, drought, fire and sea level rise) and their potential impacts across selected value chain elements. Key risks identified included disruption to road and rail transport and reduced access to customers under certain conditions. Mitigation actions have been identified and are being incorporated into commercial planning.

To support ongoing assessment of evolving value chain exposures, a structured approach has been established within marketing processes to support periodic assessment and management of physical climate risks.

CASE STUDY

Working to strengthen cyclone preparedness through data-driven insights

Australia Manganese (GEMCO) operates in a highly active tropical cyclone basin, where systems can form rapidly, intensify quickly and change direction with limited warning. Following the impacts of Tropical Cyclone Megan in 2024, we have continued work to enhance our preparedness and response capabilities for cyclones and other severe weather events.

Key initiatives during FY26 included:

- enhancing forecasting and weather intelligence: Forecast information from multiple sources was monitored, supported by direct liaison with the Australian Bureau of Meteorology, to inform preparedness and planning
- operational response planning and preparedness: Enhanced use of weather dashboards, operational alerts and forecast information supported earlier activation of response measures, including securing equipment, workforce planning and staged operational shutdown activities in line with newly developed cyclone response plans. This included use of multiple forecast models to support earlier planning and coordination during Tropical Cyclone Narelle
- broadening focus beyond cyclones: Recognising that disruption can arise from a range of weather systems, including cyclones, tropical lows and extreme rainfall events, updated wet weather response procedures were developed to help strengthen preparedness across a broader range of conditions.

Collectively, these initiatives improve situational awareness and support more timely operational responses.

Government engagement

We engage with government through direct dialogue, participation in policy consultations, and indirectly through industry associations to advocate on shared issues. Our engagement is guided by our Climate Change Positions (available at *www.south32.net*) and we remain committed to conducting our direct and indirect advocacy in alignment with them.

Contributing to policy development

During the year, we participated in consultations relating to climate policy, carbon regulation and energy market reform, making submissions relevant to our operational footprint and the jurisdictions in which we operate.

- **EU Carbon Border Adjustment Mechanism (EU CBAM):** We supported alignment between EU CBAM electricity emissions methodologies and GHG Protocol Scope 2 guidance, recognition of carbon costs already incurred in the country of origin, and greater design clarity to reduce the risk of unintended outcomes, such as potential penalisation of exporters and adverse impacts on decarbonisation in developing economies.
- **Australian Gas Market Review:** We provided input on policy settings intended to support reliable and affordable domestic gas supply for industrial users, recognising the continued role of natural gas in energy systems where low-carbon alternatives are not yet scalable. We also provided input on market reforms to improve pricing mechanisms, transparency and governance.
- **GHG Protocol Scope 2 Consultation**: We supported greater clarity of Scope 2 accounting frameworks, while noting that certain proposed requirements may increase complexity or create misalignment with existing regulatory frameworks. We encouraged practical implementation approaches that balance accounting integrity, real-world impacts and feasibility across diverse energy markets.

In addition, we engaged in policy-related discussions through industry associations, including engagement on reforms to Australia's Environment Protection and Biodiversity Conservation (EPBC) framework, and participation in industry forums on fuel security and energy supply.

Direct government engagement

During the year, we continued to engage with governments, energy providers and other stakeholders regarding potential avenues to support access to reliable, affordable and lower-carbon energy supply for Hillside Aluminium and Worsley Alumina, as outlined on page 83.

In the United States, the government is working to strengthen its position in the global critical minerals economy and secure supply chains. As we advance Hermosa, we engage regularly with multiple levels of government and local stakeholders.

Industry associations

Our Approach to Industry Associations outlines our framework for industry association memberships and engagement, including how we manage potential policy and advocacy misalignment.

We periodically assess the alignment between our Climate Change Positions and the policy and advocacy of selected industry associations of which we are a member. These reviews inform our engagement with those associations and our consideration of ongoing participation.

Our most recent review, undertaken as part of our CCAP 2025, found that our Climate Change Positions and the advocacy of the majority of assessed associations were aligned. Future reviews will be undertaken as required and informed by our climate-related risk management activities. More information about our FY25 review and the industry associations that we belong to is available at *www.south32.net/industryassociations*.

Sustainability continued

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Climate change and global responses to it create risks and opportunities that may affect our assets, cost base, markets, value chain and portfolio positioning, and influence our prospects over time.

Identifying and assessing risks and opportunities

We use a range of tools, including climate scenario analysis, to identify and assess how climate-related risks and opportunities may affect our business. Assessments may include operated assets, non-operated joint ventures and development projects, depending on their nature and scope.

We assess climate-related risks and opportunities across three defined horizons:

- **Short-term (zero to two years):** aligned with our two-year budget cycle and 24-month mine and production planning, supporting operational decision-making and financial planning.
- **Medium-term (two to five years):** supports the implementation of strategy and initiatives beyond the annual planning cycle.
- **Long-term (beyond five years):** informs life-of-operations planning, decarbonisation pathways, market outlooks (2040+) and major capital decisions.

Climate resilience and scenario analysis

We use climate scenario analysis to assess the resilience of our strategy and business model to climate-related changes and uncertainties. Transition and physical climate scenarios are applied for complementary but distinct purposes, reflecting the different characteristics of transition and physical climate risks.

Our FY26 portfolio resilience conclusions are primarily informed by transition scenario analysis developed in FY25. Physical climate risks were assessed separately at an asset level in FY26, given the location-specific nature of physical climate hazards.

Climate scenarios represent potential future climate states based on sets of assumptions around changes in global behaviours. They are not forecasts and may not be reflective of South32's own expectations. It is difficult to predict which, if any, of the scenarios discussed in this report might eventuate. The assumptions underpinning a scenario may or may not prove to be correct, and actual outcomes may be impacted by factors beyond the assumptions disclosed.

Transition risk scenarios

Transition risks and opportunities are particularly relevant to our business given their potential influence on commodity demand, pricing, competitiveness and portfolio resilience. We use scenario analysis to assess how these dynamics may evolve under different transition pathways and to support strategic planning and our resilience assessment. The scenarios consider a range of potential developments, including regulatory and policy changes, technology advancement, energy market dynamics and evolving stakeholder expectations.

Scenario analysis assesses potential impacts on commodity demand, pricing and portfolio resilience. The analysis informs our identification and assessment of transition-related risks and opportunities. These scenarios are not forecasts and do not directly represent the assumptions used in asset-level financial modelling, including life-of-operation planning or impairment testing.

We apply two scenarios in these assessments. These scenarios were selected to assess portfolio resilience under a range of plausible climate-related transition pathways relevant to our operations and markets. Both scenarios are assessed across life-of-operation horizons and consider our operating jurisdictions, as well as global commodity and energy markets. Developed in FY25 and retained for the FY26 resilience assessment, they continue to represent relevant and plausible transition pathways within the current macroeconomic context.

Accelerated Transition (1.5°C)

Developed with external experts, this 1.5°C scenario reflects a rapid and coordinated global decarbonisation pathway. It assumes accelerated deployment of low-emissions technologies and infrastructure, supported by strong policy and regulatory action, increasing carbon prices and significant investment in clean energy systems. This aligns with global climate agreements at the time of development.

The scenario incorporates sector-specific analysis relevant to our portfolio, including commodity demand drivers, scrap availability, supply conditions and price impacts, together with assumptions relating to energy markets, macroeconomic conditions and technology uptake.

While current global emissions trajectories indicate that limiting warming to 1.5°C is increasingly challenging, this scenario remains an important reference point for assessing transition risks and opportunities, portfolio resilience and potential impacts under a rapid decarbonisation pathway.

Fragmented Transition (2.8°C)

This scenario reflects a slower and less coordinated global transition pathway, characterised by delayed policy action, more gradual uptake of low-emissions technologies and continued reliance on fossil fuels across parts of the global economy.

Relative to the Accelerated Transition scenario, this pathway assumes less coordinated international action, slower energy efficiency improvements and lower levels of low-carbon investment. Global emissions decline over time but do not reach net zero by 2050, resulting in higher longer-term warming outcomes.

The scenario has been informed by internal analysis, external studies and observed market developments, including evolving policy settings, emissions trajectories and investment trends. It provides a reference point for assessing how market conditions may evolve based on current stated policies and informs our commodity demand and carbon price assumptions.

Key scenario assumptions and inputs are outlined on the next page.

	Accelerated Transition	Fragmented Transition
Temperature rise (2100)	1.5°C	2.8°C
Global CO_2 emissions	Global CO_2 emissions (including non-energy sources) fall below zero by 2050 (i.e. net-negative).	Global CO_2 emissions decline but do not achieve net zero by 2050.
Global explicit carbon price (real July 2026)	US$208/t CO_2 by 2040 increasing to US$263/t CO_2 by 2050, based on a combined influence of abatement cost and policy.	US$71/t CO_2 from FY40 onwards.
Policy	Immediate policy action and international cooperation to scale decarbonisation technologies with large-scale investments (including in emerging economies).	Ad hoc and uncoordinated international cooperation, with climate policies becoming more ambitious and effective over time. Geopolitical tensions and protectionist policies prevail.
Energy	Final energy consumption declines modestly over time, supported by uptake of low-emissions technologies across key sectors and improved energy efficiency.	Final energy consumption continues to rise, with energy efficiency improvements and uptake of low-emissions technologies occurring at a slower rate.
Electricity	Share of electricity in final energy consumption doubles, exceeding 50% by 2050.	Electricity share rises, but more gradually, with a slower transition away from fossil fuels.
Power generation	Near complete decarbonisation by 2050 and almost tripling of power generation growth. Solar and wind account for nearly 39% of total power generation in 2030, and 80% by 2050.	Solar and wind generation increases, but at a moderated pace aligned with existing energy and climate policy action.
Electric vehicles (EVs)	Rapid EV adoption, 100% (79 million units) by mid-2030s. Shared mobility substitutes some private car ownership.	Slower EV penetration due to weaker policy, infrastructure limitations and regional disparities in affordability and access.
Macroeconomic trends	Positive global and regional GDP growth, supported by investment and productivity gains, and a reshaping of commodity demand associated with electrification and renewable energy deployment.	Positive global and regional GDP growth, supported by investment and productivity gains, with slower transition momentum and greater geopolitical fragmentation.
National/regional variables	Incorporates regional variation in policy settings (e.g. carbon pricing), resource availability and demand growth.	Incorporates regional variation in policy settings, reflecting uneven transition progress across regions.

Assessing resilience to transition risks

Our FY26 transition risk analysis indicates that:

- demand drivers, including GDP growth, electrification and the energy transition, are expected to support demand growth for most commodities in our portfolio, with copper, zinc and aluminium particularly well-positioned given their role in renewable energy systems, electrification and supporting infrastructure
- recycling and circular economy dynamics may moderate primary demand growth for some commodities over time, while also creating opportunities associated with secondary supply and evolving value chains
- across both transition scenarios, higher carbon prices, energy costs and shifting customer and market preferences may influence competitiveness, with outcomes influenced by emissions intensity, energy sources and cost structures across our operations and regions.

Overall, our portfolio is assessed as resilient under both scenarios, notwithstanding specific asset-level exposures identified under particular scenarios and time horizons.

In an Accelerated Transition, stronger demand and higher carbon costs could support higher commodity prices relative to a Fragmented Transition, supporting margins and market positioning for most of our portfolio. However, outcomes for alumina and aluminium operations remain dependent on access to affordable low-carbon energy and the commercial availability of low-emissions technologies. For Hillside Aluminium, future financial outcomes are highly dependent on electricity supply arrangements and pricing beyond the current contractual period.

Assessment outcomes are subject to uncertainty across several dimensions, including the timing, coordination and design of climate policy and carbon pricing mechanisms; the cost, scalability and commercial readiness of low-carbon technologies; the pace of energy system transformation and development of supporting infrastructure; and variability in commodity demand, market conditions and carbon cost trajectories under different transition pathways.

Physical risk scenarios

We assess physical climate risks using a bottom-up, asset-level approach to evaluate how changes in physical climate hazards may affect our operations, infrastructure, value chain and closure activities. Assessments focus on areas where there is a credible pathway between climate hazards and potential impacts.

We use two IPCC aligned Shared Socioeconomic Pathways (SSPs), SSP2-4.5 and SSP5-8.5, as physical climate scenarios to assess a range of plausible physical climate outcomes. These scenarios are used to assess potential changes in climate hazards, including temperature, rainfall, sea level rise, and the frequency and severity of extreme weather events relevant to our operations and value chain. Scenario projections, derived from the latest generation of global climate models, Coupled Model Intercomparison Project Phase 6 (CMIP6), are downscaled to support site-specific hazard assessments and stress test operational resilience over time. Projections and methodologies are periodically updated as climate science, datasets and modelling approaches evolve.

Recognising the uncertainty associated with long-term climate projections, including downscaled hazard data and the translation of projected hazards into asset-level impacts, we apply multiple models and scenarios to support robust, decision-useful assessments. Global climate model outputs may be supplemented by locally derived or application-specific datasets, where appropriate.

Refer to page 15 of the Climate-related Reporting Methodology 2026 for details of the key scenario assumptions and inputs underpinning these physical risk scenarios.

Sustainability continued

Physical climate vulnerability and adaptation considerations

The table below summarises projected changes in physical climate hazards for our operations by 2050 (relative to 2020). Operation-specific hazard assessments consider operations operated by South32, reflecting the availability of site-specific exposure and vulnerability data.

While projected increases in hazards do not necessarily equate to material physical climate risk exposure, they provide a key input to life-of-operations and closure planning. In the short- to medium- term, physical climate risk assessments do not indicate materially different outcomes across scenarios, reflecting both the modest change in climate hazards compared to today and the relatively limited divergence between scenarios over this period.

Over longer time horizons, hazard severity is expected to increase, particularly under higher-warming scenarios, which may increase operating and capital costs, production variability, and the need for additional adaptation measures. However, material divergence in outcomes between higher- and lower-emissions scenarios is only expected to become more consequential beyond 2050.

The extent of these impacts will depend on how climate hazards evolve, changes to our asset portfolio and operating context, and the effectiveness of adaptation measures implemented over time. In response to these evolving hazards, physical climate considerations inform operational risk management, project design, infrastructure planning and closure activities.

The projected changes in climate hazards summarised below inform our assessment of the identified physical climate-related risk described in PR1 - Extreme weather disruption, on page 101. Risk exposure varies by asset, reflecting differences in location, asset characteristics and operating context, with potential impacts primarily related to hydrological variability and water management, infrastructure resilience, and extreme weather events. Assessment outcomes also depend on evolving asset configurations, exposure pathways, infrastructure, and water and supply chain dependencies, as well as the timing and effectiveness of adaptation measures. Accordingly, the timing and magnitude of potential financial effects remain subject to significant uncertainty.

Operation-level view of changing climate hazards[37]

Operation	Changing climate hazards — Projected increase in climate hazards by 2050					
	Heat	Precipitation	Drought	Storms	Wind	Fire
Cannington	Extreme increase	Extreme increase		Extreme increase	Minor increase	Moderate increase
Australia Manganese	Extreme increase	Extreme increase		Extreme increase	Minor increase	Moderate increase
Worsley Alumina	Extreme increase	Moderate increase	Extreme increase			Moderate increase
Hermosa project	Extreme increase	Moderate increase		Significant increase		Extreme increase
South Africa Manganese	Extreme increase	Minor increase		Extreme increase		Extreme increase
Hillside Aluminium	Extreme increase	Significant increase	Extreme increase	Significant increase		Minor increase

Physical climate hazards

- Heat: Annual number of days exceeding 35°C
- Precipitation: Maximum 24-hour rainfall during a one-in-100-year event
- Drought: Level of total water stress
- Storms: Number of days per year with conditions conducive to severe thunderstorms
- Wind: Peak 1-minute sustained wind speed during a one-in-100-year event
- Fire: Annual probability of wildfire occurrence

- Minor increase, 0-5%
- Moderate increase, 5-10%
- Significant increase, 10-15%
- Extreme increase, more than 15%

Our ability to respond

Our ability to respond to identified climate-related risks and opportunities is supported by our capital management framework, which prioritises safe and reliable operations and a strong balance sheet to support delivery of our strategy. Following shareholder returns in line with our dividend policy, we encourage competition for excess capital, which is allocated to our most value-accretive options. This provides capacity and flexibility to allocate capital towards sustaining requirements, value-accretive growth opportunities and prioritised decarbonisation initiatives while maintaining financial resilience.

Depending on market conditions, strategic priorities and asset-level circumstances, potential responses may include pursuing portfolio opportunities, investing in emissions reduction initiatives, adapting or upgrading operations, strengthening infrastructure and water management, or redeploying, repurposing, closing or divesting assets.

Our CCAP 2025 progress update outlines how we are positioning our business to strengthen resilience to climate-related risks and opportunities over time. This includes actions to support portfolio positioning through the energy transition, reduce operational emissions, and integrate physical climate considerations into operational risk management, project design, infrastructure planning and closure activities. These actions support our capacity to identify, prioritise and respond to climate-related risks as conditions evolve.

Considering our planned actions and ability to respond, our FY26 resilience assessment did not identify a need for material changes to our overall strategy, portfolio composition or medium- to long-term planning under the scenarios assessed. We will continue to monitor climate-related risks and opportunities as policy, technology, market and physical climate conditions evolve.

37. Climate data used in this FY26 assessment is sourced from Jupiter Intelligence and is based on CMIP6 global climate model ensembles. Downscaled projections use proprietary methods to provide asset-level insights. Data is presented for the SSP5-8.5 emissions scenario and reflects conditions projected by 2050 (relative to 2020). Some projected climate hazard metrics have been updated since publication of the 2025 Climate Change Action Plan to reflect the latest available climate projection data.

Identified climate-related risks and opportunities

The disclosures on pages 94 to 103 provide detailed information on our identified climate-related risks and opportunities. These disclosures should be read together with our CCAP 2025 progress update on pages 80 to 90, which outlines the actions we are taking to address climate change, including our management of these climate-related risks and opportunities.

Climate-related risks and opportunities may be interconnected, and management responses to one climate-related risk or opportunity may influence exposure to, or management of, others across the portfolio and value chain.

The identification and assessment of climate-related risks and opportunities is embedded within our broader risk management framework, as outlined in the Risk Management section on page 103.

Significance and measurement uncertainty

We do not apply a single quantitative threshold when assessing which climate-related risks and opportunities to disclose. Instead, we use structured analysis and management judgement to identify climate-related risks and opportunities that could reasonably be expected to affect our prospects. This assessment considers both quantitative and qualitative factors, including the nature, magnitude, timing and uncertainty of potential impacts.

These judgements are informed by the work undertaken in developing our CCAP 2025, external views and publications on industry-relevant risks and opportunities, and the scenario analysis undertaken. In identifying relevant climate-related risks and opportunities, and determining what climate-related information is material for disclosure, we consider impacts and dependencies across the value chain that could reasonably be expected to affect the Group's strategy, business model or financial position.

The climate-related risks and opportunities identified reflect information available at the reporting date and current assumptions regarding how they may develop. As market conditions, climate science, data availability and our business evolve, the nature, significance and assessment of these risks and opportunities may also change.

Where quantitative financial impacts are not disclosed, this reflects data limitations, methodological uncertainty or challenges in separately identifying impacts. In these circumstances, qualitative information is provided where available.

Where impacts cannot be separately quantified, aggregated information may be disclosed unless the level of measurement uncertainty is too high for the information to be meaningful.

Based on our current assessment of climate-related risks and the assumptions used in preparing the financial statements, we do not expect a material adjustment to the carrying amounts of assets and liabilities in FY27[38].

38. This statement reflects the expected impact of climate-related risks and opportunities over the next annual reporting period. Assessment of climate-related risks and opportunities for impairment testing considers potential impacts over the expected life of assets and operation. Refer to Financial Report Note 13. Impairment of Non-Financial Assets.

Sustainability continued

TO1: TRANSITION-RELATED COMMODITY DEMAND GROWTH

Classification:	Transition opportunity
Relevant time horizons:	Short-, medium- and long-term
Portfolio concentration:	Copper, zinc, aluminium, alumina
Value chain concentration:	Exploration, development, mining and processing activities, as well as supply into electrification and energy infrastructure value chains.

Description

The energy transition is expected to increase demand for commodities used in renewable and low-carbon technologies, electrification and energy infrastructure, supporting favourable market conditions across our portfolio, in particular for copper, zinc and aluminium.

Since our formation, we have progressively reshaped our portfolio towards commodities critical for the energy transition, increasing exposure to base metals such as copper and zinc. Over time, continued execution of our strategy may further increase contribution of these commodities to Group revenue and earnings, and influence growth capital allocation.

The extent to which these opportunities are realised will depend on the pace and coordination of the energy transition, technology development, policy settings and infrastructure availability, as well as our ability to successfully develop, expand and operate assets across our portfolio. These uncertainties are reflected in the scenario-specific assumptions used to assess commodity demand as part of our transition scenario analysis and portfolio resilience assessment.

Projected commodity demand growth under transition scenarios

The table below presents the commodity-level compound annual growth rate (CAGR) for projected total and primary demand (2025–2040) under each scenario, with triangles representing these estimates. Total demand comprises both primary and recycled (secondary) materials and primary demand refers to demand met through new production, including mining, smelting or refining, and excludes recycled or recovered material.

These estimates are based on scenario-specific assumptions (refer to page 91) and involve inherent uncertainty. Actual transition pathways may differ from those modelled, resulting in materially different demand outcomes.

	Accelerated Transition		Fragmented Transition	
	Total demand	Primary demand	Total demand	Primary demand
Copper	▲▲▲	▲	▲▲	▲
Copper presents the most significant opportunity, driven by strong projected total demand growth (averaging 2–3% CAGR to 2040 in both scenarios) and constrained new supply, contributing to favourable pricing outcomes.				
Alumina/aluminium	▲▲	▲	▲▲	▲▲
Aluminium is widely used in renewable energy infrastructure and increasingly used in EVs, supporting total demand growth of approximately 2% CAGR (2025–2040) across both scenarios.				
Zinc	▲▲	▲▲	▲▲	▲▲
Zinc is used in renewable energy infrastructure and climate-resilient construction, supporting total demand growth of approximately 2% CAGR (2025–2040 in both scenarios). Projected supply shortfalls may require new capacity additions, with additional upside from increased adoption of zinc-based technologies in both scenarios.				
Manganese	▲	▲	▬	▬
Manganese is used in steel for renewable infrastructure, EVs and urbanisation. Demand remains relatively steady under a Fragmented Transition scenario, with total demand growth of around 1% CAGR to 2040 under an Accelerated Transition scenario, including potential upside from battery-related demand.				
Lead	▼▼▼▼▼	▼	▲	▼
Primary demand declines in both scenarios as conventional vehicles are phased out and replaced with EVs.				

Key: ▲ Positive ▼ Negative ▬ Neutral

Financial effects

Current financial effects

Copper, zinc-lead-silver and alumina/aluminium contributed materially to FY26 revenue, underlying EBITDA and capital allocation, including investment in growth, life extension and exploration activities.

Related Financial Disclosures[39]	Metric (US$M)[40]	Copper[41]	Alumina/ aluminium	Zinc-lead-silver	Total from continuing operations
Financial Report – Note 4b – Segment Information	Underlying revenue	1,154	5,388	852	**7,915**
	Underlying Revenue contribution (% of total)	15%	68%	11%	**93%**
	Underlying EBITDA	758	1,075	451	**2,451**
	Underlying EBITDA contribution (% of total)	31%	44%	18%	**93%**
Financial Operating and Performance Summary – Capital expenditure excluding exploration and intangibles – Capitalised exploration	Improvement and life extension capital expenditure	8	106	1	**129**
	Improvement and life extension capital expenditure contribution (% of total)	6%	82%	1%	**89%**
	Growth capital expenditure	–	–	711	**711**
	Growth capital expenditure as % of total	–%	–%	100%	**100%**
	Exploration expenditure capitalised	6	–	33	**44**
	Exploration expenditure capitalised as % of total	14%	–%	75%	**89%**

Anticipated future financial effects

Financial effects may arise through several channels as the energy transition evolves:

- **Prices and margins:** Changes in commodity demand may affect realised prices and margins across our portfolio[42]
- **Capital allocation and investment:** Financial effects may arise through capital allocation decisions and investment activities, including expenditure associated with growth, life extension and exploration[43]
- **Strategic portfolio actions:** Acquisitions, divestments and other strategic portfolio actions may alter the Group's exposure to transition-related commodities[44]
- **Asset lives and valuations:** Shifts in demand may influence asset lives and valuation assumptions over time, including commodity price assumptions and discount rates applied to long-life assets[45].

Across the short-, medium- and long-term, demand growth may influence portfolio composition and the contribution of transition-related commodities, such as copper and zinc-lead-silver, to future Group revenue and earnings[42], including through the advancement of copper growth options at Sierra Gorda and the development of Hermosa. Short- to medium-term expected capital expenditure[43] associated with Sierra Gorda and Hermosa is outlined on page 80. Additional information on expected capital expenditure for Hermosa is outlined in our Hermosa Project Update dated 30 April 2026, available at *www.south32.net*.

In practice, demand for transition-related commodities is influenced by factors beyond the energy transition, including broader industrial growth and increasing demand associated with AI and data infrastructure, making it difficult to isolate and reliably quantify transition-specific financial effects. Scenario analysis and commodity price sensitivities nevertheless provide directional insight into potential exposure.

Illustrative commodity price sensitivities based on FY26 Underlying EBIT are provided as an indication of the potential impact of commodity price movements on earnings. These sensitivities do not reflect future production growth, development projects or changes in portfolio composition. The demand projections on the previous page provide market context, while the sensitivities in the table that follows illustrate the potential impact of commodity price movements on FY26 Underlying EBIT.

Commodity	Increase in realised price	Impact on FY26 Underlying EBIT US$M[42,46]
Copper[41]	10 %	110
Zinc[47]	10 %	11
Alumina[48]	10 %	180
Aluminium[48]	10 %	357

How we are responding

Response	Cross-reference
Positioning our portfolio to increase exposure to commodities critical to the energy transition	Page 80
Allocating growth capital towards base metals, including at Hermosa, where we are evaluating next-generation mine design, automation, fleet electrification and renewable energy integration to support productivity, cost competitiveness and lower-emissions production	Page 80
Maintaining a broad portfolio of exploration projects, partnerships, strategic alliances and equity interests targeting base metals	Page 81
Engaging with governments, regulators, communities and infrastructure providers on permitting, infrastructure and supportive policy settings associated with development and growth pathways across our portfolio	Page 89
Engaging with customers, suppliers and industry participants to understand evolving demand, supply chain expectations and market opportunities associated with the energy transition	Page 86
Using market and scenario analysis to inform portfolio planning, capital allocation and operational decision-making	Page 90

Related metrics

We monitor exposure to this opportunity through production volumes (copper, zinc-lead-silver and alumina/aluminium, CuEq basis), contribution of these commodities to revenue and underlying earnings, and capital expenditure allocated to copper, zinc-lead-silver and alumina/aluminium. Find these metrics on page 104.

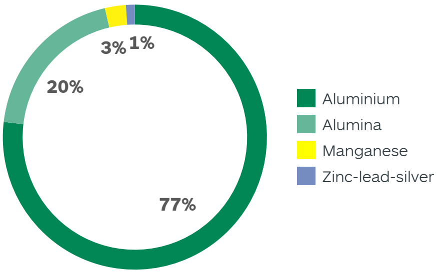
39. Financial Report disclosures include subsidiaries, operated and non-operated joint ventures at South32's share, excluding equity-accounted investments. Financial Operating and Performance Summary disclosures include subsidiaries, operated and non-operated joint ventures at South32's share.
40. Includes subsidiaries, operated and non-operated joint ventures at South32's share.
41. Includes minor contributions from non-copper commodities at Sierra Gorda.
42. Financial Report affects: Consolidated Income Statement (IS): Revenue — Group Production; Consolidated Cash Flow Statement (CFS): Profit/(loss) before tax from continuing operations.
43. Financial Report affects: IS - Expenses excluding finance costs); Consolidated Balance Sheet (BS) - Property, plant & equipment; CFS - (Profit/(loss) before tax from continuing operations, Purchase of property, plant & equipment, Exploration expenditure and Exploration expenditure expense and included in operating cash flows.
44. Financial Report affects: BS - Property, plant & equipment, Equity accounted investments - CFS: Payments for/proceeds from the acquisition/divestment of subsidiaries and joint operations, net of their cash.
45. Financial Report affects: IS - Expenses excluding finance costs; BS - Property, plant & equipment; CFS - Profit/(loss) before tax from continuing operations.
46. The sensitivities reflect the annualised estimated impact on FY26 Actual Underlying EBIT of a 10% movement in FY26 actual realised prices applied to FY26 Actual Sales volumes.
47. Net of Treatment and Refining charges.
48. Excludes the Group consolidation impact of the inter-company alumina sold on index. Aluminium sensitivity is shown without any associated increase in alumina pricing.

Sustainability continued

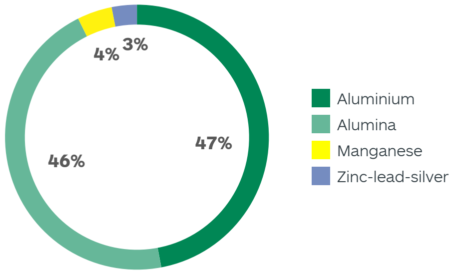
TR1: DECARBONISATION CONSTRAINTS

Classification: Transition risk
Relevant time horizons: Short-, medium- and long-term
Portfolio concentration: Aluminium and alumina
Value chain concentration: Exposure arises through dependencies on electricity generation, transmission and distribution, fuel and technology suppliers, and the broader pace of energy system transformation.

FY26 GHG emissions (ex. Mozal and CMSA) (t CO_2-e,%)



FY26 Energy Consumption (ex. Mozal and CMSA) (PJ,%)



Description

Constraints relating to energy systems and low-carbon technologies may affect the pace, cost and feasibility of operational decarbonisation, particularly within our alumina and aluminium operations. These constraints include the availability, affordability and reliability of low-carbon electricity, including supporting transmission and firming infrastructure, as well as the readiness and scalability of low-carbon technologies. This may increase costs, affect operational continuity and competitiveness, influence capital allocation decisions, and constrain progress towards our FY35 operational emissions reduction target and goal to achieve net zero operational emissions by 2050.

The nature of exposure differs by operation. Hillside Aluminium is primarily exposed through Scope 2 emissions, which account for approximately 90% of the smelter's operational emissions and arise from carbon-intensive electricity supply. Aluminium smelting requires large-scale, reliable electricity supply. As a result, decarbonisation is highly dependent on the availability and affordability of firmed low-carbon electricity within South Africa's energy system, particularly beyond 2031 when Hillside's current electricity supply arrangements expire.

Worsley Alumina is primarily exposed through Scope 1 emissions, which account for approximately 99% of the refinery's operational emissions, and arise from high-temperature alumina refining. Low-carbon alternatives for industrial scale process heat, such as steam electrification and calcination, remain under development and are not yet commercially proven or viable for Worsley.

As major industrial energy users, decarbonisation pathways for these operations also depend on broader energy system transformation, including policy and regulatory settings that enable the large-scale development of affordable, reliable low-carbon electricity supply capable of meeting multi-gigawatt industrial demand. Addressing these constraints and dependencies may also require significant capital investment to modify existing operations and support enabling energy infrastructure.

Given the hard-to-abate nature of alumina refining and the dependence of aluminium smelting on access to large-scale, reliable electricity supply, some decarbonisation pathways may involve materially higher operating and capital costs. Their commercial viability may therefore depend in part on carbon price signals and sustained market demand for low-carbon products.

In an Accelerated Transition scenario, coordinated energy system and technology development could improve access to low-carbon electricity and decarbonisation pathways, reducing exposure over time. Under a Fragmented Transition scenario, slower infrastructure development, price volatility and supply uncertainty could increase costs and delay emissions reduction progress.

Financial effects

Current financial effects

Current financial effects are concentrated in our alumina and aluminium operations, reflecting their energy-intensive nature and reliance on electricity supply and fuel-related inputs.

In FY26, total energy costs were US$1,091 million, representing 49% of the Group's US$2.2 billion expenditure on market-traded consumables and energy, with the majority attributable to our aluminium value chain.

We also incurred capital expenditure of US$3.4 million during the year, supporting progress against our FY35 operational emissions reduction target.

Related Financial Disclosures[49]	Metric (US$M)[50]	Alumina/aluminium	Other commodities	Total
Financial Report – Note 5 - Expenses excluding finance costs	Electricity costs	777	43	820
	Other energy costs	183	88	271
Financial Operating and Performance Summary – Earnings Analysis	**Total energy costs**	**960**	**131**	**1,091**
	% of total energy costs	88 %	12 %	

Anticipated future financial effects

Future financial effects are expected to arise primarily through energy costs, electricity supply arrangements and decarbonisation investment requirements, particularly within our alumina and aluminium operations[51]. Changes in electricity pricing and reliability may increase cost variability and affect competitiveness in the short-term[52]. Continued access to cost-competitive electricity remains a key factor in the medium- to long-term for Hillside as the current supply contract approaches expiry in 2031.

Energy system and technology constraints may also affect the timing and feasibility of decarbonisation pathways, increasing exposure to energy and carbon pricing, as well as affecting competitiveness relative to lower-emissions producers[52]. In the short-term, technology maturity and commercial viability constraints are expected to be limited to studies, planning and assessment activities. Over the medium-term, energy system and technology constraints may affect the timing, sequencing and scale of decarbonisation capital expenditure[53], including interim fuel-switching projects.

Over the long-term, the pace at which low-carbon technologies become technically and commercially viable, and the extent to which local energy systems are able to scale up supply of low-carbon electricity solutions, are expected to influence decarbonisation pathways, capital allocation, exposure to carbon costs and long-term competitiveness of energy-intensive operations within the portfolio[51].

Where these constraints limit emissions reduction progress, residual emissions may increase exposure to compliance obligations and carbon costs associated with emissions-limiting regulation[52]. This is outlined in more detail under TR2 - Emissions-limiting regulations on page 98.

The magnitude and timing of financial effects remain uncertain and depend on factors including energy system transition, technology development, policy and regulatory settings, operational requirements, and future carbon costs[52]. Completion of the Transaction will also significantly impact anticipated future financial effects of this risk, given that it involves divestment of South32's aluminium value chain assets (excluding Mozal Aluminium). Given these uncertainties, the level of measurement uncertainty involved in estimating the financial effects is currently so high that the resulting quantitative information would not be useful.

How we are responding

Response	Cross-reference
Progressing decarbonisation initiatives at Hillside Aluminium and Worsley Alumina	Page 83
Engaging with governments, utilities and industry participants on energy policy, infrastructure development and access to reliable, affordable low-carbon electricity	Page 86
Assessing low-carbon technologies and participating in industry and research collaborations to support hard-to-abate decarbonisation pathways	Pages 84 and 87
Engaging with suppliers and customers to support value chain decarbonisation and respond to evolving market expectations	Page 86
Using market and scenario analysis to inform portfolio planning, capital allocation and operational decision-making	Page 90

Related metrics

We monitor exposure to this risk through:

- energy consumption by source and intensity
- Scope 1 and Scope 2 emissions, including by source and emissions intensity
- proportion of emissions classified as hard to abate
- concentration of emissions and energy consumption across our operations
- decarbonisation-related capital expenditure.

Find these metrics on pages 104 to 113.

49. Financial Report disclosures referenced include subsidiaries, operated and non-operated joint ventures at South32's share, excluding equity-accounted investments. Financial Operating and Performance Summary disclosures referenced include subsidiaries, operated and non-operated joint ventures at South32's share.
50. Includes subsidiaries, operated and non-operated joint ventures at South32's share.
51. Financial Report affects: Consolidated Income Statement (IS) - Expenses excluding finance costs; Consolidated Balance Sheet (BS) - Property, plant & equipment; Consolidated Cash Flow Statement (CFS) - Purchase of property, plant & equipment.
52. Financial Report affects: IS - Expenses excluding finance costs.
53. Financial Report affects: BS - Property, plant & equipment; CFS - Purchase of property, plant & equipment and Impairment losses/(reversals) of non-financial assets.

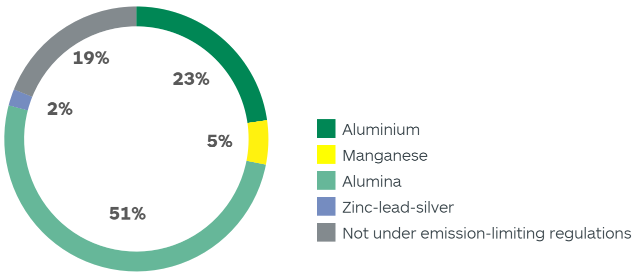
Sustainability continued

TR2: EMISSIONS-LIMITING REGULATIONS

TR2

Classification: Transition risk
Relevant time horizons: Short-, medium- and long-term
Portfolio concentration: Aluminium and alumina
Value chain concentration: Electricity and fuel supply, transport and logistics, and trade-exposed export markets.

FY26 Scope 1 emissions under emission-limiting regulations (t CO_2-e)[54]



Description

Emissions-limiting regulations, including carbon taxes, emissions trading systems, baseline-and-credit schemes and carbon border adjustment mechanisms, may increase costs, affect demand for emissions-intensive products and influence the competitiveness of our operations. These impacts may arise through direct carbon and compliance costs, higher input costs and trade-related measures affecting market access and realised prices.

As described under TR1, the pace and extent of emissions reductions achievable in response to regulatory requirements and our climate-related commitments depend on the availability of reliable low-carbon electricity and commercially viable low-carbon technologies. Where these constraints persist, emissions-limiting regulations may increase exposure to carbon and compliance costs, particularly where limited abatement options restrict emissions reduction pathways.

Regulatory measures vary across jurisdictions and may evolve over time in response to differences in policy design, market structures and climate ambition.

Key areas of exposure include:

– **emissions-intensive operations:** Exposure is concentrated within our alumina and aluminium operations, where emissions intensity, energy consumption, and carbon costs may influence operating costs and competitiveness
– **compliance obligations under emissions-limiting regulations:** Our operations are subject to a range of regulatory mechanisms, including the Australian Safeguard Mechanism, carbon taxes and emissions trading systems, which may result in direct carbon and compliance costs
– **carbon-related input costs:** Carbon pricing mechanisms may increase indirect costs embedded in electricity, fuels and other goods and services across the value chain
– **trade and market exposure:** Trade-related measures, including carbon border adjustment mechanisms, may affect market access, realised prices, competitiveness and customer preferences across downstream markets.

Regulatory frameworks continue to evolve across jurisdictions, with differences in scheme design, coverage, carbon price trajectories and implementation timeframes potentially increasing compliance costs, complexity and cost variability.

In an Accelerated Transition scenario, broader and more coordinated carbon pricing and regulatory alignment may increase short- to medium-term compliance costs, while supporting more consistent long-term market signals and decarbonisation pathways. Higher carbon prices are assumed under this scenario, reaching US$208/t CO_2 by 2040 and US$263/t CO_2 by 2050[55].

In a Fragmented Transition scenario, uneven policy development and inconsistent implementation may increase regulatory uncertainty, cost variability and competitiveness impacts across jurisdictions. The Fragmented Transition scenario incorporates a centralised indicative carbon price assumption of US$71/t CO_2 from 2040 onwards[55], informed by policy developments, market benchmarks, technological change and abatement costs.

Under both scenarios, the extent to which the decarbonisation constraints described in TR1 are resolved will influence the degree to which compliance can be achieved through operational emissions reduction rather than carbon cost absorption.

54. Scope 1 emissions from Cerro Matoso, Mozal Aluminium and Hermosa are not currently subject to emission-limiting regulations.
55. Carbon prices are indexed to inflation (real July 2026).

Financial effects

In FY26, emissions-limiting regulations resulted in operating and compliance costs across multiple jurisdictions.

Current financial effects

Related Financial Disclosures[56]	Metric	Jurisdiction	% of Scope 1 emissions covered	US$M
Financial Report – Note 5. Expenses excluding finance costs	Safeguard mechanism[57]	Australia	56 %	3.7
	South Africa carbon tax[58]	South Africa	25 %	1.1
	Other[59]	Various	N/A	1.5
	Total		**81 %**	**6.3**

No EU CBAM costs have been disclosed as the mechanism only came into effect on 1 January 2026 and the first reporting period has not yet been completed. Estimated CBAM compliance costs for calendar year 2026 cannot be reliably estimated due to the current uncertainty regarding emissions calculation methodologies and reliability of available estimates.

Anticipated future financial effects

Future financial effects are expected to arise through direct carbon and compliance costs, including costs associated with the Australian Safeguard Mechanism, higher input costs where emissions-related costs are embedded across the supply chain, and trade-related measures that may affect market access, realised prices and competitiveness[60].

These costs are incurred in the short term and are expected to continue over the medium- and long-term. Costs may increase over the short term as regulatory baselines tighten and carbon prices evolve. Over the medium- and long-term, the magnitude and timing of these effects will depend on regulatory design, carbon price trajectories, policy settings, emissions intensity, trade-related measures, and the pace, cost and feasibility of the operational decarbonisation pathways described under TR1.

Given uncertainty regarding the future design and operation of emissions-limiting regulatory schemes, including potential changes to the Australian Safeguard Mechanism, the level of measurement uncertainty involved in estimating these medium- and long-term financial effects is currently so high that the resulting quantitative information would not be useful.

Carbon pricing

We incorporate carbon price assumptions into scenario analysis, portfolio planning and investment evaluation, including sensitivity analysis, to assess impacts on project economics, competitiveness and portfolio resilience. Carbon pricing is also used to assess exposure to emissions-limiting regulations and associated compliance costs, and is not currently applied in internal transfer pricing arrangements.

Our base case used for portfolio planning and investment evaluation incorporates domestic carbon prices in our key operating regions until FY39, based on current regulations in jurisdictions where we operate and sell our products, and an expectation that emissions allowances will reduce over time[59]. From FY40, our base case assumes a single global carbon price of US$71 per tonne CO_2-e (real July 2026).

How we are responding

Response	Cross-reference
Prioritising decarbonisation initiatives at Hillside Aluminium and Worsley Alumina	Page 83
Submitting a Trade-Exposed Baseline-Adjusted application under the Safeguard Mechanism for Worsley Alumina	Page 100
Monitoring and engaging with governments on emerging regulatory developments	Page 89
Engaging with value chain participants to improve emissions transparency and support emissions reduction initiatives	Page 86
Monitoring carbon market and regulatory developments, and participating in carbon markets to manage regulatory carbon liabilities	
Incorporating carbon pricing assumptions into planning and investment decisions	

Related metrics

We monitor exposure to this risk through:

- Scope 1 and Scope 2 emissions and emissions intensity across operations and products
- operational emissions subject to emissions-limiting regulations
- carbon pricing exposure and compliance costs
- carbon- and energy-related operating costs
- decarbonisation-related capital expenditure.

Find these metrics on pages 104 to 109.

56. Financial Report disclosures include subsidiaries, operated and non-operated joint ventures at South32's share, excluding equity-accounted investments.
57. Safeguard Mechanism is reported on a financial year basis (1 July 2025 to 30 June 2026).
58. South Africa Carbon Tax includes both the tax payable and the cost of offset purchases and is reported on calendar year basis (1 January 2025 to 31 December 2025).
59. Other carbon taxes are disclosed using the reporting period prescribed by the relevant jurisdiction or scheme. Accordingly, reported periods include calendar year basis (1 January 2025 to 31 December 2025) and financial year basis (1 July 2025 to 30 June 2026).
60. Financial Report affects: Consolidated Income Statement - Expenses excluding finance costs.

Sustainability continued

CASE STUDY

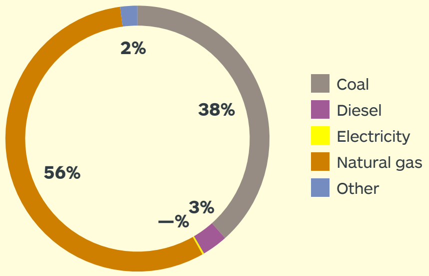
Worsley Alumina: Managing transition risks and opportunities in a hard-to-abate industrial operation

Worsley Alumina is an integrated bauxite mining and alumina refining operation in Western Australia. Alumina is a critical input into primary aluminium, which is widely used in electricity networks, renewable energy infrastructure and electrified transport systems, supporting demand associated with the energy transition.

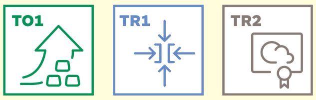
As a large-scale, energy-intensive refinery producing a globally traded commodity in externally priced markets, Worsley is exposed to interconnected transition risks associated with energy systems, carbon regulation and decarbonisation economics.

Most of Worsley's operational emissions arise from the combustion of coal and natural gas for high-pressure steam generation and calcination, resulting in a predominantly Scope 1 emissions profile. Continued reliance on these fuels reflects technical constraints associated with alumina refining, current limitations in low-carbon electricity availability and the pace of energy system transition in Western Australia.

FY26 Worsley energy mix (GJ, %)



Carbon pricing under Australia's Safeguard Mechanism introduces a direct cost on Scope 1 emissions, while additional indirect costs may also be embedded in energy and other inputs. As a price-taking refinery in globally traded alumina markets, Worsley has limited ability to recover increases in carbon and energy costs through pricing, which may result in margin compression where costs increase more rapidly than realised alumina prices. Financial performance is therefore sensitive to changes in carbon costs, energy prices and realised alumina prices.



Managing decarbonisation in a constrained transition environment

Worsley is adopting a staged decarbonisation approach to balance emissions reduction, operational reliability and long-term competitiveness. Actions progressed to date include two coal to natural gas boiler conversions and increased biomass use, with further boiler conversions being assessed.

Longer-term opportunities include electrification of steam generation and calcination, with implementation dependent on the availability of reliable, cost-competitive low-carbon electricity, sufficient transmission capacity, and improved project economics.

Progress remains linked to broader developments in Western Australia's energy system, including the transition of the South West Interconnected System (SWIS) and the rollout of renewable energy, storage and transmission infrastructure, as well as transition planning for the town of Collie.

Regulatory environment

Worsley is planning to submit an application for a trade-exposed baseline adjustment (TEBA) under the Safeguard Mechanism. If approved, TEBA may reduce the annual rate of baseline decline from 4.9% to as low as 1% for a three-year period, reducing near-term compliance costs and providing greater flexibility in the timing and sequencing of decarbonisation investment. However, TEBA is time-limited, subject to regulatory approval, and its availability beyond 2030 remains uncertain.

Worsley illustrates how transition-related risks and opportunities may be interconnected within an energy-intensive industrial operation. While alumina is expected to benefit from demand associated with the energy transition, Worsley's ability to decarbonise is strongly influenced by energy system constraints, emissions-limiting regulation and the cost and feasibility of decarbonisation pathways. This highlights how management responses to one climate-related risk or opportunity may influence exposure to, or management of, others.

PR1: EXTREME WEATHER DISRUPTION

Classification:	Physical risk
Relevant time horizons:	Short-, medium- and long-term
Portfolio concentration:	Exposure is concentrated in operations reliant on water management and processing infrastructure, and located in cyclone-, flood- and wildfire-exposed regions and areas subject to hydrological variability.
Value chain concentration:	Exposure arises across inbound and outbound logistics networks, suppliers of critical inputs and third-party transport, energy, water and export infrastructure. Disruption to ports, shipping routes, roads and rail networks may affect operational continuity and product delivery.

Description

Increasing intensity, frequency and variability of extreme weather events, together with longer-term changes in temperature, rainfall patterns and sea level rise, may disrupt our operations, infrastructure and value chain, and affect our ability to operate safely, reliably and efficiently. This risk includes both acute hazards, such as cyclones, floods, wildfires and storms; and chronic changes, including rising temperatures, hydrological variability and sea level rise.

Given the geographic diversity of our portfolio, exposure varies by asset, location and operational context, including dependence on coastal infrastructure, water systems and third-party logistics networks. All our operations (100%) are exposed to one or more physical climate exposure pathways.

Physical climate hazards may disrupt operations, damage infrastructure and affect the availability of critical inputs, water resources and transport routes. They may also affect supplier performance, logistics networks, product delivery and the ability to meet customer commitments. Over time, these impacts may contribute to increased operational variability, higher operating and capital costs, and increased adaptation and resilience requirements.

Operation-specific hazard assessments

We assess physical climate risk at operations that we operate through exposure pathways, describing how climate-related hazards may affect our assets, infrastructure, logistics networks, water systems, supply chains and closure activities. This supports operation-level exposure assessments and the prioritisation of adaptation and resilience activities under our Climate Adaptation and Resilience Plan; find more information in our CCAP 2025.

Exposure pathway	Description	Relevant climate hazards	Key exposed operations & projects
Containment breach or failure of water or tailings storage facilities	Extreme rainfall, flooding and other climate-related hazards may increase pressure on water and tailings storage facilities, increasing the risk of loss of containment, with potential safety, environmental, operational, regulatory and legal consequences.	Rainfall, storms, flooding, sea level rise	– Worsley Alumina – Australia Manganese – Cannington – Hermosa
Hydrological variability and water security	Changes in hydrological conditions, including increased rainfall variability, water scarcity and more intense rainfall events, may affect water availability, operational continuity and water management requirements across our operations.	Temperature increase, rainfall, storms, flooding, drought	– Worsley Alumina – Australia Manganese – South Africa Manganese – Cannington
Damage to coastal infrastructure	Sea level rise, storm surge and more intense coastal weather events, including cyclones and dire weather conditions, may affect port facilities and coastal infrastructure supporting our operations, disrupting export and import activities and affecting infrastructure reliability over time.	Rainfall, storms, flooding, sea level rise, fire weather	– Worsley Alumina – Australia Manganese – Cannington – Hillside Aluminium
Damage to critical mining and processing infrastructure	Storm systems, flooding, wildfire and other climate-related hazards may damage or disrupt critical mining and processing infrastructure, affecting operational continuity, asset reliability and maintenance requirements.	Temperature increase, rainfall, storms, fire weather	– Worsley Alumina – Australia Manganese – Cannington – Hillside Aluminium – Hermosa
Disruption to transport routes and supply chains	Severe weather events, including storm systems and flooding, may disrupt third-party transport routes and supply chains supporting operations and customer delivery, resulting in delays, increased logistics complexity and reduced supply chain reliability.	All hazards	– Worsley Alumina – Cannington – Hillside Aluminium – Hermosa – South Africa Manganese
Safe and reliable closure	Climate-related hazards may affect the safe and timely closure of assets, including landform stability and rehabilitation outcomes. This may result in increased rework, higher closure costs, extended relinquishment timelines, and elevated regulatory, stakeholder and reputational risks.	All hazards	– Worsley Alumina – Australia Manganese – Cannington – South Africa Manganese – Hermosa

Financial effects

Current financial effects

Direct attribution of financial impacts to physical climate hazards is inherently challenging, as outcomes reflect the combined influence of weather conditions, mine plans, asset configurations and operational decision-making. As a result, it is not currently feasible to isolate and quantify all financial effects attributable to specific climate-related physical hazards on a consistent and comparable basis across reporting

Sustainability continued

periods. Historical severe weather events nevertheless provide insight into the types of financial impacts that may arise from physical hazards. For example, Tropical Cyclone Megan, which impacted Australia Manganese in March 2024, resulted in operational disruption, recovery and remediation activities and reduced earnings. Total approved external insurance recoveries relating to the event were US$503 million (100% basis), including US$153 million agreed in Q1 FY26.

During the year, elevated site water levels and groundwater inflows, together with wet season rainfall, affected water management capacity and mining activities at Australia Manganese, impacting production planning and operational performance. Water management remains a focus, with work ongoing to progress approvals, infrastructure investments and mine planning activities to manage elevated water volumes and support operational continuity. In FY26, we incurred US$5 million (100% basis) of capital expenditure on water management-related projects at Australia Manganese[61]. Water-related operating costs and other current-period financial effects have not been separately quantified because they cannot be reliably isolated from broader operating expenditure, attributed to physical climate hazards, or quantified on a comparable basis.

Anticipated future financial effects

Extreme weather and hydrological variability may disrupt operations, affecting production, revenue, operating margins and cash flows over the short-, medium- and long-term[62]. Physical climate impacts may also increase maintenance, recovery, insurance and water management costs, and require additional capital expenditure to strengthen operational resilience[63].

Over time, physical climate risks may affect expected operating lives, depreciation profiles and recoverability assumptions, where changing operating conditions influence the expected economic performance of an asset. These effects would typically emerge over the medium- to long-term[62].

Extreme weather and hydrological events may also damage key infrastructure, resulting in repair, replacement, impairment or write-off costs. While carrying value does not represent the cost of repairing or replacing infrastructure, it provides an indication of the scale of assets potentially exposed to physical climate risks and therefore insight into the potential magnitude of future financial effects. The table below presents the carrying value of the key infrastructure for selected operations where multiple physical climate risk themes co-occur, providing insight into areas of concentrated exposure and the potential scale of future financial effects[62].

Asset	Location	Climate-related Exposure	Property plant & equipment Carrying value at 30 June 2026 (US$M)
Australia Manganese	Northern Territory, Australia	Cyclones, flooding	875[64]
Worsley Alumina	Western Australia	Wildfire, drought	2,394
Cannington	Queensland, Australia	Flooding	362

Uncertainty and quantification

The magnitude and timing of anticipated financial effects remain uncertain and depend on a range of factors, including the frequency, severity and duration of climate hazards, the effectiveness of mitigation and adaptation measures, and asset-specific characteristics such as location, vulnerability and operational exposure. Outcomes may also be influenced by broader market, regulatory and operating conditions. Based on available information and current assessments, however, the incremental change in hazards attributable to climate change is not expected to have a material impact over the short- to medium- term.

Our approach continues to evolve as understanding of physical climate impacts improves, including use of risk transfer mechanisms such as insurance, which may partially offset impacts but remain subject to availability, cost and coverage limitations. These factors, together with data limitations and challenges in translating physical risks into financial outcomes, mean that anticipated future financial impacts cannot currently be reliably quantified.

Accordingly, quantitative information regarding those effects has not been provided, as it would not be useful given the level of measurement uncertainty involved.

How we are responding

Our CCAP 2025 includes a Climate Adaptation and Resilience Plan, which supports the management of physical climate change impacts through adaptation and resilience measures, including:

- incorporating physical climate considerations into project design, engineering standards, and operational planning, informed by climate projections where relevant
- supporting the resilience of critical infrastructure, including ports and processing facilities, through engineering integrity and asset management programs
- enhancing weather forecasting, monitoring, operational alert systems and severe weather preparedness to support operational decision-making and emergency response
- strengthening business continuity and supply chain resilience through contingency planning, inventory and logistics preparedness
- incorporating physical climate risk considerations into enterprise risk management and operational decision-making processes.

Other measures include enhancing water management capability through water balance modelling, storage design, stress testing, monitoring and operational controls to manage both water scarcity and excess water conditions, and applying operational and engineering controls to critical infrastructure, including tailings and water storage facilities.

Activities undertaken during FY26 to support implementation of our Climate Adaptation and Resilience Plan are outlined in the CCAP 2025 Progress Update, pages 88 to 90.

Learn more about our approaches to water stewardship and tailings management on pages 73 and 76, and at www.south32.net.

61. Includes selected FY26 water management-related projects at Australia Manganese for which expenditure could be reliably identified; excludes projects subject to further assessment, approvals or stakeholder engagement.
62. Financial Report affects: Consolidated Income Statement (IS) - Group production and Expenses excluding finance costs; Consolidated Cash Flow Statement (CFS) - Profit/(loss) before tax from continuing operations.
63. Financial Report affects: IS - Group production and Expenses excluding finance costs; CFS - Profit/(loss) before tax from continuing operations and Purchase of property, plant & equipment; Consolidated Balance Sheet - Property, plant & equipment.
64. Presented on a 100% ownership basis.

Climate-related risk management

We define risks as "the effect of uncertainty on our purpose, strategy and business plans", recognising that uncertainty may give rise to both threats and opportunities.

Our approach to risk management is governed by our risk management framework and delivered through our system of risk management. This framework is applied to all risks, supporting consideration of climate-related risks in a manner consistent with our broader risk management approach.

Climate-related risks are identified, assessed, managed and monitored through the same governance structures, risk processes and control frameworks applied to other enterprise risks. At the same time, we recognise the distinctive characteristics of climate-related exposures, including longer time horizons, interconnectivity, external dependencies and heightened uncertainty, requiring supplementary methodologies, including scenario analysis, climate modelling and other targeted analytical tools.

This approach supports integration of climate considerations into strategy, capital allocation, business planning and operational decision-making, and informs our assessment of climate-related risks and opportunities that could reasonably be expected to affect our prospects over the short, medium and long term.

Risk identification

Risk and opportunity identification is informed by defined inputs and parameters, including internal operational data, external climate and market datasets, climate-related scenario analysis, strategy and planning processes, physical climate risk assessments and operation and function-led baseline risk profile reviews.

Within our risk taxonomy, strategic risks provide a Group-level view of risks that may affect our ability to achieve our strategic objectives, while material risks are those risk events that may materially affect achievement of our business plans and processes.

Climate Change and Environment is a strategic risk, with physical risks and transition risks as defined risk categories. Climate-related risks rarely occur in isolation and often act as amplifiers or contributing factors to other strategic risks.

Risk assessment and prioritisation

Climate-related risks and opportunities are assessed in line with our internal risk management standard. Material risks are assessed, using defined impact and likelihood tables, according to their inherent risk (maximum potential impact) and their residual risk (residual risk rating), which considers the effectiveness of current controls. For climate-related disclosure purposes, we separately apply defined assessment principles to identify climate-related risks and opportunities that could reasonably be expected to affect our prospects.

Climate-related risk and opportunity assessments consider time horizons, financial and non-financial impacts and strategic relevance, supporting the identification and prioritisation of climate-related risks and opportunities that may affect our prospects.

Risk treatment

Risk treatment is embedded into strategic planning, capital allocation, operational risk management and decarbonisation initiatives, applying mitigation and adaptation measures appropriate to the nature of the exposure.

Material climate-related risks are managed through defined controls and actions, which are captured in our real-time risk management tool, Global360. Opportunities with prioritised actions are integrated into strategy, capital allocation and business planning to support value realisation.

Climate-related scenario analysis is used to assess resilience and inform decision-making. Where resilience thresholds are not met, actions may include updates to asset strategy, controls, investment decisions and adaptation planning.

Monitoring and reporting

Management uses defined processes, controls and procedures to support oversight of climate-related risks and opportunities. These include risk reviews and control effectiveness testing, supported by structured reporting and monitoring processes. Climate-related risk information is consolidated through Group risk reporting processes and escalated in accordance with established risk governance structures. Further information on our risk governance approach is provided on page 49.

These processes, controls and procedures are integrated with broader internal functions, including our risk management, strategy, capital allocation and financial planning processes. Outcomes from these processes inform risk treatment actions, prioritisation of capital allocation and assessment of portfolio resilience.

Identified climate-related risks and opportunities

We apply defined assessment principles and established risk management processes to identify climate-related risks and opportunities that could reasonably be expected to affect our prospects. In accordance with applicable reporting requirements, we disclose the climate-related risks and opportunities identified through this process. In FY26, this process involved reviewing a broad set of climate-related risks and opportunities disclosed in our 2025 Annual Report, and refining them through internal analysis and workshops.

During the assessment process, we considered evolving societal expectations regarding climate action. While these expectations may shape the context in which climate-related risks and opportunities arise, they were not identified as a standalone climate-related risk or opportunity. Instead, relevant impacts are reflected within our identified climate-related risks and opportunities where applicable. Stakeholder and sustainability-related considerations are also addressed through our strategic risks (pages 49 to 56) and sustainability disclosures (pages 57 to 76).

Continuous improvement

We recognise that climate-related risk management is an evolving process. In FY26, we formalised guidance and an associated improvement process to support ongoing refinement of our methodologies, data inputs, assumptions and assessment approaches. This supports a structured response to advances in climate science, changes in existing and emerging regulatory requirements, evolving reporting expectations and the needs of our business.

Sustainability continued

CLIMATE-RELATED TARGETS AND METRICS

Climate-related targets

Refer to the Climate-related Reporting Methodology 2026 (pages 5 to 6) for information on our climate-related targets.

Climate-related metrics

We use a range of climate-related metrics to monitor performance, assess progress against our Climate Change Action Plan 2025 and support climate-related decision-making.

Refer to the Climate-related Reporting Methodology 2026, including the Operational emissions and energy consumption section (pages 7 to 8), for information on the organisational boundaries and methodologies used to prepare our climate-related metrics.

Transition materials metrics

We have classified our commodities as Key Transition Materials (KTM) and Other Transition Materials (OTM), in line with the Climate Action 100+ Net Zero Standard for Diversified Mining. These Transition Materials represent 100% of our portfolio on a copper equivalent basis.

				Emissions intensity	Copper equivalent production[66]		Underlying revenue	Capital expenditure	
			Year	(t CO_2-e / t CuEq)[65]	Kilotonnes	Percentage	US$ million	US$ million	Percentage
COPPER	KTM	Sierra Gorda (45% share, non-operated)	FY26	2.3	87	10 %	1,154	235	36 %
			FY25	2.3	90	10 %	832	216	32 %
ZINC-LEAD-SILVER	OTM	Cannington (100% share, South32 operated)	FY26	2.1	59	7 %	852	42	6 %
			FY25	1.8	67	7 %	659	49	7 %
MANGANESE	OTM	Australia Manganese (60% share, South32 operated)	FY26	2.5	48	6 %	675	78	12 %
			FY25	4.6	18	2 %	42	115	17 %
		South Africa Manganese (54.6% ore share, South32 operated)	FY26	3.5	32	4 %	364	27	4 %
			FY25	3.6	33	4 %	353	44	7 %
		Manganese total	**FY26**	**NA**	**81**	**9 %**	**1,039**	**105**	**16 %**
ALUMINA	OTM	Worsley Alumina (86% share, South32 operated)	FY26	13.0	209	24 %	1,319	160	24 %
			FY25	13.3	209	23 %	1,917	106	16 %
		Brazil Alumina (36% share, non-operated)	FY26	9.2	85	10 %	502	25	4 %
			FY25	9.1	81	9 %	749	41	6 %
		Alumina total	**FY26**	**NA**	**294**	**34 %**	**1,821**	**185**	**28 %**
ALUMINIUM	OTM	Brazil Aluminium (40% share, non-operated)	FY26	11.1	40	5 %	441	15	2 %
			FY25	11.9	39	4 %	355	9	1 %
		Hillside Aluminium (100% share, South32 operated)	FY26	58.8	211	24 %	2,236	63	10 %
			FY25	56.5	212	23 %	1,989	67	10 %
		Mozal Aluminium (63.67% share, South32 operated)[67]	FY26	33.1	75	9 %	890	9	1 %
			FY25	21.3	107	12 %	979	21	3 %
		Aluminium total	**FY26**	**NA**	**327**	**38 %**	**3,567**	**87**	**13 %**

65. Scope 1 and Scope 2 (market-based) emissions per tonne of CuEq production.
66. Copper equivalent (CuEq) production is calculated by converting payable production volumes for each commodity into revenue and dividing the result by the copper price to derive an equivalent copper tonnage. CuEq production is calculated using FY25 realised prices for all periods presented. Molybdenum and silver produced at Sierra Gorda (both OTMs), and gold produced as a by-product of copper concentrate production, are excluded from the calculation. Gold contributed an average of 0.8% of Group revenue over FY24 to FY26 and is not considered material to the calculation. CuEq production percentages exclude Cerro Matoso following its divestment 1 December 2025, and therefore do not total 100%.
67. Mozal Aluminium in Mozambique was placed on care and maintenance on 15 March 2026. Refer to market release "Mozal Aluminium Placed on Care and Maintenance" dated 16 March 2026 for further details.

Operational emissions

Total GHG emissions (millions of tonnes of CO_2-e) (total operations)

	FY26	FY25	FY24
Scope 1	**6.2**	7.4	9.4
Scope 2 market-based	**14.4**	13.3	10.9
Scope 2 location-based	**14.5**	17.3	18.0
Total gross Scope 1 and 2 (market-based)	**20.5**	20.7	20.3
Total gross Scope 1 and 2 (location-based)	**20.7**	24.7	27.4

Refer to page 8 of the Climate-related Reporting Methodology 2026 for information on qualifying contractual instruments used in determining our market-based Scope 2 emissions.

GHG emissions and intensity by operation (total operations)[68,69]

	FY26				FY25			
	Scope 1 ($MtCO_2$-e)	Scope 2 market-based ($MtCO_2$-e)	S1+2 Total ($MtCO_2$-e)	Emission intensity (tonne CO2-e / tonne production)	Scope 1 ($MtCO_2$-e)	Scope 2 market-based ($MtCO_2$-e)	S1+2 Total ($MtCO_2$-e)	Emission intensity (tonne CO2-e / tonne production)
Australia Manganese	**0.2**	**0.0**	**0.2**	**0.0**	0.1	-	0.1	0.1
Cannington[70]	**0.1**	**0.0**	**0.1**	**0.6**	0.1	-	0.1	0.5
Hillside Aluminium	**1.4**	**11.0**	**12.4**	**17.3**	1.4	10.6	12.0	16.7
Mozal Aluminium	**0.8**	**3.1**	**3.9**	**10.0**	1.2	2.4	3.6	6.5
Worsley Alumina	**3.1**	**0.0**	**3.2**	**0.7**	3.2	-	3.2	0.8
South Africa Manganese	**0.1**	**0.1**	**0.2**	**0.1**	0.1	0.1	0.2	0.1
Greenfields projects and other facilities[71]	**0.1**	**0.0**	**0.1**		0	0	0	
Divested operations[72]	**0.3**	**0.1**	**0.4**		1.2	0.2	1.4	
Total	**6.2**	**14.4**	**20.5**		**7.4**	**13.3**	**20.7**	

Total GHG emissions (millions of tonnes of CO_2-e) (continuing operations)

	FY26	FY25	FY24
Scope 1	**5.9**	6.3	6.6
Scope 2 market-based	**14.3**	13.1	10.5
Scope 2 location-based	**14.4**	17.1	17.5
Total gross Scope 1 and 2 (market-based)	**20.2**	19.3	17.0
Total gross Scope 1 and 2 (location-based)	**20.3**	23.4	24.1

Disaggregation of GHG emissions (millions of tonnes of CO_2-e) (continuing operations)[73]

	FY26					FY25				
	Scope 1	Scope 2 market-based	Scope 2 location-based	S1+2 (market-based) Total)	S1+2 (location-based) Total	Scope 1	Scope 2 market-based	Scope 2 location-based	S1+2 (market-based) Total)	S1+2 (location-based) Total
Consolidated group	**1.7**	**11.0**	**9.3**	**12.7**	**11.0**	1.6	10.6	9.5	12.2	11.5
Investment in joint ventures (under operational control)	**4.2**	**3.2**	**5.2**	**7.5**	**9.4**	4.7	2.5	7.6	7.2	12.6
Total	**5.9**	**14.3**	**14.4**	**20.2**	**20.3**	**6.3**	**13.1**	**17.1**	**19.3**	**23.4**

Emissions limiting regulations

Applicable emissions-limiting regulations are listed in our Climate-related Reporting Methodology 2026 available at *www.south32.net*.

	FY26	FY25	FY24
Total Scope 1 GHG emissions covered under an emissions-limiting regulation (Mt CO2e)	**5.0**	5.5	7.2
% Scope 1 GHG emissions covered under an emissions-limiting regulation	**81%**	74%	76%

68. GHG emissions intensity is calculated as tonnes of Scope 1 and 2 emissions divided by tonnes of saleable product. Production figures are disclosed from page 20.
69. The sum of the categories may vary to the total figure due to rounding.
70. Zinc equivalent production used, based on FY25 realised prices. Previously reported years have been revised using FY25 realised prices for comparability purposes.
71. Includes Hermosa project, Bayside and our corporate office in Perth which are immaterial contributors.
72. Divested operations include: Cerro Matoso (FY25, FY26), Illawarra Metallurgical Coal (FY25).
73. Joint ventures under our operational control include Australia Manganese, Worsley Alumina, South Africa Manganese and Mozal Aluminium.

Sustainability continued

Non-operated joint ventures (NOJVs)

We disclose operational emissions on an equity share basis to support transparency regarding emissions associated with NOJVs. Emissions are reported based on information provided by the relevant operators and are not subject to reasonable assurance.

GHG emissions (millions of tonnes of CO_2-e)[74]

	FY26 Total	FY25 Total
Brazil Alumina	**0.8**	0.7
Brazil Aluminium	**0.3**	0.4
MRN	**0.1**	0.1
Sierra Gorda	**0.2**	0.2
Total	**1.4**	**1.4**

Operational energy consumption

Operational energy consumption (total operations)

	FY26		FY25	
	Energy Use[75]	Energy Intensity	Energy Use	Energy Intensity
Australia Manganese	**3**	**0.6**	1.9	1.0
Cannington[76]	**2**	**11.2**	2.3	9.9
Hillside Aluminium	**49**	**68.6**	48.9	68.0
Mozal Aluminium	**27**	**69.2**	39.0	70.1
Worsley Alumina	**48**	**11.0**	48.1	11.1
South Africa Manganese	**2**	**0.4**	1.7	0.4
Greenfields projects and other facilities[77]	**1**		0.4	
Divested operations[78]	**7**		17.1	
Total	**138**		**159**	

Operational energy consumption by source (%) (total operations)

	FY26	FY25	FY24
Coal and coke	**27%**	27%	28%
Distillate and gasoline	**4%**	3%	4%
Electricity	**43%**	45%	45%
Natural gas	**25%**	25%	23%
Other	**1%**	—%	—%
Total renewable sources	**9%**	**16%**	**19%**
Total fossil fuels[79]	**56%**	**55%**	**55%**

Cross-industry metrics

The metrics below show the extent to which our assets and business activities are exposed to climate-related transition and physical risks, and aligned with climate-related opportunities.

Cross-industry metrics		Reference
Assets or business activities aligned with climate-related opportunities	% Underlying Revenue contribution of copper, zinc-lead-silver and alumina/aluminium	Page 95
	% Underlying EBITDA contribution of copper, zinc-lead-silver and alumina/aluminium	Page 95
Assets or business activities vulnerable to climate-related transition or physical risks	% of alumina/aluminium operational emissions	Page 96
	% of Scope 1 GHG emissions covered under an emissions-limiting regulation	Page 98
	% of our operations exposed to one or more physical climate exposure pathway	Page 101
Capital expenditure, financing or investment deployed towards climate-related risks and opportunities	Transition material capital expenditure	Page 104
	Decarbonisation expenditure	Page 96
Internal carbon price		Page 99
Percentage of executive management remuneration linked to climate-related considerations		Page 59

74. The sum of the categories may vary to the total figure due to rounding.
75. Energy use is displayed in petajoules. Energy intensity is calculated as gigajoules/tonne production.
76. Zinc equivalent production used, based on FY25 realised prices. Previously reported years have been revised using FY25 realised prices for comparability purposes.
77. Includes Hermosa project, Bayside and our corporate office in Perth which are immaterial contributors.
78. Divested operations include: Cerro Matoso (FY25, FY26), Illawarra Metallurgical Coal (FY25).
79. Excludes electricity generated from fossil fuels.

ORGANISATIONAL BOUNDARIES

South32 applies different organisational boundaries and, where relevant, presentation bases to its climate-related disclosures, reflecting the nature and purpose of the information presented and the requirements of relevant reporting frameworks and standards.

Organisational boundaries determine what operations, investments or activities are included in a disclosure. Presentation bases determine how that information is grouped or presented to support comparability and understanding.

For the purposes of our FY26 climate-related financial disclosures prepared in accordance with AASB S2, South32's reporting entity is the same as that used for the related financial statements. The reporting entity establishes the population of entities included in our financial statements. Organisational boundaries are then applied within that reporting entity to determine how climate-related information is measured and reported.

This table summarises the organisational boundaries and presentation bases applied to our climate-related disclosures.

Disclosure or metric	Boundary / presentation basis	How to read the data
Energy consumption and Scope 1 and 2 emissions	Operational control, in accordance with the GHG Protocol	– Includes 100% of energy consumption and emissions from operations controlled by South32, regardless of ownership interest, and excludes emissions from operations that South32 does not control. – For example, South32 includes 100% of emissions from Australia Manganese (60% ownership) and Worsley Alumina (86% ownership) because these operations are operated by South32. Emissions from non-operated joint ventures, such as Sierra Gorda (45% ownership), are excluded from operational control reporting. – This boundary applies to our reported operational emissions, emissions reduction targets and associated baseline years. – For Australian operations, operational control is determined in accordance with the National Greenhouse and Energy Reporting Scheme. For operations outside Australia, operational control is determined in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.
	Equity share	– Supplementary emissions information may also be presented on an equity share basis. – Under this approach, emissions are reported in proportion to South32's ownership interest in an operation or investment, including non-operated joint ventures. – For example, South32 would report 60% of emissions from Australia Manganese (operated) and 45% of emissions from Sierra Gorda (non-operated). – Equity share information is outside South32's FY26 climate-related financial disclosures prepared in accordance with AASB S2 and is not subject to assurance.
Scope 3 emissions	Category-specific methodology	– Scope 3 emissions are disclosed voluntarily and, consistent with the transitional relief available for FY26, have not been prepared in accordance with AASB S2. – Downstream Scope 3 emissions are estimated on an equity share basis, including emissions associated with non-operated joint ventures. – Upstream Scope 3 categories apply category-specific methodologies, having regard to the minimum requirements of the GHG Protocol, the nature of the activity, data availability and the calculation methodology applied. – Our Scope 3 emissions inventory is disclosed in our Sustainability Databook 2026. – The applicable methodology for each category is described in the Climate-related Reporting Methodology 2026.
Climate-related metrics and targets (where applicable)	Total operations and continuing operations presentation basis	– Where relevant, climate-related metrics and targets are presented on either a total operations basis or a continuing operations basis. The applicable presentation basis is identified alongside the disclosure. – Total operations includes operations that formed part of South32's portfolio for all or part of the reporting period, including operations divested or classified as discontinued operations during the year. – Continuing operations includes only operations remaining within South32's portfolio at the reporting date. – Where continuing operations information is disclosed, the same basis is applied to comparative periods, baseline years and historical performance measures presented alongside the disclosure to support comparability over time. – Continuing operations energy consumption and Scope 1 and Scope 2 emissions included in South32's climate-related financial disclosures prepared in accordance with AASB S2 are subject to reasonable assurance.

Sustainability continued

Disclosure or metric	Boundary / presentation basis	How to read the data
Climate-related risks and opportunities	Financial reporting boundary[80]	– Climate-related risks and opportunities are identified and assessed using the same reporting boundary applied for South32's financial statements. – This includes material equity-accounted investments and non-operated joint ventures where climate-related risks or opportunities could reasonably be expected to affect South32's prospects. – Where relevant, associated effects are reflected in our strategy, risk management and metrics disclosures. The organisational boundary applied to the effects may differ depending on the nature of the disclosure and the availability of underlying data, with the applicable basis identified alongside the relevant disclosure.
Financial effects of climate-related risks and opportunities	Financial reporting basis[64] or segment reporting basis[81]	– Financial effects are presented on either a financial reporting basis or segment reporting basis, depending on the nature of the disclosure. – The applicable basis is identified alongside the relevant disclosure. – Disclosure-specific footnotes explain the applicable basis of preparation, scope, and relevant Financial Report references. – Where a segment reporting basis is used, the information is presented consistently with Note 4 to the Financial Report.

80. Financial reporting boundary refers to the entities and investments included within South32's consolidated financial statements and related disclosures prepared in accordance with applicable accounting standards. Refer to Financial Report Note 2(a) Basis of Preparation, Note 24 Subsidiaries and Note 26 Equity accounted investments for further details.
81. Refer to Financial Report Note 4 Segment information for further details.

KPMG

INDEPENDENT AUDITORS' REVIEW AND AUDIT REPORT

To the shareholders of South32 Limited

Report on specified Sustainability Disclosures of South32 Limited presented in the Sustainability Report (as defined below) prepared in accordance with the Corporations Act 2001, for the year ended 30 June 2026.

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the 'Addressing Climate Change' section within the Annual Report 2026, in other sections cross-referenced from that section, and in the Climate-related Reporting Methodology 2026, being the Sustainability Report of South32 Limited for the year ended 30 June 2026 in accordance with Australian Standards on Sustainability Assurance (ASSA) 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001 issued by the Auditing and Assurance Standards Board (AUASB):

specified Sustainability Disclosures subject to review	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D) (the Criteria)	Locations in Sustainability Report
Governance disclosures	Paragraph 6	The following subsections in the "Our approach to sustainability" section: • Sustainability governance, page 59 (Sustainability governance and remuneration subsection) and page 60 (exclude 'Learn more' references) The following subsections in the "Addressing Climate change" section: • Climate governance (page 78) • Climate-related risk management, monitoring and reporting (Page 103) The following subsections in the "Governance" section: • 2026 Board skills matrix as at 30 June 2026 (Environment and climate change) (page 133) • Sustainability Committee (page 139)
Strategy (risks and opportunities) disclosures	Subparagraphs 9(a), 10(a) and 10(b)	• Identified climate- related risks and opportunities section, the following subsections in pages 94-102 ◦ TO1: Transition-related Commodity Demand Growth – section titled 'Classification' and 'Description' ◦ TR1: Decarbonisation Constraints – section titled 'Classification' and 'Description' ◦ TR2: Emissions-Limiting Regulations – section titled 'Classification' and 'Description' ◦ PR1: Extreme Weather Disruption – section titled 'Classification' and 'Description'

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

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

KPMG

Audit Opinion

We have conducted an audit of the following specified Sustainability Disclosures in the Sustainability Report of South32 Limited for the year ended 30 June 2026 in accordance with ASSA 5010 issued by the AUASB:

specified Sustainability Disclosures subject to audit	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D) (the Criteria)	Locations in Sustainability Report
Scope 1 greenhouse gas (GHG) emissions	Subparagraphs 29(a)(i)(1) to (2) and 29 (a)(ii) to (v)	Climate-related Reporting Methodology 2026, 'Organisational boundary" in page 4 (as relevant to Scope 1 and 2), "Scope 1 emissions methodology" and "Scope 2 emissions methodology" in pages 7 – 8 and the following information in the Climate-related targets and metrics section in page 105 of the Annual Report: • Total Scope 1 (continuing operations): 5.9Mt CO_2-e • Total Scope 2 market-based (continuing operations): 14.3Mt CO_2-e
Scope 2 GHG emissions (location-based and market-based)		• Total Scope 2 location-based (continuing operations): 14.4Mt CO_2-e

The requirements of AASB S2 identified in the table above form the Criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the Act.

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

(a) Subsection 296A(2) (contents of climate statements);

(b) Section 296C (compliance with Australian Sustainability Reporting Standard S2 *Climate-related Disclosures* issued by the Australian Accounting Standards Board; and

(c) Section 296D (climate statement disclosures).

Basis for Conclusion and Opinion

Basis for Conclusion

Our review has been conducted in accordance with International Standard on Sustainability Assurance ISSA 5000 *General Requirements for Sustainability Assurance Engagements* issued by the International Auditing and Assurance Standards Board (IAASB) (ISSA 5000) and ASSA 5000 *General Requirements for Sustainability Assurance Engagements* issued by the AUASB (ASSA 5000). Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures subject to review are free from material misstatement.

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

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

Basis for Opinion

Our audit has been conducted in accordance with ISSA 5000 and ASSA 5000. Our audit includes obtaining reasonable assurance about whether the specified Sustainability Disclosures subject to audit are free from material misstatement.

Basis for Opinion and Conclusion

Our responsibilities under ISSA 5000 and ASSA 5000 are further described in the "Auditors' responsibilities" section of our report.

We comply with the independence and other ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited related to sustainability assurance engagements.

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.

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

Other Matter

The Scope 1 and Scope 2 market-based and Scope 2 location-based emissions for the years ended 30 June 2025 and 30 June 2024, presented as comparative information in the "Total GHG emissions (millions of tonnes of CO_2-e) (continuing operations)" table on page 105 of the Annual Report, were not subject to our audit engagement and, accordingly, we do not express a conclusion or provide any assurance on such information.

Our conclusion is not modified with respect to this matter.

KPMG

Other Information

The Directors of South32 Limited are responsible for the other information. The other information comprises the South32 Limited's Annual Report and Climate-related Reporting Methodology 2026 but does not include the specified Sustainability Disclosures and our review and audit report thereon.

Our conclusion and opinion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of conclusion and opinion thereon, with the exception of the:

- The Financial Report, Remuneration Report and our respective audit reports thereon; and
- The "Select Sustainability Information", as defined in our *Report on Select Sustainability Information presented in the South32 Limited 2026 Reports*, and our assurance report thereon.

In connection with our review and audit of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review and audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the specified Sustainability Disclosures

The Directors of South32 Limited are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act;
- Designing, implementing and maintaining a system of internal control that it determines is necessary to enable the preparation of specified Sustainability Disclosures in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the specified Sustainability Disclosures 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.

For climate risks and opportunities, there is inherent uncertainty as a result of using assumptions about future events and management's actions that may not occur.

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.

Auditors' Responsibilities

Our objectives are to plan and perform the review and audit to obtain limited and reasonable assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review and audit report that includes our conclusion and opinion, respectively. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

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

Limited assurance

- Perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify and assess the risks of material misstatement, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to the assessed risks of material misstatement at the disclosure level.

Reasonable assurance

- Perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify and assess the risks of material misstatement, whether due to fraud or error, at the assertion level for the disclosure, but not for the purpose of providing an opinion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to the assessed risks of material misstatement at the assertion level for the disclosure.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

KPMG

Summary of the Work Performed

Review

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

- Enquire with relevant South32 Limited personnel to obtain an understanding over the internal controls, governance structure and reporting processes of the specified Sustainability Disclosures;
- Test the specified Sustainability Disclosures to source documentation on a sample basis;
- Assess the application of the Criteria in respect of the specified Sustainability Disclosures; and
- Review the Sustainability Report in its entirety to ensure it is consistent with our overall knowledge of South32 Limited and our observation of its operations.

KPMG

KPMG

Jane Bailey

Jane Bailey
Partner

Perth, Australia
27 August 2026

Julia Bilyanska

Julia Bilyanska
Partner

Melbourne, Australia
27 August 2026

KPMG

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT

To the Directors of South32 Limited

Report on Select Sustainability Information presented in the South32 Limited 2026 Reports (being the Sustainability section of the Annual Report (AR), the Sustainability Databook (Databook), and the Sustainability Standards and Frameworks Index (Index)) for the year ended 30 June 2026.

Limited Assurance Conclusion

We have conducted a limited assurance engagement on the following Select Sustainability Information of South32 Limited for the year ended 30 June 2026, prepared in accordance with the Reporting Criteria. The Select Sustainability Information comprised the following qualitative and quantitative information.

Qualitative information

Assertion	Location of assured assertion in the Sustainability section of the AR and Index	Criteria used as the basis of reporting (the Reporting Criteria)
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.	• "Our sustainability approach" section, paragraph 3 (page 58)	ICMM Assurance and Validation Procedure 2023 (Subject Matter 1).
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.	• "Our sustainability approach" section, sub-section "Material sustainability topics" (page 59)	ICMM Assurance and Validation Procedure 2023 (Subject Matter 2).
South32 Limited's assertion regarding the existence and status of implementation of systems and approaches used to manage the following material sustainability areas: – Greenhouse Gas (GHG) Emissions and Energy – Safety and Health – Biodiversity (Landholdings data) – Water – Prioritisation processes for selection of assets for third party PE assurance	• “Addressing climate change” section, the following subsections: ◦ "Supporting emissions reduction across the value chain” (page 85-87) ◦ “Climate–related targets and metrics", operational energy consumption table” (page 106) • “Protecting and respecting our people” section, subsection “Safety and health” (page 61-63) • “Managing our environmental impact” section, the following subsections: ◦ “Biodiversity” (page 72) ◦ “Water” (page 73-74) • ICMM Mining Principles and PEs of the Index	ICMM Assurance and Validation Procedure 2023 (Subject Matter 3 & 5).

Quantitative information

Quantitative information	Amount assured for the year ended 30 June 2026	Criteria used as the basis of reporting; ICMM Assurance and Validation Procedure 2023 (Subject Matter 4) and the below (the Reporting Criteria)
Safety and Health		
Fatalities	1	Terms and definitions presented within the Databook – Safety and Health tab available on South32 Limited’s website.

KPMG

Quantitative information continued

Quantitative information	Amount assured for the year ended 30 June 2026	Criteria used as the basis of reporting; ICMM Assurance and Validation Procedure 2023 (Subject Matter 4) and the below (the Reporting Criteria)
Biodiversity		
Total South32 landholdings – land owned, leased or managed	550,167 ha	Terms and definitions presented within the Databook – Landholdings tab available on South32 Limited's website.
Land classified as disturbed	10,997 ha	
Land under progressive rehabilitation	6,745 ha	
Land set aside for conservation	4,684 ha	
Water		
Operational water inputs / withdrawal	116,939 ML	Mineral 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	82,197 ML	
Operational water consumption	74,611 ML	
Recycling and reuse	206,058 ML	
Water to tasks	243,874 ML	
Other managed water inputs / withdrawal	46,267 ML	
Other managed water outputs / discharge	43,615 ML	
Other managed water consumption	452 ML	
GHG emissions		
Total Scope 3 GHG emissions	28.6 Mt CO_2-e	World Resources Institute (WRI) and World Business Sustainable Council for Sustainable Development (WBCSD)'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 Basis of Preparation (BoP) as described and presented within the Climate-related Reporting Methodology 2026 available on South32 Limited's website.
Total energy (managed basis)	138 PJ	Basis of Preparation (BoP) as described and presented within the Climate-related Reporting Methodology 2026 available on South32 Limited's website.

The Select Sustainability Information needs to be read and understood together with the Reporting Criteria.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the accompanying Select Sustainability Information presented in the South32 Limited 2026 Reports for the year ended 30 June 2026 is not presented, in all material respects, in accordance with the Reporting Criteria.

Basis of Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Sustainability Assurance 5000 General Requirements for Sustainability Assurance Engagements issued by the International Auditing and Australian Standards Board (ISSA 5000), and the Australian Standard on Sustainability Assurance Engagements 5000 General Requirements for Sustainability Assurance Engagements issued by the Australian Auditing and Assurance Standards Board (AUASB) (ASSA 5000).

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under this standard are further described in the "Practitioner's Responsibilities" section of our report.

We comply with the independence and other ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional & Ethical Standards Board Limited related to sustainability assurance engagements.

Our firm applies International Standard on Quality Management (ISQM1) Quality Management for Firms that Perform Audit or Reviews of Financial Statements, or Other Assurance or Related Service Engagements, issued by the IAASB and Auditing Standard ASQM1 Quality Management for Firms that Perform Audits or Reviews of Reports and Other Financial Information, or Other Assurance or Related Services Engagements, issued by the AUASB.

These standards require 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.

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

KPMG

Other Information

The Directors of South32 Limited are responsible for the other information. The other information comprises the financial and non-financial information included in South32 Limited's 2026 Reports but does not include the Select Sustainability Information and our limited assurance report thereon.

Our limited assurance conclusion on the Select Sustainability Information does not cover the other information and we do not express any form of assurance conclusion thereon, with the exception of the 2026 Financial Report, Remuneration Report and our auditors report thereon, the specified Sustainability Disclosures within the Sustainability Report prepared in accordance with the Corporations Act 2001 and our audit and review report thereon.

In connection with our limited assurance engagement on the Select Sustainability Information, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Select Sustainability Information, or our knowledge obtained in the assurance engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Use of this Assurance Report

This report has been prepared solely for the Directors of South32 Limited, who have voluntarily requested independent assurance over the Select Sustainability Information of South32 Limited. Accordingly, this report 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 than that for which it was prepared.

Responsibilities for the Select Sustainability Information

Management of South32 Limited are responsible for:

- The preparation of the Select Sustainability Information in accordance with the Reporting Criteria; and
- Designing, implementing and maintaining a system of internal control that it determines is necessary to enable the preparation of the Select Sustainability Information in accordance with the Reporting Criteria that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the reporting process for South32 Limited's' Select Sustainability Information.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the Select Sustainability Information 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.

Practitioner's Responsibilities

Our objectives are to plan and perform the engagement to obtain limited assurance about whether the Select Sustainability Information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of intended users taken on the basis of the Select Sustainability Information.

As part of a limited assurance engagement in accordance with ISSA 5000 and ASSA 5000, we exercise professional judgment and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify and assess the risks of material misstatement, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to the assessed risks of material misstatement at the disclosures level in the Select Sustainability Information.

The risk of not detecting a material misstatement due to fraud is higher than for one due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

KPMG

Summary of the Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Select Sustainability Information. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our limited assurance engagement, the procedures we performed primarily consisted of:

- Enquiries with senior management and relevant staff at corporate and three operating sites covering Worsley Alumina, Hillside Aluminium and Groote Eylandt Mining Company (GEMCO), to assess the key systems, processes and internal controls to capture, collate, calculate and report the Select Sustainability Information;
- Assessment of the suitability and application of the Reporting Criteria in respect of the Select Sustainability Information;
- Analytical procedures over the Select Sustainability Information;
- Substantive testing of the Select Sustainability Information, on a sample basis, at corporate and select operations, covering Worsley Alumina, Hillside Aluminium and GEMCO;
- On a sample basis, testing the mathematical accuracy of calculations and reconciling the Select Sustainability Information to underlying information;
- Assessing South32's incorporation of the requirements of the ICMM 10 principles for sustainable development, the relevant ICMM Performance Expectations (PEs) and the mandatory requirements set out in the ICMM Position Statements, into its own policies, strategies and standards;
- 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 media searches; and
- Reviewing the Select Sustainability Information in its entirety to ensure it is consistent with our overall knowledge of South32 Limited and our observation and understanding of its operations.

KPMG

Julia Bilyanska

KPMG

Julia Bilyanska
Partner

Melbourne, Australia
27 August 2026

GOVERNANCE

Governance continued

OUR BOARD IN ACTION

The role of our Board is to represent shareholders, uphold high standards of governance, and strengthen confidence and trust in our work. This section describes our governance framework, policies and practices designed to support ethical conduct, and assist the Group in promoting compliance with legal and regulatory obligations and guide responsible decision-making. It also details the changes to our Board, and its areas of focus, during FY26.

Introduction

This Corporate Governance Statement is current as at 27 August 2026 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 FY26) 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.

Positive legacy in South Africa

In February 2026, our Board held a Board program at our office in Johannesburg, South Africa. While there, members of our Board and Lead Team travelled to the town of Meyerton to witness first-hand the tangible and enduring benefits of South32 Metalloys[1] social investment initiatives.

At the Sicelo Clinic, they learned how the facility has improved community access to primary healthcare and addressed preventative healthcare needs since it opened in January 2025.

At Springfield Primary School, which supports children and young adults living with mild intellectual disabilities, they were briefed on the infrastructure improvements and learning support initiatives that are enhancing the teaching environment.

At Kotulong Community Centre, which provides protection and support for vulnerable children, the visit highlighted the centre's safe and nurturing environment, and its access to education, psychosocial support and other basic needs.

Above: Board and Lead Team members with Sicelo Clinic staff.

1. South32 divested the Metalloys manganese alloy smelter in FY25.

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 part of our planned Board succession process, FY26 saw the retirement of the previous Chair and three inaugural Directors, and the appointment of a new Chair and two new Directors. Our Board also implemented the succession plan for our new Chief Executive Officer and Managing Director.

As outlined in our Board Charter, ultimate responsibility for governance and strategy rests with the Board. Our Board comprises 10 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.

Following a formal succession process announced in October 2025, Mr Stephen Pearce commenced as Chair on 1 March 2026. Mr Pearce, a Director since 1 February 2025, replaced Ms Karen Wood AM who retired from the Board. Ms Wood had been Chair from 12 April 2019, and a Director from 1 November 2017.

Our Chair leads our Board and assists it 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 of Board meetings, our Chair acts as the main interface between the Board and the CEO, and represents the Board to our shareholders.

Mr Frank Cooper AO and Dr Futhi Mtoba, two inaugural Directors, retired at our AGM on 23 October 2025. As part of our Board succession process, two new Directors were appointed in FY26. Mr Geoff Healy joined the Board on 2 December 2025 and Ms Sinead Kaufman joined on 1 April 2026.

Following an extensive global CEO succession and evaluation process by the Board, Matt Daley assumed the role of Deputy CEO, and member of the Lead Team, on 2 February 2026. He assumed the role of CEO on 1 July 2026 after Graham Kerr stepped down from that role on 30 June 2026[2].

Director[3]	Appointment date
Mr Stephen Pearce (Chair)	1 February 2025; Chair since 1 March 2026
Mr Matthew (Matt) Daley (CEO)	1 July 2026
Mr Geoff Healy	2 December 2025
Ms Sinead Kaufman	1 April 2026
Dr Xiaoling Liu	1 November 2017
Mr Carlos Mesquita	1 May 2023
Ms Mandlesilo (Mandla) Msimang	1 February 2025
Ms Jane Nelson	1 May 2023
Mr Wayne Osborn	7 May 2015
Ms Sharon Warburton	28 November 2023

2. Refer to market release "Agreement to sell aluminium value chain assets to Alcoa for up to US$5.6b and Chief Executive Officer transition" dated 1 July 2026 for further details.
3. Ms Karen Wood AM was a Director from 1 November 2017, and Chair from 12 April 2019, until she retired on 1 March 2026. Mr Frank Cooper AO and Dr Ntombifuthi (Futhi) Mtoba were Directors from 7 May 2015 until they retired on 23 October 2025. Graham Kerr was CEO and Managing Director from 21 January 2015, until he stepped down on 30 June 2026.

Governance continued

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 members' qualifications, skills and experience, and other appointments on page 122.

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 framework for all Group employees.

Risk and Audit Committee

Assists the Board to oversee the financial 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 page 136.

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 122.

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 page 144.

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 129.

BOARD COMPOSITION

In the 11 years since South32 was formed, our Board has been refreshed as Directors have retired or resigned. Succession planning has resulted in retirements being staggered to facilitate continuity and stability, and balance the benefits of retaining deep corporate knowledge with the contribution of fresh perspectives.

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
- 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.

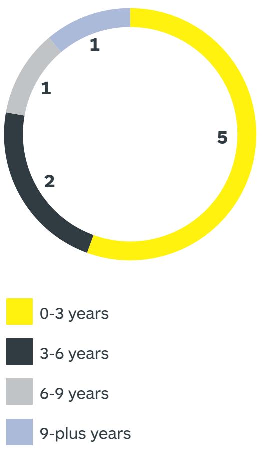
Our Board has considered its structure and composition and remains satisfied that:

- it is appropriate for the size of the Group, the nature of our portfolio and our strategy, noting the Board has undergone a period of succession
- it achieves its gender diversity objective of at least 40% women
- it represents a broad cultural, ethnic and background mix, and contains representation from our main operational regions of Australia, Southern Africa, and North and South America
- 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.

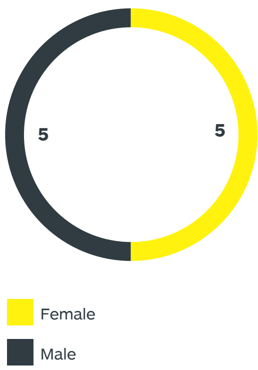
Our Board composition as at the date of this report is further detailed below.

The Board will continue to review its composition and size, particularly in light of the announced sale of the aluminium value chain, to ensure it remains fit for purpose.

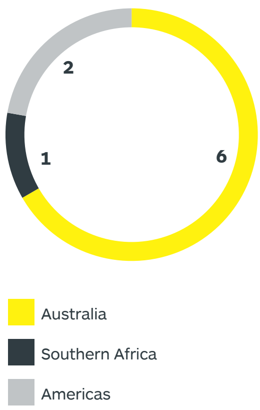
Length of tenure
(Non-Executive Directors)



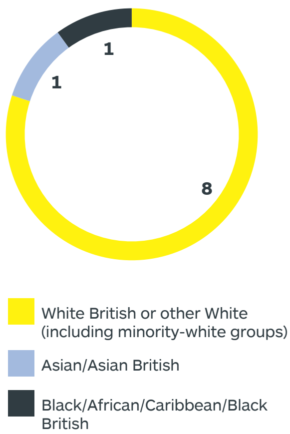
Gender diversity
(all Directors)



Location
(Non-Executive Directors)



Ethnicity
(all 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 FY26 all Non-Executive Directors identified on page 119 are independent and, accordingly, the Board is comprised of a substantial majority of independent Non-Executive Directors.

Governance continued

OUR BOARD MEMBERS[4]

N R RA

Mr Stephen Pearce BBus (Acc), FCA, FGIA, MAICD, 62
Chair and Independent Non-Executive Director
Appointed: 1 February 2025; Chair: 1 March 2026
Location: Australia

Career summary: Mr Pearce has more than 25 years' experience as a director of public companies and more than 40 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, CFO of Alinta Energy, and as a Director and Strategic Advisor to the Wyllie Group.

External appointments: Mr Pearce is a Non-Executive Director of ASX-listed Ampol Limited (since March 2025), where he is a member of the Audit and Risk Committee and Nomination Committee. He is also a Non-Executive Director at BAE Systems plc, where he is a member of the Audit and Risk Committee (Chair until May 2026) and Nominations Committee. In August 2025, he was appointed as a Trustee of the SAS Resources Fund.

Skills and experience: Mr Pearce brings a wealth of global experience with resources, finance, commercial and operational expertise over more than 40 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 to our Board.

Mr Pearce commenced as Chair of the Board on 1 March 2026, replacing Ms Karen Wood AM who retired from the Board.

Mr Matthew (Matt) Daley BE (Mining) (Hons), GradDip (Finance and Investment), 48
Chief Executive Officer and Managing Director
Appointed: 1 July 2026
Location: Australia

Career summary: Mr Daley was previously Technical and Operations Director and a member of the executive leadership team at Anglo American plc, where he had accountability for the Group's global technical, operational excellence, safety, health and environment, supply chain, exploration and resource development functions. He joined Anglo American as Group Head of Mining in 2017 and subsequently led a group-wide operational excellence transformation program. Prior to Anglo American, Mr Daley held senior operational, project and commercial leadership roles with Glencore, Minera Alumbrera and Xstrata across Australia, Canada, Argentina and the Middle East. This included the positions of Executive General Manager of Glencore's Canadian copper division, Project Head of the Agua Rica Project in Argentina, metals trader based in Dubai and Mine Manager at the Mount Isa Copper Mine in Queensland. He also served as a Non-Executive Director at NYSE-listed PolyMet Mining Corp (2014 to 2017).

Mr Daley holds a Bachelor of Engineering (Mining) (Hons) from the University of South Australia and a Graduate Diploma in Finance and Investment from the Securities Institute of Australia.

External appointments: Mr Daley was a Non-Executive Director of JSE-listed Anglo American Platinum Limited (now named Valterra Platinum Limited) (from May 2023 to March 2025).

Skills and experience: Mr Daley has more than 25 years' experience in the global mining and metals industry spanning underground and open cut mining, smelting, refining, major capital projects and commodity trading. He has held leadership roles across operations, technical, commercial and corporate functions in Australia, North America, South America, the Middle East and Europe. His experience spans a broad range of commodities and includes operational excellence, resource development, project execution, safety and sustainability leadership, and engagement with boards, investors and other stakeholders.

Mr Daley commenced as Deputy CEO of South32 on 2 February 2026, and became CEO and Managing Director of South32 on 1 July 2026, replacing Mr Graham Kerr who stepped down from the role on 30 June 2026.

Committee membership key:

— Chair appointment
N Nomination and Governance Committee
R Remuneration Committee
RA Risk and Audit Committee
S Sustainability Committee

4. This section provides details of the directors on the Board as at the date of this Report. Information on directors during the year and their attendance at Board and Committee meetings is set out on page 135.

N R

Mr Geoff Healy LLB, BEc, 60
Independent Non-Executive Director
Appointed: 2 December 2025
Location: Australia

Career summary: Mr Healy has 35 years' senior executive experience, in the natural resources and professional services sectors. He is currently a Senior Advisor at Boston Consulting Group (BCG), having previously been appointed as a Managing Director and Partner of BCG in 2022. He advises global clients across industries on strategy, transformation, new market entry, geopolitics, and sustainability (and the energy transition).

In 2013, Mr Healy joined BHP as its Chief Legal Counsel, and as a member of its Executive Leadership Team. In 2016, he became Chief External Affairs Officer. In that role, Mr Healy had oversight of Legal, Governance, Compliance, External Affairs, Health, Safety and the Environment, Risk, and Audit.

Mr Healy began his career at Freehills in 1990. He was a Partner at Herbert Smith Freehills Kramer (HSFK) for 16 years from 1997, and a member of its Global Council on the merger of Freehills and Herbert Smith in 2012. While at HSFK, Mr Healy specialised in legal and reputational crises for Asia-Pacific based institutions.

Mr Healy has been a member of the Board of the Grattan Institute, a leading Australian not-for-profit public policy think-tank, a member of the Law Society Professional Conduct Review Board, and a strategic advisor to the Red Cross.

External appointments: Senior Advisor, BCG.

Skills and experience: Mr Healy brings extensive experience to this role, having worked for HSFK, BHP and BCG on complex strategic and reputational decision-making, with a particular focus on natural resources. He has developed functional skills in the law, governance, health and safety, risk and audit, sustainability, corporate development, ethics and compliance, and external affairs. His experience in natural resources crosses a wide range of commodities (bulk and base metal) and markets (Australia, North, Central and South America, Asia and the Middle East).

Mr Healy has worked both as advisor and executive across industries and geographies. He holds a Bachelor of Laws and a Bachelor of Economics from the University of Sydney.

N S

Ms Sinead Kaufman BSc (Geology), MSc (Mineral Exploration), FAusIMM, GAICD, 53
Independent Non-Executive Director
Appointed: 1 April 2026
Location: Australia

Career summary: Ms Kaufman has 30 years' international experience in the resources sector, spanning a range of commodities including copper, diamonds, aluminium, bauxite and iron ore. She joined Rio Tinto in 1997 as a geologist and has held a range of senior technical, operational and executive roles globally.

Her most recent role was Chief Executive Minerals, where she was accountable for a global portfolio of critical minerals operational assets, including lithium. In this role, she was responsible for building and scaling Rio Tinto's position in battery materials, including through the acquisition of the Rincon and Arcadium lithium businesses.

Born in Ireland, Ms Kaufman holds a Bachelor of Science in Geology from the University of Birmingham and a Master of Science in Mineral Exploration from the University of Leicester, both in the United Kingdom.

External appointments: Ms Kaufman was appointed as a Non-Executive Director of ASX-listed Deep Yellow Limited in May 2026.

Skills and experience: Ms Kaufman brings extensive international experience in the resources sector, with deep technical and operational expertise across a broad range of commodities. Her background includes senior leadership accountability for large-scale operations, portfolio management, safety and sustainability performance, and organisational transformation in complex, highly regulated environments. She has experience in strategy execution, capital discipline, stakeholder engagement and leading major divestment and change programs. Her extensive technical, operational and leadership experience, together with her strong track record in portfolio management and capital discipline in complex global operations, supports the Board's oversight of strategy and performance.

Governance continued

S N RA

Dr Xiaoling Liu BEng (Extractive Metallurgy), PhD (Extractive Metallurgy), FTSE, GAICD, 69

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 UK, 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 (from September 2015 to November 2020), Iluka Resources Limited (from February 2016 to April 2019) and Incitec Pivot Limited (from November 2019 to 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.

N S

Mr Carlos Mesquita BEng (MetalEng), MBA, 68

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, supports our strategy of optimising our business by working safely, minimising our impact, consistently delivering stable and predictable performance, and continually improving our competitiveness.

Chair appointment

N Nomination and Governance Committee

R Remuneration Committee

RA Risk and Audit Committee

S Sustainability Committee

N RA S

Ms Mandlesilo (Mandla) Msimang MSc, BA, 49
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.

Ms Msimang served as a Non-Executive Director at Exxaro Resources Limited, from March 2021 to September 2025, and was a member of the Investment Committee and Risk and Business Resilience Committee,

External appointments: Ms Msimang is a Non-Executive Director of JSE-listed 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.

N S

Ms Jane Nelson CMG BSc (Agricultural Economics (Cum Laude)), BA, MA (Philosophy, Politics and Economics), 66
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 UK, 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 in 2004, where she is now a senior research fellow. She has co-authored seven books and more than 100 publications on the role of the private sector and multistakeholder partnerships in supporting sustainable development. 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.

Since 1992, Ms Nelson has served on advisory councils for over 45 corporations, non-governmental organisations, and government bodies. These have included ExxonMobil's External Sustainability Advisory Panel, the Independent Advisory Panel to the ICMM's Resource Endowment Initiative, GE's Sustainability Advisory Council, the World Economic Forum's (WEF) Global Future Councils on Good Governance and on Transparency and Anti-Corruption, co-chair of the Business Commission to Tackle Inequality, and 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 UK, the World Business Council for Sustainable Development (WBCSD) 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. She is a Co-Chair of the WEF's Global Future Council on the Energy Nexus, a member of WBCSD's Imperatives Advisory Board, and 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.

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. Her 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, 75
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.

RA N

Ms Sharon Warburton BBus (Accounting and Business Law), FCA, FAICD, 56
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, Karlka Nyiyaparli Aboriginal Corporation, Thiess Group Holdings Pty Limited and Blackmores Limited. She was also a Director of Fortescue Metals Group, a part-time member of the Takeovers Panel and, from February 2019 until August 2025, a Non-Executive Director of Worley Limited.

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) and Wesfarmers Limited (since 2019) where she is Chair of its Audit and Risk Committee. Ms Warburton is also an Independent Director of Mirvac Funds Management Australia Limited.

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. Ms Warburton was appointed Chair of our Risk and Audit Committee when Mr Frank Cooper AO retired from the Board at our AGM on 23 October 2025.

Committee membership key:

- Chair appointment
- N Nomination and Governance Committee
- R Remuneration Committee
- RA Risk and Audit Committee
- S Sustainability Committee

BOARD FOCUS AREAS AND KEY DECISIONS

Our Board's activities in FY26

Our Board is focused on the safety and health of our people, 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 FY26 are set out below.

Safety and performance

Nothing is more important than the safety and health of our employees, contractors, visitors and communities.

After a contractor, Simon Mukwarami, was fatally injured at Worsley Alumina in March 2026, our Board actively engaged with management on our response.

Throughout FY26, our Board actively engaged on other safety and health matters. These included:

- receiving updates on the fatality at the Alumar smelter in Brazil, a non-operated joint venture
- monitoring the safe transition of Mozal Aluminium to care and maintenance
- receiving updates on our response to the impact of Tropical Cyclone Narelle at Australia Manganese, which included the evacuation of non-essential workers from Groote Eylandt before it made landfall
- maintaining 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, including consideration of the effectiveness of critical controls
- monitoring progress on our Safety Improvement Program, a multi-year program of work with the aim of achieving a step change in our safety performance by 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
- hearing 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
- receiving updates on the management of workplace sexual harassment and management of psychosocial risk
- discussing safety performance at meetings of the Sustainability Committee.

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 2026, our Board participated in a dedicated Strategy Day led by our CEO, Matt Daley, and broader Lead Team which provided an opportunity for the Board to collaborate with management on our strategy and vision for the future.

During FY26, our Board evaluated, provided guidance on, approved (as required) and oversaw the implementation of key matters related to our strategy. This included:

- execution of a binding conditional agreement to divest the Group's aluminium value chain assets to Alcoa Corporation for consideration of up to US$5.6 billion, supporting the simplification of the Group's portfolio and strategic focus on base metals
- completion of the divestment of the Cerro Matoso ferronickel operation in Colombia for up to US$100 million
- the safe transition of Mozal Aluminium to care and maintenance after Mozal was unable to secure sufficient and affordable electricity supply beyond March 2026
- oversight of the construction and execution progress of the Hermosa project, as we continued construction of the Taylor zinc-lead-silver project and completion of the exploration decline at the Clark battery-grade manganese deposit
- consideration of the Hermosa project, including updates to schedule and capital expenditure relative to the approved Final Investment Decision, and the award of additional underground and surface infrastructure packages
- approval of the execution of the fourth grinding line project at Sierra Gorda following completion of a feasibility study, supporting a future expansion in processing capacity and production growth
- approval of a US$119.6 million investment for a Pot Tending Assembly Replacement project at Hillside Aluminium
- 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 Cerro Matoso and placing of Mozal Aluminium on care and maintenance
- continued oversight of the alignment of our remuneration and benefits framework with our purpose, strategy, values and culture.

Our Board received briefings on global commodity and economic developments and their impact on the Company and its operations, including consideration of external market conditions affecting performance. Directors also received briefings on technology and innovation, climate change and nature matters, and the political landscapes in the US, Australia, South America and South Africa.

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 FY26, including approving the payment of interim and final dividends.

In August 2025, the Board resolved to extend the existing on-market share buy-back program to 11 September 2026. In February 2026 the program was increased by US$100 million, with US$209 million remaining to be returned to shareholders by 26 February 2027.

Governance continued

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:

- receiving an external briefing on the management of psychosocial risk and oversight of the management of this risk
- reviewing any material breaches of our Code and Anti-Bribery and Corruption Policy, and any material concerns reported under the Speak Up Policy
- overseeing the culture of the Group throughout 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, reviewing the results, and evaluating the actions taken by management to address improvement areas
- 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
- visiting our social investment initiatives to gain insights into our contribution to surrounding communities. Learn about the Board's visit to community initiatives in South Africa on page 118.

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. Our Board also oversees the Group's systems for ethical and legal compliance.

Since 2015, our Director succession plan has been supported by an annual review of the Board skills matrix and regular assessment of the Board's skills and experiences. This has taken into account any new requirements as we have transformed our portfolio to focus on minerals and metals critical to the global energy transition, invested in new geographical areas, and identified changes to material and strategic risks.

In FY26, this Director succession plan resulted in the appointments approved by our Board of Mr Geoff Healy and Ms Sinead Kaufman as independent Non-Executive Directors.

As part of our Board succession process, two inaugural Directors, Mr Frank Cooper AO and Dr Futhi Mtoba, retired at the AGM on 23 October 2025 and did not stand for re-election.

On the day of the AGM, Ms Karen Wood AM announced her intention to retire from the South32 Board. Following a careful planning process to support a smooth handover, Ms Wood stepped down on 1 March 2026 and was succeeded as Chair by Mr Stephen Pearce, who joined the Board as a Non-Executive Director on 1 February 2025. This handover also took into account our planned CEO succession, which resulted in Matt Daley joining as Deputy CEO on 2 February 2026 and assuming the role of CEO on 1 July 2026 after Graham Kerr stepped down from the role on 30 June 2026.

Our Board and Committees receive updates on governance developments and briefings from internal and external experts on topics including management of psychosocial risk, safety and health, financial markets, exploration and cybersecurity.

Our climate reporting framework

Our Board is committed to providing clear, meaningful and transparent disclosures on our sustainability performance, including how we are addressing climate change.

Our climate-related disclosures are prepared in accordance with AASB S2 Climate-related Disclosures and are aligned to the Task Force on Climate-related Financial Disclosures (TCFD).

More information is available in the Addressing Climate Change chapter of the Sustainability section, starting on page 77.

STAKEHOLDER ENGAGEMENT

Engaging with our shareholders

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 FY26 included:

- our new Chair meeting key investors in 2026
- briefings and presentations to analysts and institutional investors, on matters including our FY25 full year and FY26 half year financial results, and our Climate Change Action Plan 2025
- presentations at investment and industry conferences and participation in corporate governance forums such as the Bank of America Global Metals Mining & Steel Conference, with all new and substantive presentations (including analyst presentations) released to the market ahead of the presentation and made available at *www.south32.net*
- meetings with investors and proxy advisers (attended by our Chair, Chair of the Remuneration Committee, inaugural CEO, Deputy CEO and/or other Lead Team members), covering financial, operational, remuneration and ESG updates
- management-led meetings with civil society groups
- 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 2026 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 2026 Notice of AGM will contain more information and be made available at www.south32.net.

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.

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 also 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 working environment of our people, and assess workplace culture.

In FY26, Directors visited our new head office in Perth, Western Australia, our Hermosa project in Arizona, US, and our office in Johannesburg, South Africa.

Outside of Board meetings, our inaugural CEO Graham Kerr made three visits to Southern Africa in July, August and November 2025, to discuss the future of Mozal Aluminium. He also visited Cannington in September 2025 and our Hermosa project in April and June 2026. Mr Kerr also undertook international stakeholder engagement activities in support of the Hermosa project, including engagement with government and strategic stakeholders in key jurisdictions.

Matt Daley commenced as Deputy CEO on 2 February 2026 and visited many of our operations to meet our people and see first-hand what they do. In the first month he travelled to our Johannesburg office and South Africa Manganese, our Hermosa project, and the Sierra Gorda joint venture in Chile. In March, he visited Australia Manganese, Worsley Alumina and Cannington, and he returned to Hermosa in April and Worsley Alumina in June.

Mr Kerr and Mr Daley also visited Worsley Alumina in March 2026, following the fatal injury of a contractor, Simon Mukwarami, to support the team and the response. They provided regular updates to Directors during their visit, including details of the support being provided to impacted family members and colleagues.

Our Board formally engages with management via presentations to Board meetings, and lunch and learn sessions. Lunch and learn topics in FY26 included the Your Voice employee engagement process, exploration, technology and innovation and application of the Mobile Equipment Collision Avoidance at the Taylor project.

During FY26, our inaugural CEO, Deputy CEO and Lead Team connected regularly with our employees to share updates and take questions on business results, developments, our performance (including safety performance), our portfolio, strategy and culture. This included regular Group-wide live 'town hall' events.

Group-wide emails were sent in English, Spanish and Portuguese to accommodate our diverse workforce, while other updates including stories and videos were regularly shared via internal communications channels.

In June 2026, the latest in our 'Conversations with the Board' series was published on our intranet. In it, our new Chair Stephen Pearce discussed his background, what our 'safety guarantee' means to him, and his hopes for the future of South32.

Find out more about our stakeholders and our approach to industry association participation in our Sustainability Databook 2026 at www.south32.net.

Building relationships in Arizona

In December 2025, the Board visited our Hermosa project in Arizona. While there, Directors attended a community engagement breakfast in Nogales, the city where our remote operating centre, Centro, is being built.

The breakfast offered our Board a chance to strengthen relationships with, and hear directly from, our community partners. Topics discussed included workforce skills development, partnerships with industry and education institutions, our community investment approach, and positioning Nogales as a hub for industrial and economic growth.

Our Board later met with our US federal government advisers. They received an update on topics that have the potential to affect our North American assets, such as the US Midterm Elections, permitting reform, and the current administration's focus on domestic critical minerals.

Governance continued

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. This includes ensuring that appropriate checks are undertaken on their character, experience, education, criminal record and bankruptcy history, 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).

As part of our Board renewal process:

- Mr Stephen Pearce was appointed Chair on 1 March 2026, following the decision of Ms Karen Wood AM to retire from our Board
- Matt Daley joined as Deputy CEO on 2 February 2026 and, following a transition period, assumed the role of CEO on 1 July 2026 after Graham Kerr stepped down from the position on 30 June 2026
- inaugural directors Mr Frank Cooper AO and Dr Futhi Mtoba retired from the Board at our AGM on 23 October 2025
- Mr Geoff Healy and Ms Sinead Kaufman were appointed Non-Executive Directors on 2 December 2025 and 1 April 2026, respectively.

Directors appointed by the Board (excluding the CEO) must stand for election at the following AGM. They must also retire and seek re-election, 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.

Our Board has recommended that shareholders elect Mr Healy and Ms Kaufman as Directors, and re-elect Dr Xiaoling Liu, Mr Carlos Mesquita and Ms Jane Nelson as Directors, at our 2026 AGM. The Company will provide shareholders with the basis of the Board's recommendation in the 2026 Notice of AGM, along with all material information known to the Board and relevant to a decision on whether or not to elect or re-elect Directors. This Notice of AGM will be made available at *www.south32.net*.

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
- 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, and the ongoing work to enhance the Board's composition and prepare for the future. 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's skills as a collective.

For 2026, taking into account the changes in Board composition in recent years, including the Chair transition in March 2026, an informal evaluation of the Board was undertaken for a second year. This included Committee effectiveness and Director check-ins which drew on the 2024 external evaluation recommendations and actions, and the 2025 internal evaluation findings. 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 overseen by 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 confirmed that the Board remains high performing and continues to operate with a positive and constructive culture. Directors agreed that the CEO and Chair transitions during the year were managed effectively. Directors also recognised that Board composition remains an ongoing focus to ensure it is aligned with the Company's size, operations and strategic direction, with an appropriate balance between retaining corporate knowledge and introducing fresh perspectives.

The evaluation identified opportunities to enhance the Board program and reinforced the value of site visits in strengthening engagement with employees and improving the Board's 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 157 and 169 respectively.

BOARD SKILLS, KNOWLEDGE AND EXPERIENCE

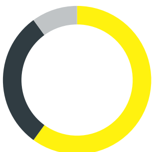
The Board annually reviews the skills it considers it requires from the Board to address existing and emerging business and governance issues relevant to the entity.

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 2026 Board skills matrix completed during FY26 and 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.

2026 Board skills matrix as at 30 June 2026[5]

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.

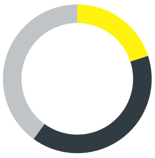
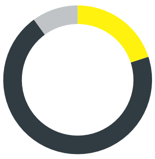
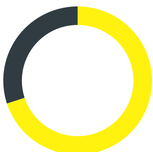
Highly skilled – having or demonstrating a high degree of knowledge or skill; high level of expertise/mastery and experience in work that requires that skill.

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.

5. Based on Board composition at 30 June 2026

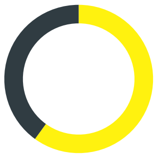
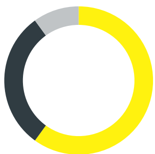
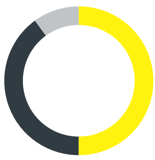
Governance continued

Collective Board skill level	Description	Relevance to South32
Industry continued		
Technology and innovation including artificial intelligence (AI) 	Understanding of the risks and opportunities of AI, and other forms 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 AI), 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.

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.

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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

Supplementing the Board's skills and experience

Our Board understands it must continue to educate itself on the key and emerging 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
- 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 FY26, there were 11 Board meetings. Six of these were held face-to-face at one of our offices or geographic areas of operation. The additional non-scheduled meeting consisted of a Board subcommittee which considered the proposed sale of our aluminium value chain assets to Alcoa Corporation, for which a binding conditional agreement was entered into on 30 June 2026[6].

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
- 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.

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
- AI, 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
- relevant media coverage.

[6] Refer to market release "Agreement to sell aluminium value chain assets to Alcoa for up to US$5.6b and Chief Executive officer transition" dated 1 July 2026 for further details.

Board Committee meetings

Our Board has established four standing Committees:

- Nomination and Governance Committee
- Remuneration Committee
- Risk and Audit Committee
- 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 in FY26 and two were updated, for the Risk and Audit Committee and the Sustainability Committee. These 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 Head of Legal, Company Secretariat & Business Integrity. She was appointed Company Secretary on 30 October 2020 and Vice President Legal in 2024 (with accountability for legal, company secretariat and business integrity). 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 FY26

	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)[7]	Nomination and Governance Committee (C), Remuneration Committee	8 / 8	5 / 5	4 / 4	6 / -	5 / -
S Pearce (Chair)[8]	Nomination and Governance Committee (C), Remuneration Committee, Risk and Audit Committee	11 / 11	7 / 7	6 / 6	8 / 8	7 / -
G Kerr (CEO)[9]		11 / 11	6 / -	6 / -	6 / -	6 / -
F Cooper AO[10]	Nomination and Governance Committee, Remuneration Committee, Risk and Audit Committee (C)	5 / 5	3 / 3	3 / 3	4 / 4	3 / -
G Healy[11]	Nomination and Governance Committee, Remuneration Committee	6 / 6	4 / 4	3 / 3	4 / -	4 / -
S Kaufman[12]	Nomination and Governance Committee, Sustainability Committee	3 / 3	2 / 1	2 / -	1 / -	2 / 1
X Liu	Nomination and Governance Committee, Risk and Audit Committee, Sustainability Committee (C)	11 / 11	7 / 7	6 / -	8 / 8	7 / 7
C Mesquita	Nomination and Governance Committee, Sustainability Committee	11 / 11	7 / 7	6 / -	8 / -	7 / 7
M Msimang	Nomination and Governance Committee, Risk and Audit Committee, Sustainability Committee	11 / 11	7 / 7	6 / -	8 / 8	7 / 7
N Mtoba[13]	Nomination and Governance Committee, Risk and Audit Committee	5 / 5	3 / 3	3 / -	4 / 4	3 / -
J Nelson	Nomination and Governance Committee, Sustainability Committee	11 / 11	7 / 7	6 / -	8 / -	7 / 7
W Osborn	Nomination and Governance Committee, Remuneration Committee (C), Sustainability Committee	11 / 11	7 / 7	6 / 6	8 / -	7 / 7
S Warburton[14]	Nomination and Governance Committee, Risk and Audit Committee (C)	10 / 11	7 / 7	6 / -	8 / 8	7 / -

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.

7. Ms Karen Wood AM served on the Board from 1 November 2017 and was Chair of the Board and the Nomination and Governance Committee from 12 April 2019 until she retired on 1 March 2026.
8. Mr Stephen Pearce was appointed Chair of the Board and Chair of the Nomination and Governance Committee on 1 March 2026.
9. Mr Graham Kerr was CEO and Managing Director from 21 January 2015 until he resigned on 30 June 2026.
10. Mr Frank Cooper AO served on the Board from 7 May 2015 until he retired on 23 October 2025.
11. Mr Geoff Healy was appointed to the Board, and the Nomination and Governance Committee and Remuneration Committee, on 2 December 2025.
12. Ms Sinead Kaufman was appointed to the Board on 1 April 2026. She was appointed to the Nomination and Governance Committee and Sustainability Committee on 1 May 2026.
13. Dr Ntombifuthi (Futhi) Mtoba served on the Board from 7 May 2015 until she retired on 23 October 2025.
14. Ms Sharon Warburton was appointed Chair of Risk and Audit Committee on 23 October 2025.

Governance continued

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 until 1 March 2026)
- Mr S Pearce (Chair from 1 March 2026)
- Mr F Cooper AO (until 23 October 2025)
- Mr G Healy (from 2 December 2025)
- Ms S Kaufman (from 1 May 2026)
- Dr X Liu
- Mr C Mesquita
- Ms M Msimang
- Dr N Mtoba (until 23 October 2025)
- Ms J Nelson
- Mr W Osborn
- Ms S Warburton

Committee's key responsibilities:

- Make recommendations to the Board on matters of corporate governance, including any proposed changes to existing structures or practices, and oversee the effectiveness of the Group's corporate governance framework and practices.
- Review the size and composition of the Board, including the mix of skills, competencies, experience, independence, knowledge and diversity.
- Oversee succession planning for the Board, Board Chair, Committees, Committee Chairs, CEO, Lead Team, identified critical roles and key talent.
- Oversee Board, Committee and Director performance evaluation.
- Oversee the training and development program for Directors, including Director induction programs and to address potential gaps in skills, competencies, knowledge and experience.
- Oversee the evaluation and appointment process for prospective Directors, including ensuring that appropriate background and due diligence checks are undertaken.

FY26 key activities and focus areas:

- Considered Chair, Director, Committee and broader Board succession planning, and endorsed the appointment of Mr Pearce as Chair and the appointments of Mr Healy and Ms Kaufman as Non-Executive Directors.
- Endorsed the composition of each Board Committee, including changes to Committee membership and leadership.
- Endorsed the election of Ms Msimang and Mr Pearce as Non-Executive Directors at the 2025 AGM, taking into consideration their performance, skills, experience, independence and time commitments.
- Endorsed the appointment of Ms Warburton as Chair of the Risk and Audit Committee.
- Considered the Deputy CEO induction and transition plan.
- Maintained oversight of key talent within the Group.
- Endorsed the Corporate Governance chapter in the Annual Report 2025, and 2025 Notice of AGM.
- Considered the results of the 2026 Board, Committee and Director evaluation.
- Considered the training and development program for Directors.
- Considered governance developments and emerging governance expectations relevant to the Group.

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 (until 23 October 2025)
- Mr G Healy (from 2 December 2025)
- Mr S Pearce
- Ms K Wood AM (until 1 March 2026)

The Committee's key responsibilities:

- Oversee the Company's remuneration and benefits framework and its application to the CEO, Lead Team, Non-Executive Directors and employees as a whole.
- Consider and endorse to the Board the remuneration arrangements for the Chair and Non-Executive Directors.
- Oversee and endorse to the Board the Remuneration Report and advise on remuneration-related resolutions for shareholder approval.
- Endorse to the Board the annual Business Scorecard and outcomes, including for the CEO, and approve outcomes for the Lead Team (as well as application of any modifiers or adjustments), including overseeing the application of financial and non-financial performance measures aligned to the Group's strategy and objectives.
- Determine annually whether awards will be made under equity-based plans and endorse to the Board total proposed awards for the CEO, and approve awards for the Lead Team and other employees under the plans, having regard to performance, risk outcomes and alignment with long-term value creation.
- Oversee remuneration outcomes and practices across the Group to ensure they remain fair, competitive and aligned with the Group's remuneration framework and objectives.
- Consider the alignment of remuneration outcomes with the Group's risk management framework and risk appetite, including the appropriateness of any adjustments or modifiers.

FY26 key activities and focus areas:

- Endorsed the FY25 Remuneration Report.
- Endorsed the FY25 Business Scorecard outcome and the FY26 Business Scorecard update.
- Endorsed the CEO's FY25 performance and remuneration outcomes and FY26 remuneration arrangements.
- Endorsed the CEO's FY25 equity grant and approved the same for all other employees.
- Considered the response to the strike received to the Remuneration report at the 2025 AGM, including appropriate stakeholder engagement.
- Considered our gender and ethnicity remuneration review outcomes and actions to address identified issues.
- Considered the Executive Reward Framework and proposed changes to remuneration structures.

Governance continued

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 until 23 October 2025)
- Ms S Warburton (Chair from 23 October 2025)
- Dr X Liu
- Ms M Msimang
- Dr N Mtoba (until 23 October 2025)
- Mr S Pearce

The Committee's key responsibilities:

- Oversee corporate reporting processes designed to safeguard the integrity of corporate reporting and facilitate independent verification, including processes to verify the integrity of material disclosures that are not subject to external audit or review.
- Review and monitor the reporting of related party transactions.
- Review asset valuation and impairment trigger assessments and make any necessary recommendations to the Board.
- Monitor and review the independence and performance of the external auditor, including oversight of audit planning, audit scope, audit fees, and management's response to audit findings and recommendations.
- Oversee the effectiveness, independence and objectivity of the internal audit function, including the implications of internal audit findings.
- Oversee management's implementation of the system of risk management (including internal controls) having regard to the risk appetite (and endorsing it for Board approval), including reviewing and assessing the effectiveness of those systems and reporting the outcomes of such reviews to the Board.
- Review any material incident involving fraud or a breakdown of risk controls and the 'lessons learned'.
- Review 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 whistleblowing.
- Oversee the management of cybersecurity, and review the effectiveness of systems and processes for detecting, reporting and responding to cybersecurity and information loss risks.
- Recommend to the Remuneration Committee appropriate metrics for any risk management component of the annual Business Scorecard for the CEO and the Lead Team, and determine the outcome for recommendation to the Remuneration Committee.
- Assist the Board with matters pertaining to capital management, litigation, acquisitions and divestments, mineral resource and reserve estimates and tax affairs of the Group, including oversight of the Group's capital structure and funding arrangements.
- Consider any report or advice from the Sustainability Committee on material exposures to sustainability-related risks and opportunities and associated disclosures under applicable accounting standards, including overseeing the financial reporting implications of sustainability-related risks and opportunities and reviewing relevant disclosures in the Group's financial statements.

FY26 key activities and focus areas:

- Assessed and endorsed the FY25 financial statements and Directors' Report, and the FY26 half year financial results, including consideration of key accounting judgements and impairment assessments.
- Endorsed the payment of the FY25 final dividend and FY26 interim dividend.
- Endorsed the extension of the on-market share buy-back program to 11 September 2026, and subsequently to 26 February 2027, and considered broader capital management and funding matters.
- Endorsed the FY25 Business Scorecard outcome to the Remuneration Committee.
- Endorsed the Risk Management chapter of the 2025 Annual Report .
- Endorsed the Risk Monitoring Report and amendments to the Risk Appetite Statement, and considered the Risk and Assurance Framework.
- Considered internal audit reports, monitored delivery of the FY26 internal audit plan and approved the FY27/FY28 internal audit plan.
- Monitored the performance and independence of the external auditor, including oversight of the half-year review and year-end audit, and consideration of key audit findings and areas of judgement.
- Considered the non-cash impairment expense for Mozal Aluminium in the FY25 financial results.
- Provided oversight of tax matters affecting the Group and its operations, and other accounting matters.
- Approved the FY26 Sustainability External Assurance approach and scope.
- Considered management updates on cybersecurity and privacy matters, Litigation and Business Integrity Reports, and Workplace Behaviour Reports.

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)
- Ms S Kaufman (from 1 May 2026)
- Mr C Mesquita
- Ms M Msimang
- Ms J Nelson
- Mr W Osborn

The Committee's key responsibilities:

- Review and monitor the adequacy and effectiveness of the management systems and frameworks associated with material sustainability matters.
- Oversee, in conjunction with the Risk and Audit Committee, as appropriate, the processes for identifying, assessing, prioritising and managing the Group's sustainability-related risks and opportunities, and the system for compliance with applicable sustainability-related laws, regulations and other requirements.
- Review the Group's performance in relation to sustainability-related matters, and material exposures to sustainability-related risks and opportunities, and advise the Board or the Risk and Audit Committee, as appropriate.
- Provide advice to the Remuneration Committee, as required, on the incorporation of sustainability-related considerations into executive remuneration, including recommending sustainability-related performance measures and outcomes for the annual Business Scorecard, the Chief Executive Officer and the Lead Team.
- Endorse for Board approval the Group's material public sustainability commitments (including climate-related commitments) and monitor performance against those commitments.
- Review and endorse for Board approval the sustainability-related disclosures in the Group's Annual Report and the Group's Modern Slavery Statement.
- Review and endorse to the Risk and Audit Committee the scope of the external sustainability assurance plan and the sustainability-related components of the annual internal audit plan.

FY26 key activities and focus areas:

- Engaged with management on the response after a contractor, Simon Mukwarami, was fatally injured at Worsley Alumina in March 2026.
- Monitored the progress of our Safety Improvement Plan, and considered the findings of significant health and safety event investigations.
- Endorsed the sustainability component of the FY25 Business Scorecard and the proposed FY26 long-term incentive climate change strategic measures.
- Endorsed for Board approval our FY25 Sustainability-related disclosures and Modern Slavery Statement, considered our Climate Change Action Plan 2025, and reviewed updates on sustainability governance and disclosure frameworks.
- Considered our Risk Management Framework, and H2 FY25 and H1 FY26 Risk Monitoring Reports.
- Considered the sustainability-related outcomes of the internal audit report.
- Considered updates on tailings governance.
- Considered sustainability matters such as climate change and environmental performance, including emissions trends, progress against the Climate Change Action Plan and broader environmental risks, and closure oversight.
- Considered updates on sustainability governance, including changes to the Sustainability Policy, Committee Terms of Reference and the broader sustainability governance framework.
- Considered social and community matters, including cultural heritage and stakeholder engagement topics.
- Considered emerging sustainability-related risks and external developments.

SUSTAINABILITY AND CLIMATE GOVERNANCE

In the Sustainability section of this annual report you can read about sustainability governance on page 60 and climate governance on page 78.

Governance continued

CORPORATE ETHICAL STANDARDS

Our Code

Our Code of 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. 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. In FY25, we 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.

All material cases (including sexual harassment) are reported to the Business Conduct Committee and relevant Board Committee. The Risk and Audit Committee receives biannual reporting on workplace conduct matters, to support oversight of trends and organisational risk.

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
- 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
- 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 reviews biennially 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 Non-Executive Director Dr Xiaoling Liu and members of our Lead Team are members of Chief Executive Women (Australia) (CEW), a group which works to engage and influence all levels of Australian business and government to achieve gender balance, with several of our employees completing the CEW Leaders Program each year
- 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 63.
- Read our Inclusion and Diversity Policy at *www.south32.net*.

Governance continued

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 FY26 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 for FY26 was 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 to our Chief Financial Officer.

During FY26, both the Group Manager Assurance and Vice President Health, Safety & Asset Management were 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 49.
- Our approach to managing the sustainability aspects of our risks is in the Sustainability section on page 58.

Corporate reporting matters

Before approving the financial statements for the FY26 half year and FY26 full year, the Board received 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
- the opinion has been formed based on a sound system of risk management and internal control which is operating effectively.

Both management and the Directors have provided appropriate sign-offs in relation to the mandatory climate-related disclosures in the Sustainability Report.

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. It progresses through a hierarchy of reviews and approvals designed to support the accuracy and completeness of disclosures 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.(b) Financial risk management objectives and policies to the financial statements on page 213.

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

Working under the guidance and supervision of the CEO, our Lead Team's role is to progress the Group's strategy in a way that aligns with our purpose, values and Code, and the risk appetite developed by management and approved by our Board. Although each Lead Team member leads a specific part of our business, they work as a collective towards our business goals.

The CEO and Lead Team regularly report to our Board on progress towards, and matters material to, our strategy, performance (including safety, operational, financial and ESG matters), our people and culture, risk management and assurance, and compliance with our Code. Meetings between members of our Board and Lead Team help the Board to carry out its responsibilities and strengthen its relationship with management.

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.

FY26 changes

During FY26 there were a number of changes to the composition of our Lead Team, the most significant of which was Matt Daley's appointment as Deputy CEO in February 2026 and his subsequent succession to Graham Kerr as CEO on 1 July 2026.

Following the end of FY26, South32 announced further changes to its Lead Team and operating model to support the next phase of the Company's transformation after entering into the agreement to sell its aluminium value chain assets. These changes included:

- David Palmer joining as Chief Technical Officer on 3 August 2026 (with that role expanding to Chief Technical and Operating Officer – Base Metals on 1 September 2026)
- Noel Pillay assuming the role of Chief Operating Officer responsible for the Aluminium Business Unit, which is subject to a sale to Alcoa Corporation. In this role he reports to Matt Daley and is no longer a member of the Lead Team.

Erwin Schaufler also announced his decision to leave South32 and commenced the transition of Technical and Commercial responsibilities in advance of his departure.

Certain Group functions were also realigned as part of a broader simplification of our operating model and these portfolio changes are reflected in the Lead Team biographies on pages 144 and 145.

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.

FY26 evaluation outcomes

For FY26, 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 FY26 was reviewed by the CEO and approved by the Remuneration Committee.

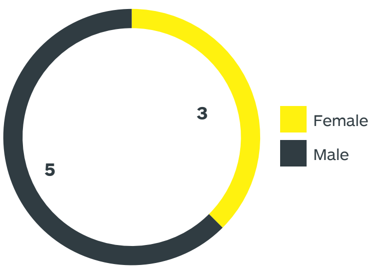
For further details, refer to the FY26 Executive KMP remuneration outcome summary and our Executive reward practices in the Remuneration Report, which starts on page 150.

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%[15].

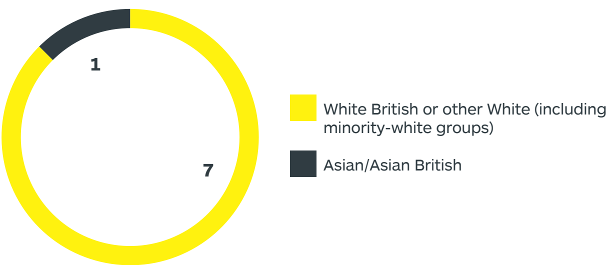
Gender diversity as at 30 June 2026[16]

(all Lead Team and Company Secretary)



Ethnicity as at 30 June 2026[16]

(all Lead Team and Company Secretary)



15. Female representation on the Lead Team was below the 40% objective at 30 June 2026. Following changes to Lead Team composition after year end, female representation increased to 40% effective 3 August 2026.
16. 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

OUR LEAD TEAM[17]

Matt Daley
BE (Mining) (Hons), GradDip
Chief Executive Officer and Managing Director

See page 122 for Matt Daley'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, Risk and 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.

David Palmer
BE (Mineral Processing) (Hons), MBA, MAICD
Chief Technical Officer

Dave Palmer joined South32 in August 2026 as Chief Technical Officer. In this role, he is responsible for Health and Safety, Projects and Technical. From 1 September 2026, his role will expand to Chief Technical and Operations Officer – Base Metals, bringing together Technical and South32's non-aluminium value chain assets under one Lead Team member.

Dave has more than 25 years of global mining industry experience spanning operational leadership, technical services, business improvement and operational excellence. Prior to joining South32, he held a range of senior leadership positions with Anglo American, including Executive Head of Technical – Africa & Australia. He has extensive experience leading technical and operational teams across large resource portfolios and driving operational performance and transformational change.

Dave holds a Bachelor of Engineering (Mineral Processing) from the University of Queensland and a Master of Business Administration from the University of Melbourne.

17. This section provides details of our Lead Team as at the date of this Report

Simon Collins
BE (Mining), MBA
Chief Development and Commercial Officer

Simon Collins has been our Chief Development Officer since 2018. In August 2026, his role was expanded and retitled Chief Development and Commercial Officer, with responsibility for Corporate Development, Exploration, Marketing and Strategic Supply.

Simon has more than 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, Social Performance, Government, Corporate Reporting, Sustainability and Human Resources.

Kelly joined South32 in 2016 as the Vice President of 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. Prior to this, Kelly worked as a lawyer in private practice.

Kelly has more than 20 years of experience in the mining industry across legal, commercial, business development, mergers and acquisitions, external affairs and social performance roles across Australia, Asia, the United Kingdom, Europe, Africa and the Americas.

Kelly holds a Bachelor of Laws with 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.

Governance continued

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 2026.

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 116
- Our Board starting on page 119
- Director biographical information starting on page 122
- Board and Committee meeting attendance starting on page 135
- Company Secretary biographical details on page 135
- Remuneration Report starting on page 150
- Note 19(b) Financial risk management objectives and policies starting on page 214
- Note 20 Share capital on page 217
- Note 21 Auditor's remuneration on page 218
- Note 22 Employee share ownership plans starting on page 218
- Note 31 Subsequent events on page 229
- Directors' declaration on page 232
- Auditor's independence declaration on page 233
- Resources and Reserves starting on page 238
- Shareholder information starting on page 252
- Corporate directory on page 266.

Principal activities, state of affairs and review of operations

Principal activities and significant changes during the financial year

In FY26, 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 and manganese.

On 1 December 2025, South32 completed the divestment of the Cerro Matoso ferronickel operation in Colombia[18], and Mozal Aluminium in Mozambique was placed on care and maintenance on 15 March 2026[19].

On 30 June we entered into a binding conditional agreement to sell our aluminium value chain assets to Alcoa Corporation for an implied enterprise value of up to US$5.6 billion. Alcoa will also assume related rehabilitation provisions of approximately US$1.1 billion[20].

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 Cerro Matoso[18]
- Mozal Aluminium being placed on care and maintenance[19]
- entering into a binding conditional agreement to sell our aluminium value chain assets[20]
- those set out in the Strategic Report on the inside front cover to page 150.

Operating and financial review, review of operations, likely developments and expected results

The Group's operating and financial review and a review of the Group's FY26 operations are contained on the inside front cover to page 116.

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 1 July 2026, we announced that Matt Daley had commenced as CEO and Managing Director, marking the completion of our previously announced CEO transition plan. Graham Kerr stepped down as CEO and Managing Director on 30 June 2026.

On 1 July 2026, we announced that the Sierra Gorda joint venture had approved execution of the fourth grinding line project, following completion of a feasibility study which confirmed the potential for attractive returns from this brownfield plant expansion[21].

Additional details of matters occurring since the end of the financial year can be found in Note 31 to the financial statements (Subsequent events) on page 229.

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 FY26 are set out in Note 7 to the financial statements (Dividends) on page 197 and below.

Type	2025 Final dividend	2026 Interim dividend
Payment date	16 October 2025	2 April 2026
Period ends	30 June 2025	31 December 2025
Cents per share	US 2.6 cents	US 3.9 cents
Value	US$117 million	US$175 million
Franking	Fully franked	Fully franked

18. Refer to market release "Completion of Cerro Matoso divestment" dated 1 December 2025 for further details.
19. Refer to market release "Mozal Aluminium Placed on Care and Maintenance" dated 16 March 2026 for further details.
20. Refer to market release "Agreement to sell aluminium value chain assets to Alcoa for up to US$5.6b and Chief Executive officer transition" dated 1 July 2026 for further details.
21. Refer to market release "Final investment decision for Sierra Gorda's fourth grinding line" dated 1 July 2026 for further details.

Our Directors

Information about our Directors who held office at the date of this report is provided in the Our Board members section of the Governance chapter on page 122.

Details of our robust processes for appointing, renewing and evaluating our Directors is outlined on page 130. The outcomes of our FY26 Board skills, knowledge and experience review are presented on page 131.

Board and Committee meetings

The Board and Committees section of our Governance chapter (page 134) provides information on:

- meeting cadence and approach
- typical agenda and briefing items
- meetings held during FY26
- Directors' attendance at meetings during FY26.

Key focus areas and considerations of the Board during FY26 are outlined on page 127.

Directors' relevant interest in shares

Information regarding our Directors' interest in shares can be found below and in our Remuneration Report on page 172.

Director	Number of South32 Limited shares in which a relevant interest is held as at the date of this Directors' Report
Stephen Pearce	130,000
Matthew Daley[(a)]	3,482,857
Geoff Healy	–
Sinead Kaufman	–
Xiaoling Liu	66,000
Carlos Mesquita	177,440
Mandla Msimang	–
Jane Nelson	40,000
Wayne Osborn	174,104
Sharon Warburton	67,870

(a) At the date of this Directors' Report, Matthew Daley's total interest includes 285,714 South32 Limited ordinary shares and 3,197,143 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.

Details of rights over South32 Limited shares held by executive key management personnel are set out in the Remuneration report on page 171.

The total number of rights over South32 Limited shares on issue as at 30 June 2026 is set out in Note 22 to the financial statements (Employee share ownership plans) starting on page 218.

No rights have been granted since the end of FY26. As of the date of this report, the total number of rights over South32 Limited shares on issue is 44,815,226. No shares have been issued on vesting of rights during or since the end of FY26. South32 Limited has not had any options on issue during or since the end of FY26.

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 FY26 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 135.

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 United Kingdom Financial Conduct Authority's Disclosure Guidance and Transparency Rules can be found in our Governance chapter, starting on page 117.

Auditor

Our External Auditor has provided an independence declaration in accordance with the Corporations Act, which is set out on page 233 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 FY26. Refer to Note 21. to the financial statements (Auditor's remuneration) on page 218.

Governance continued

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.

As set out in the table below, as at 30 June 2026 South32 meets or exceeds the FCA's targets that at least 40% of the Board are women and at least one member of the Board is from a non-white ethnic minority background. South32 does not currently meet the target that at least one of the senior Board positions (which for South32 is the Chair and the CEO) is held by a woman. The FCA includes the CFO in the definition of a senior Board position. Sandy Sibenaler has served as CFO since April 2023; however, in line with market practice for Australian listed companies, the CFO does not sit on the Board. The Board keeps its composition under review as part of its succession planning processes. This includes consideration of the skills, experience and diversity of Directors to ensure that the Board composition remains appropriate to achieve South32's purpose and strategy.

Board and Executive diversity[22]	Number of Board members	Percentage of the Board	Number of senior positions on the Board[23]	Number in Executive Management[24]	Percentage of Executive Management
Gender Identity					
Men	5	50 %	2	5	62 %
Women	5	50 %	–	3	38 %
Not specified / prefer not to say	–	– %	–	–	– %
Ethnic background					
White British or other White (including minority-white groups)	8	80 %	2	7	88 %
Mixed/Multiple Ethnic Groups	–	– %	–	–	– %
Asian/Asian British	1	10 %	–	1	12 %
Black/African/Caribbean/Black British	1	10 %	–	–	– %
Other ethnic group	–	– %	–	–	– %
Not specified / prefer not to say	–	– %	–	–	– %

Details of our approach to Inclusion and Diversity and the Board's role in this can be found on page 141.
Details about the diversity of our Board can be found on page 121.
Details about the diversity of our Lead Team can be found on page 143.

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 FY26, there were no environmental events that resulted in a major impact to the environment.

Fines and prosecutions

During FY26, we did not identify any instances of significant non-compliance with applicable laws and regulations, that resulted in a significant fine, non-monetary sanction or prosecution. We define significant non-compliances with applicable laws and regulations where a regulator, court or competent authority has made a formal finding of non-compliance or imposed a sanction or fine on South32 (including matters under appeal) during the reporting period.

Political donations and social investment

Our Code of Business Conduct sets out our approach to political donations and social investment.

In FY26, 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 FY26 can be found on page 65.

22. 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 2026.
23. The 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.
24. 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.

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 2026/183 (ASIC Instrument 2026/183) applies. We have rounded amounts in this report and financial statements in accordance with ASIC Instrument 2026/183. This means the amounts in this report and the financial statements have been rounded to the nearest million US dollars, unless stated otherwise.

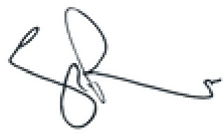
Responsibility statement

The Directors state that to the best of their knowledge:

(a) The consolidated financial statements and notes on page 173 to page 238 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

(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.



Stephen Pearce
Chair

Matthew Daley
Chief Executive Officer and Managing Director

Date: 27 August 2026

REMUNERATION REPORT

From the Remuneration Committee Chair

CREATING STAKEHOLDER VALUE

On behalf of the Board, I am pleased to present the Remuneration Report for FY26.

Executive key management personnel (KMP) changes

FY26 was a year of transition for South32. In line with our CEO transition plan announced last year, Matt Daley commenced as Deputy Chief Executive Officer on 2 February 2026 and shortly thereafter took on accountability for our Australian operations. Matt assumed the role of CEO on 1 July 2026, after Graham Kerr stepped down from the position on 30 June 2026.

The Board acknowledges Graham's outstanding contribution to South32. As our inaugural CEO, he established a values-based, safety-focused culture and reshaped our portfolio to capitalise on growing demand for base metals. We are pleased he will continue as a Strategic Advisor for a transitional period, supporting engagements related to the agreement to sell our aluminium value chain assets to Alcoa Corporation. This transaction represents a significant step in the transformation of our portfolio, reshaping South32 in line with our strategy to focus on base metals.

We commend Graham and Matt for their professionalism and commitment to South32 during the transition period, particularly against the backdrop of the Aluminium value chain transaction.

Strike against FY25 Remuneration Report

At our Annual General Meeting (AGM) on 23 October 2025, we received a first strike against our Remuneration Report.

Since the AGM, the Board has extensively considered the reasons for the strike and engaged with shareholders and proxy advisers to better understand their feedback. The key themes were:

- the increase in fixed remuneration provided to Graham, due to the combined impact of changes to the executive remuneration framework with respect to superannuation and FY26 salary increase
- a request for greater transparency around the threshold and maximum performance levels applicable to our short-term incentive (STI) Business Scorecard and the CEO's individual performance assessment
- the design and inclusion of strategic measures in the long-term incentive (LTI).

The Board acknowledges the feedback and has responded on page 153.

Key changes to the FY26 executive reward framework

As outlined in our 2025 Remuneration Report, the Board approved a number of changes to the executive reward framework, which took effect from FY26 (see page 155). These included:

- separating fixed remuneration into salary and superannuation components, and increasing superannuation to align with the broader South32 workforce
- changing the STI calculation methodology from a multiplier to an additive approach
- replacing the MSCI World Index comparator with the S&P/ASX 100 constituent group in the LTI
- increasing the minimum shareholding requirements, with the CEO's requirement increasing from 100% of fixed remuneration to 400% of salary, and the requirement for other Executive KMP increasing from 100% of fixed remuneration to 200% of salary.

FY26 executive reward outcomes

We were devastated by the loss of Simon Mukwarami, who was fatally injured at Worsley Alumina in March 2026. The Board's sympathies are with Mr Mukwarami's family, friends and colleagues. We remain unwavering in our expectation that everyone goes home safe and well every day.

The loss of Simon, together with the revised timing and cost outlook for the Hermosa Taylor project, were considered by the Board in determining the application of a Business Modifier for the CEO and the other Executive KMP. Further details are on page 163.

Our Business Scorecard achieved 108.0% of target. After taking into account the -20% Business Modifier applied to Graham's award and his approved individual performance outcome of 130%, his STI outcome was 66% of maximum. More information is on page 164.

As disclosed in the 2025 Remuneration Report, and in recognition of Graham's tenure, skills and experience, the Board approved a 7.8% increase in his salary effective 1 September 2025. Further information is provided on page 159.

The FY23 LTI award was assessed following completion of its four-year performance period. Total shareholder return (TSR) of 12.7% over the period fell short of the threshold required for vesting under both TSR measures. Having considered performance against the two strategic measures over the period, the Board awarded a combined outcome for the portfolio management measure and climate change measure of 15.5%. As a result, the FY23 LTI award vested at 15.5%, with the remaining 84.5% lapsing (see page 164).

Looking ahead, subject to completion of the agreed sale of our aluminium value chain assets to Alcoa, the Remuneration Committee intends to undertake a review of our executive reward framework

Thank you for your ongoing support. I look forward to continuing our engagement with shareholders and sharing in the future success of South32.

Wayne Osborn
Chair, Remuneration Committee

Remuneration Report

KEY MANAGEMENT PERSONNEL (KMP) COVERED IN THIS REPORT

KMP consist of the 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 FY26 are set out in the below table.

Non-Executive Directors	Role	Term
Stephen Pearce	Chair	Full year
Geoff Healy	Non-Executive Director	Commenced on 2 December 2025
Sinead Kaufman	Non-Executive Director	Commenced on 1 April 2026
Xiaoling Liu	Non-Executive Director	Full year
Carlos Mesquita	Non-Executive Director	Full year
Mandla Msimang	Non-Executive Director	Full year
Jane Nelson	Non-Executive Director	Full year
Wayne Osborn	Non-Executive Director	Full year
Sharon Warburton	Non-Executive Director	Full year
Former Non-Executive Directors		
Karen Wood AM	Chair	Ceased on 28 February 2026
Frank Cooper AO	Non-Executive Director	Ceased on 23 October 2025
Ntombifuthi Mtoba	Non-Executive Director	Ceased on 23 October 2025

Executive KMP	Executive Role	Term
Graham Kerr	Chief Executive Officer (CEO)	Full year
Matthew Daley	Deputy CEO	Commenced on 2 February 2026
Sandy Sibenaler	Chief Financial Officer (CFO)	Full year
Noel Pillay	Chief Operating Officer (COO) Southern Africa	Full year
Former Executive KMP		
Vanessa Torres	COO Australia	Ceased on 9 February 2026

RESPONSE TO FY25 REMUNERATION STRIKE

The Board engaged with major shareholders and proxy advisors to understand the key feedback that led to a strike against our 2025 Remuneration Report. A summary of these key themes and South32's response are presented below.

Key feedback	Response	Reference
Salary		
Quantum of increase in fixed pay for Graham Kerr as CEO for FY26	South32 competes for executive talent with global companies, and the remuneration framework must be globally competitive to attract, retain and engage high-calibre executives to deliver our strategy and maintain strong operational performance. The separation of salary and superannuation is in line with our benchmarking and the increase of superannuation from 1 July 2025 aligned with the broader South32 workforce, with STI and LTI opportunity calculated on salary only. The Board additionally reviewed Graham Kerr's salary and considered the 7.8% increase effective 1 September 2025 appropriate with respect to the following: – a 10% salary differential between Matt and Graham was appropriate considering Graham had led South32 for more than a decade as the inaugural CEO – that Graham remained as CEO throughout FY26 to continue delivering on critical strategic project responsibilities including the finalisation of the proposed sale of our aluminium value chain assets to Alcoa. The transition period also enabled Matt to understand the Company's assets and its people, as well as establish the critical investor and stakeholder relationships that are vital to the Company's ongoing success. The Board believes our approach to remuneration has been both prudent and restrained over a long period. In reaching the decision, the Board was motivated to achieve a fair and appropriate salary review outcome both for shareholders and Graham.	Page 159
Short-term incentive (STI)		
Misalignment of STI outcomes with company performance	Each year the Business Scorecard is reviewed and approved by the Board to ensure alignment between STI metrics and company performance. The Board also assesses the individual performance of the CEO and other executives against key performance indicators set for the period. Further, the Board considers the application of a Business Modifier and, over the past 10 years, the Board has applied downward discretion to Executive KMP on eight occasions to reflect company performance and executive accountabilities. Taking into consideration the Business Scorecard outcome, the Board believes Graham's STI outcome, which included a negative modifier of 20%, was appropriate in the circumstances and reflected company performance in FY25.	Page 160
Insufficient disclosure of Business Scorecard targets and outcomes, and CEO individual performance	In recent years, the Board has materially reduced the number of performance metrics and increased transparency to simplify and enhance the Business Scorecard. Building on this approach, the FY26 Business Scorecard discloses threshold and maximum performance levels, and utilises the relevant unit of measure for financial metrics. In addition, descriptions for each performance metric have been expanded to include their rationale, the basis for setting performance levels, calculation methods, and references to further detail in the Annual Report. These changes, including expanded disclosure of the CEO's individual performance, are designed to support understanding of the design and determination of STI outcomes.	Page 161
Long-term incentive (LTI)		
Inclusion of qualitative strategic measures in the LTI	Since 2021, the LTI design has comprised 80% quantitative measures (Total Shareholder Return (TSR)) and 20% strategic measures focused on portfolio management and response to climate change. These measures complement TSR by incentivising management to deliver the strategic portfolio and climate outcomes that underpin the Company's overall strategy. The Board considers it important that the LTI includes both quantitative and non-quantitative measures to provide a balanced assessment of performance. While TSR measures value delivered to shareholders, the strategic measures recognise progress against key Company priorities delivered over an extended period. Given the complexity of the strategic measures, the Board considers a qualitative assessment to be the most appropriate approach. This enables a holistic evaluation of performance over the four-year performance period and ensures management is appropriately incentivised and accountable for delivering outcomes aligned to the Company's strategy and stakeholder expectations. For the FY27 LTI, the strategic measure component will be retained as 20% of the overall performance assessment, but the Board will make a holistic assessment of performance against portfolio and climate priorities over the performance period rather than considering them as two separate components. The Board considers this to be appropriate given climate priorities and outcomes will continue to be shaped by the decisions South32 makes with respect to its portfolio transformation.	Page 165

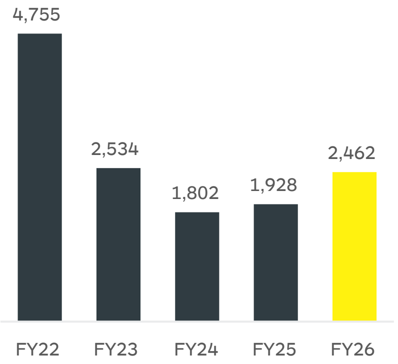
Remuneration Report continued

FY26 PERFORMANCE AT A GLANCE

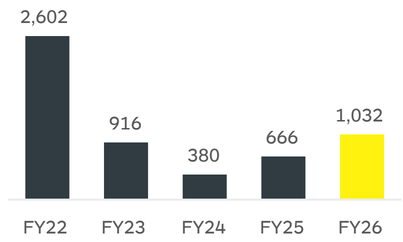
The diagrams and table below set out key company performance, shareholder returns, and incentive outcomes for the most recent five financial years.

Five-year performance summary

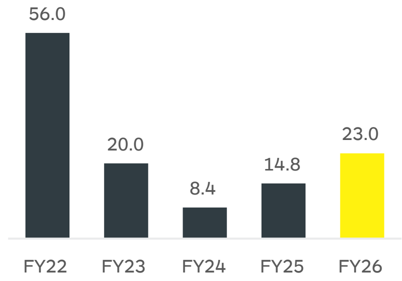
Underlying EBITDA (US$M)



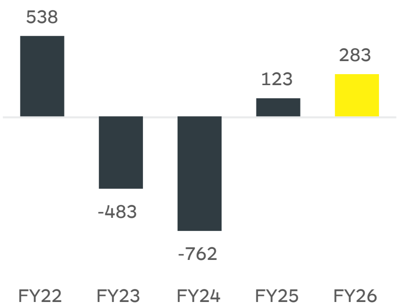
Underlying earnings attributable to members (US$M)



Basic Underlying earnings per share (US cents)



Net cash/(debt) (US$M)



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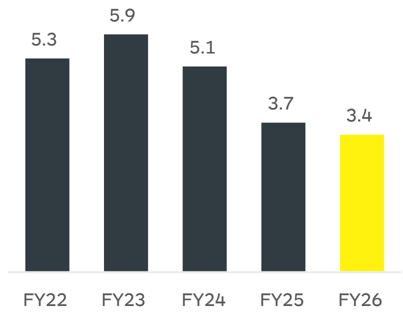
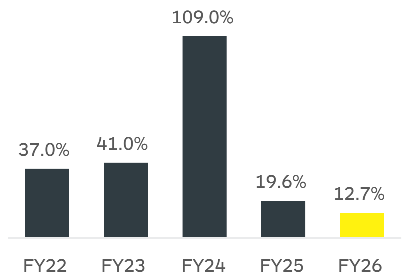


Four-year TSR (up to and including 30 June)



Five-year CEO STI and LTI outcomes, share price and dividends

	FY22	FY23	FY24	FY25	FY26
STI % of maximum	74	42	73	65	**66**
LTI % of maximum	0	0	33	15	**15.5**
Closing share price at end of the financial year (A$)[1]	3.94	3.76	3.66	2.91	**3.90**
Dividends/special dividends paid (US cents per share)	14.2	21.9	3.6	6.5	**6.5**

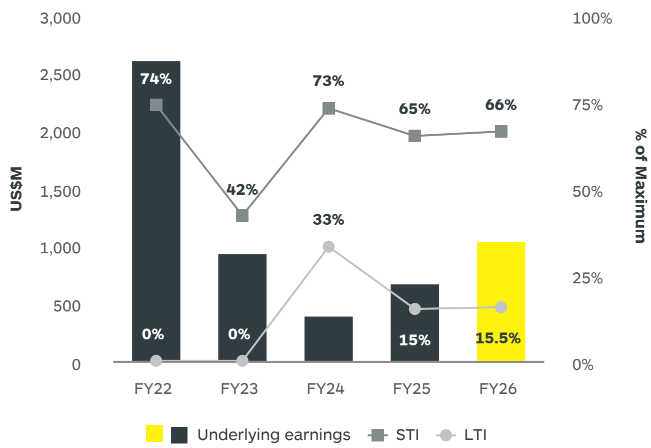
CEO incentive outcomes compared to Underlying earnings

This diagram illustrates the CEO's incentive outcomes alongside the company's Underlying earnings attributable to members over the past five years.

As the Business Scorecard includes measures that are within 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 the LTI primarily rewards TSR performance over four years it does not reflect one-year shareholder returns or financial outcomes.



1. The closing share price for FY21 was A$2.93.

FY26 EXECUTIVE KMP REWARD OVERVIEW

Salary	**CEO salary increase was 7.8%**	The separation of salary and superannuation and increase of superannuation from 1 July 2025 to align to the broader South32 workforce provided for a 12.3% movement in salary and superannuation for Graham Kerr and between 10.2% and 12.5% for our other Executive KMP. Furthermore, Graham Kerr received a 7.8% salary increase effective 1 September 2025 to recognise his skill set, tenure and leadership of critical projects and responsibilities. Sandy Sibenaler received a 4.0% salary increase effective 1 January 2026 due to an increase in her accountabilities. No other Executive KMP received a salary increase in FY26.	Refer to page 159
STI	**CEO FY26 STI was 66% of maximum**	Performance against the Business Scorecard measures resulted in an outcome of 108.0%. The Board determined to apply a negative Business Modifier to all Executive KMP in recognition of the tragic fatality at Worsley Alumina as well as the adjustment to the timelines and growth capital associated with the Hermosa Taylor project. This resulted in a Business Modifier of -20% for Graham Kerr and Matt Daley, and -10% for Noel Pillay and Sandy Sibenaler. After assessment of individual performance and behaviours, the overall STI outcome for Graham Kerr was 66% of maximum, with other Executive KMP outcomes ranging from 60% to 73% of maximum.	Refer to page 160
LTI	**FY23 LTI vesting outcome was 15.5%**	South32 delivered TSR of 12.7% over the four-year performance period, which did not meet the threshold required for either of the TSR vesting conditions. The Board assessed the strategic measures and approved vesting outcomes of 9% for portfolio management and 6.5% for climate change. Accordingly, the Board approved 15.5% of the FY23 LTI award to vest, with the remaining 84.5% to lapse.	Refer to page 164
Realised pay	**CEO realised pay was A$5.8M**	For FY26, realised pay for Graham Kerr increased compared to the previous year primarily due to higher salary, superannuation and STI payment. The Board reviewed all components of remuneration in considering whether the year's reward outcomes aligned with the remuneration guiding principles and has determined that the FY26 realised pay for the CEO reflects Company performance both in the year and also across the four-year performance period for the FY23 LTI.	Refer to page 159

CEO transition

Following the end of the reporting period, on 1 July 2026 Matt Daley took over as CEO and Managing Director. Graham Kerr's last day as CEO and Managing Director was 30 June 2026. Graham's employment with South32 will continue for a transitional period as Strategic Advisor, with a focus on supporting engagements related to the divestment of our aluminium value chain to Alcoa. Graham's terms and conditions of employment remain unchanged in his Strategic Advisor role, except that he will not receive an LTI for FY27. No decisions have yet been made regarding the treatment of Graham's unvested equity incentives upon cessation of his employment (refer to page 171 for rights held by Graham). Matt has not received a salary increase on transitioning into the CEO role.

FY26 Executive remuneration framework updates

As presented in the 2025 Remuneration Report, the Board undertook a review of the executive remuneration framework to ensure it continues to attract and retain executive talent and align the interests of executives and shareholders. Extensive consultation with shareholders and proxy advisers was conducted both before the changes were disclosed in the 2025 Remuneration Report and following its release. The key changes are summarised below.

- **Separation of fixed remuneration into salary and superannuation components** to increase alignment with market practice among mining peers and the remuneration structure applied across South32's broader workforce. Executives retained their existing cash salary and superannuation contributions were set in line with the local workforce. From FY26, STI and LTI opportunity levels are calculated on salary only.
- **STI shifted from a multiplier to an additive calculation** to align with market practice while ensuring that STI outcomes continue to reflect company and executive performance. From FY26, the Business Scorecard (including application of the business modifier) is weighted at 70% of the STI outcome, and the individual performance component is weighted at 30% of the STI outcome.
- **Replacement of the MSCI World Index with the S&P ASX 100 constituent group** as the general comparator group for measuring relative TSR in the LTI. Following a review of alternative indices, the S&P ASX 100 was selected given the majority of South32's investors are Australian-based, investors predominantly benchmark our performance against ASX peers compared to the MSCI, and the composition of the MSCI World Index having changed significantly since incorporated into the LTI framework.
- **Executive minimum shareholding requirement (MSR) increased** to strengthen alignment between executive and shareholder interests and better reflect mining peer practice. The CEO's MSR has increased from 100% of fixed remuneration to 400% of salary, and the MSR for other Executive KMP has increased from 100% of fixed remuneration to 200% of salary.
- **Transitional LTI awards removed** in response to stakeholder feedback and reviewing market practice. These awards were previously provided to address equity vesting gaps for employees promoted to the Lead Team. Transitional LTI awards previously granted will continue on existing terms, with no new awards granted from FY26.

Remuneration Report continued

OUR REWARD FRAMEWORK

The pages of the Remuneration Report that follow (together with the KMP on page 152 and business performance on page 154) 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 the financial year.

Remuneration governance

Outlined below are the roles and responsibilities of the Board, Remuneration Committee, management and external advisors in relation to remuneration for Non-Executive Directors, the Lead Team including the Executive KMP, and employees of South32.

Board	The Board maintains overall responsibility for overseeing the remuneration policy and the principles and processes that underpin it. It approves the remuneration arrangements for the 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 the 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 the remuneration policy, its specific application to the CEO, Lead Team, Non-Executive Directors and, in general, the employees of South32. 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 framework and support our purpose, strategy and values.
CEO and management	The CEO makes recommendations to the Remuneration Committee regarding the Lead Team, 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 FY26. While no external advisor was appointed in FY26, an external advisor will be engaged in FY27. We seek information and analysis from a range of data sources. This allows us to make decisions that are informed, objective, aligned to the requirements of the Company, and consistent with our guiding principles.

Executive reward framework

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 FY26

	Salary and superannuation	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 the business plan.	Align long-term reward outcomes to shareholder value creation and strategic priorities.
Structure	Salary as well as superannuation provided in line with local workforce provision. Executives may elect to receive a superannuation allowance, payable upfront in cash, in lieu of employer superannuation contributions above statutory requirements.	Annual variable incentive opportunity with STI outcome delivered: – 50% in cash – 50% in STI rights which vest into South32 shares subject to a two-year service condition. STI rights receive a dividend equivalent cash payment following vesting.	Performance 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 outcomes are aligned with the shareholder experience over the longer term – strategic measures so that outcomes are aligned to the business priorities that underpin the long-term success of South32. No holding lock applies to vested shares, but a minimum shareholding requirement must be met (see below).
Determination	Salary reviewed annually by the Remuneration Committee considering: – performance – responsibilities, skills and experience – local workforce increases – external benchmarking.[2]	STI outcomes assessed on: – Business Scorecard outcomes, including the application of the Business Modifier (70%) – individual performance and behaviours as aligned to our values (30%).	LTI performance conditions include: – total shareholder return (TSR) performance against S&P Global Mining Index constituents (53.3%) and S&P ASX 100 constituents (26.7%) – strategic measures of portfolio management and climate change (10% each).
Opportunity	Superannuation of: – Australia: 14% of salary – South Africa: 12.5% of salary.	Target STI opportunity: – 120% of salary. Maximum STI opportunity: – 180% of salary.	Maximum LTI opportunity: – CEO and Deputy CEO: 200% of salary – other executives: 133% of salary.
Reference	Page 159	Page 160	Page 164
Minimum shareholding requirement	To drive a long-term focus and alignment with our shareholders, the minimum shareholding requirement for executives is: – 400% of salary for the CEO and 200% of salary for other executives – obtained within five years of appointment to the Lead Team or the CEO role – valued as the number of shares held (excluding rights) multiplied by the share price at time of assessment. Refer to page 172 for MSR progress for Executive KMP as at 30 June 2026.		

Executive KMP contract terms

Role	Term of agreement	Notice period by Executive[3]	Notice period by Company	Post employment restraint
Executive KMP other than Deputy CEO	No fixed term	6 months	6 months, with no notice for serious misconduct	Up to 6 months
Deputy CEO[4]	No fixed term	12 months	12 months, with no notice for serious misconduct	Up to 6 months

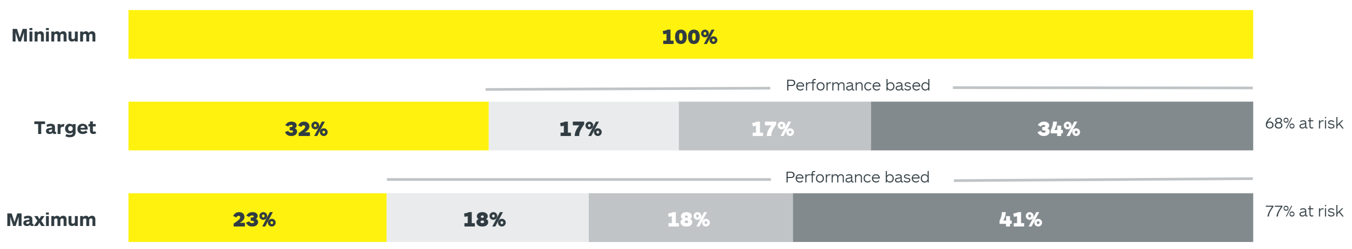
2. External benchmarking references the median of the peer groups who we compete with for talent. These are ASX 100 companies in the materials (metals and mining) or energy sectors as per the Global Industry Classification Standard, and a global mining peer group comprising the following companies: Agnico Eagle, Alcoa, Anglo American, AngloGold Ashanti, Antofagasta, Barrick, First Quantum, Fortescue, Freeport-McMoRan, Gold Fields, Kinross Gold, Lundin Mining, Mineral Resources, Newmont, Northern Star and Teck.
3. 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 notice). The employment contract for the CEO and Deputy CEO allows resignation without notice if a fundamental change occurs.
4. Matt Daley became CEO on 1 July 2026. His contract terms remain unchanged.

Remuneration Report continued

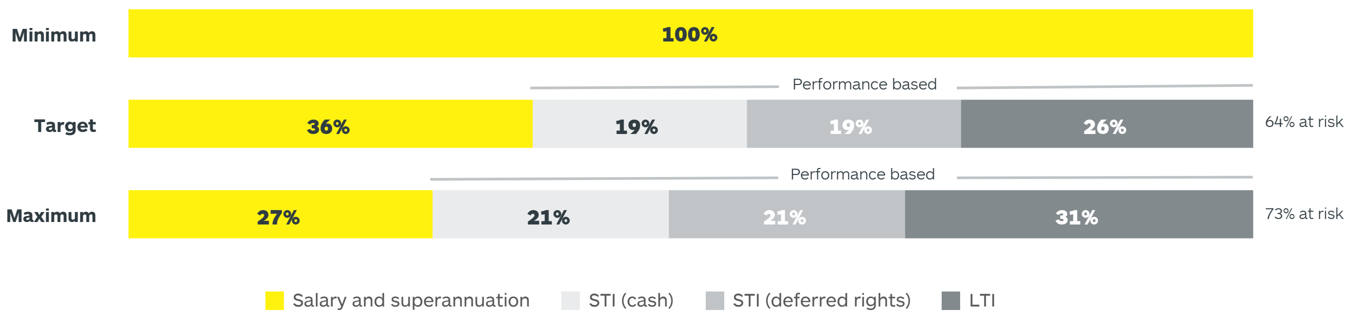
FY26 remuneration mix

As company and individual performance over the performance period determine reward outcomes, the pay received by Executive KMP each year will vary. The two diagrams below outline the remuneration mix of the CEO and other Executive KMP, which illustrate the focus on performance-based remuneration.[5]

CEO remuneration mix[6]



Average of other Executive KMP remuneration mix[7]



Linking reward and environmental, social and governance (ESG) performance

The STI and LTI are performance-based components which align remuneration outcomes 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 FY26, 35% of the Business Scorecard was assessed against sustainability measures, which included safety and health, people, environment and social performance metrics. The overall Business Scorecard outcome is also subject to the Business Modifier and the Board has a track record of applying the Business Modifier to reflect non-financial performance including ESG performance. Further detail is included in the STI section starting on page 160.
- **LTI:** 20% 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 to climate change considerations 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 164.

5. 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.
6. The proportion of at-risk remuneration for Matt Daley as Deputy CEO was 68% at target and 77% at maximum.
7. The proportion of at-risk remuneration for other Executive KMP was: Sandy Sibenaler and Vanessa Torres 64% at target and 73% at maximum, and Noel Pillay 64% at target and 74% at maximum.

FY26 EXECUTIVE KMP REWARD OUTCOMES

Realised pay for Executive KMP for FY26

Realised pay is the value of reward received by Executive KMP in relation to the financial year, rather than potential earnings or statutory remuneration disclosures. We publish this information to enable shareholders to better understand the pay delivered to Executive KMP through our reward framework and how this is aligned to the performance of South32. 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 realised pay outcomes reflect this objective.

FY26 realised pay for Executive KMP is outlined below and includes:

- salary and superannuation received in FY26
- other cash and non-monetary benefits earned in FY26
- FY26 STI earned, including cash and deferred rights (see page 160)
- LTI awards that vested based on performance and/or service conditions to 30 June 2026 (see page 164).

Realised pay is likely to vary substantially, either up or down, from statutory remuneration (see page 170) because a significant portion of Executive KMP pay is based on performance outcomes. 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 FY26, realised pay for the CEO increased compared to the previous year primarily due to higher salary, superannuation and STI payment.

Realised pay in respect of FY26 (A$'000) (unaudited)

Executive KMP		Salary and superannuation	Other[8]	STI cash	STI deferred	LTI[9]	Total realised pay
Graham Kerr	**FY26**	**2,459**	**114**	**1,313**	**1,313**	**565**	**5,764**
	FY25	2,055	53	1,202	1,202	553	5,065
Matthew Daley	**FY26**	**938**	**2,430**	**443**	**443**	**—**	**4,255**
	FY25	—	—	—	—	—	—
Sandy Sibenaler	**FY26**	**1,018**	**32**	**604**	**604**	**32**	**2,290**
	FY25	903	7	627	627	124	2,288
Vanessa Torres[10]	**FY26**	**749**	**37**	**774**	**—**	**153**	**1,713**
	FY25	897	31	518	518	150	2,114
Noel Pillay	**FY26**	**899**	**91**	**486**	**486**	**145**	**2,107**
	FY25	774	22	468	468	144	1,876

Salary for FY26

As detailed in the 2025 Remuneration Report and discussed on page 153, on 1 September 2025, Graham Kerr received a 7.8% increase in salary as part of the FY26 salary review. No salary increases were awarded to other Executive KMP at this time. Subsequently, on 1 January 2026, Sandy Sibenaler received a 4.0% salary increase following an increase in her accountabilities.

Executive KMP salary

Executive KMP	Currency	FY25 salary[11]	FY26 salary	Movement %
Graham Kerr	AUD	2,040,000	**2,200,000**	7.8
Matthew Daley	AUD	—	**2,000,000**	0
Sandy Sibenaler	AUD	880,000	**915,000**	4.0
Vanessa Torres	AUD	872,000	**872,000**	0
Noel Pillay	ZAR	9,201,000	**9,201,000**	0

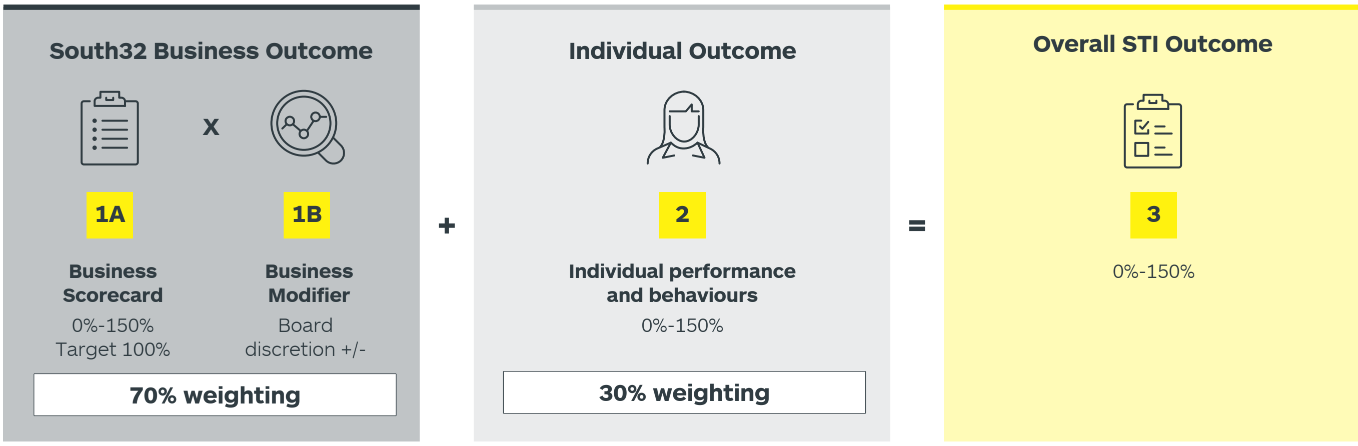
8. Other includes such items as car parking, insurances and tax advice and dividend equivalent payments that are to be made on vesting of deferred STI rights on August vesting. For Matt Daley in FY26 it also includes commencement benefits to compensate Matt for forfeiting benefits with his previous employer of a A$2,000,000 cash payment and 285,714 shares valued at the closing share price of South32 shares on 13 February grant date of A$4.42, as well as relocation benefits totalling A$427,973.
9. Value of the vested LTI is based on a closing share price on 30 June 2026 of A$3.90 (FY26) and 30 June 2025 of A$2.91 (FY25).
10. Vanessa Torres realised pay for FY26 reflects her service up to 27 March 2026. Vanessa also received termination benefits of A$990,533 not detailed in the table above.
11. FY25 salary reflects salary after the separation of fixed remuneration into distinct salary and superannuation components from 1 July 2025.

Remuneration Report continued

Short-term incentive for FY26

Determination of STI awards

The STI is intended to focus and reward Executive KMP for delivering on key business priorities both in the financial year and into the future. The Executive KMP STI outcome is determined by assessing the key inputs as described below.



Input	Description	Reference
Business Scorecard	Includes a balanced range of measures that consider both financial and non-financial performance, and focuses our Executive KMP on outcomes that are within their control and a priority for the year.	Page 161
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.	Page 163
South32 Business Outcome	Determined by the multiplication of the Business Scorecard and any application of the Business Modifier.	
Individual Outcome	Measures the Executive KMP's performance based on delivery against the Company strategy and relevant business plans as well as demonstrated behaviour aligned to our values (i.e. both on what is achieved and how it is achieved).	Page 163
Overall STI Outcome	The Executive KMP's STI outcome is based on their STI opportunity calculated against 70% of the South32 Business Outcome and 30% of the Individual Outcome.	Page 164

1A FY26 Business Scorecard

The below table details the FY26 Business Scorecard, before any Business Modifier is applied (refer to page 163) with the description for each metric detailed on page 162.

Performance measure[12]	Performance metric	Weighting	Threshold (50%)	Target (100%)	Maximum (150%)	Performance	Outcome	Weighted outcome
Safety and culture		**25%**						**30.2%**
Safety and health	Coached workplace safety interactions	2%	2.5%	5%	7.5%	7.2%	144%	**2.8%**
	Significant hazard frequency reporting	6%	120	150	200	245	150%	**9.0%**
	Material health exposures	3%	472	378	330	333	147%	**4.4%**
	Injuries and acute illnesses associated with a potential fatality	6%	6	3	0	5	67%	**4.0%**
	Total recordable injury frequency	3%	5.0	3.4	3.3	3.35	125%	**3.8%**
People	Women in leadership	2%	24.2%	24.7%	25.7%	24.9%	110%	**2.2%**
	Local diversity targets	1%	33%	66%	100%	66%	100%	**1.0%**
	Inclusion index score	2%	77.6%	80.2%	81.2%	82.8%	150%	**3.0%**
Environment and social		**10%**						**11.1%**
Environment	Environmental initiatives	5%	75%	85%	100%	91%	120%	**6.0%**
Social	Local economic development plans	5%	75%	85%	100%	85.9%	103%	**5.1%**
Finance		**57.5%**						**64.0%**
Production	Copper equivalent production (kt)	15%	554	616	647	612	97%	**14.6%**
Cost	Controllable cost savings, relative to Budget controllable costs (US$M)	10%	-100	0	100	41	120%	**12.0%**
EBITDA	Adjusted Underlying EBITDA (US$M)	32.5%	995	1,421	1,705	1,506	115%	**37.4%**
Major project delivery		**7.5%**						**2.7%**
Hermosa project	Taylor surface civil works construction	3%	Commenced and engineering at 90% complete	Progressing to plan and engineering complete	Surface civil works completed	90%	90%	**2.7%**
	Taylor shaft development	4.5%	Main and Vent shaft progress beyond initial milestone level	Vent shaft reaches the defined milestone level	Target plus Main shaft progresses beyond the initial milestone level with lateral development	0%	0%	**0.0%**
Total		**100%**						**108.0%**

12. Safety and Health metrics include Cerro Matoso and Mozal on a pro-rata basis except for material health exposures where Cerro Matoso and Mozal were excluded from the baseline; People, Environment and Social metrics were revised to exclude Cerro Matoso and Mozal; Financial metrics (targets and outcomes) include Cerro Matoso for the five-month period of ownership while Mozal's outcome has been adjusted for the impact of the operation's transition to care and maintenance.

Remuneration Report continued

FY26 Business Scorecard metric description

Measure	Scorecard metric	Description	Reference
Safety and Health	Coached workplace safety interactions	Supports embedding the concepts of our Lead Safely Every Day (LSED) leadership program through a continued emphasis on visible safety leadership activities by measuring the ratio of workplace safety interactions that are coached by a more senior leader. Additionally, a base requirement of a Workplace Interaction Frequency (WPIF) of 3,000 (which was met) ensures our leaders continued to undertake a high level of workplace safety interactions. WPIF is measured by the number of interactions divided by exposure hours, multiplied by 1,000,000. Using a ratio allows the performance of our larger and smaller operations to be comparable, similar to other frequency measures like SHF and TRIF.	Page 14 and pages 61 to 63
	Significant hazard frequency reporting	Incentivises hazard awareness and a proactive reporting culture by measuring the number of significant hazards identified and reported in our risk management system. Required 75% of operations to achieve a target outcome as an underpin for a maximum outcome, which was achieved, so that a few overperforming operations could not inflate the total outcome. Measured by the number of significant hazards reported divided by exposure hours, multiplied by 1,000,000.	
	Material health exposures	Rewards actions to reduce our health exposures that are above 200% occupational exposure limit, excluding welding fumes. Threshold is set at our FY25 baseline, target is a 20% reduction on the baseline, and maximum a 30% reduction on the baseline. The 200% OEL threshold focuses attention on the highest exposure risks alongside ongoing improvements to our exposure management approach.	
	Injuries and acute illnesses associated with a potential fatality	As one of our key safety commitments, this metric drives the elimination of first aid and above injuries, and acute illnesses associated with potential fatal significant incidents. The threshold is set at our FY25 baseline, target is half of the baseline, and maximum is for no injuries or illnesses associated with a potential fatality.	
	Total recordable injury frequency (TRIF)	The metric focuses attention on all recordable injuries to ensure that we take the required actions towards the elimination of the occurrence of injuries. The threshold is set at the 1st quartile of dss+ consulting's industry benchmarking, target is a 7% reduction on the FY25 baseline rate, and maximum a 10% reduction on our FY25 baseline rate.	
People	Women in leadership	Reinforces our commitment to hiring, developing and retaining female leaders, which is essential for building a more balanced and representative leadership team, and demonstrates the value we place on gender equity. Threshold is set at our FY25 baseline, target is an absolute 0.5% increase from this baseline, and maximum an absolute 1.5% increase.	Pages 63 to 64
	Local diversity targets	Promotes focus on building a workforce that reflects the communities in which we operate. Measures representation across three priority areas: Aboriginal and Torres Strait Islander People's, Black People in management in South Africa and Black People in the total South African workforce. Threshold is achieved by meeting one of the three targets, target is met by achieving two of the three targets, and maximum is awarded for achieving all three targets.	
	Inclusion index score	An inclusive culture and diverse workforce supports greater collaboration, innovation and performance. Measured by our Your Voice annual perception survey of employees and a representative group of contractors. Threshold is the most recent inclusion global mining benchmark from the survey provider Qualtrics, target is a baseline of the FY25 outcome as our highest previous outcome, and maximum is a 1% increase on target.	
Environment	Environmental initiatives	Ensures environmental performance is reflected in business outcomes through achievement of nature-related milestones set across water, biodiversity and/or pollution initiatives as included in Operational Business Plans.	Page 15, 18 and 71 to
Social	Local economic development plans	Drives and measures contributions to local economic development through targeted procurement, business development, skills development, and related initiatives. Performance is measured as the percentage of context-specific targets achieved as defined in Economic Development Plans and aligned with the Social Performance Standard, regional requirements and local operation obligations.	Page 18 and 65
Production	Copper equivalent tonnes	Safe, stable and predictable performance of our operated operations is consistent with our intent to optimise our resources. Threshold is set at 90% of Budget, target is achieving Budget, and maximum is achieving 105% of Budget. Excludes non-operated entities.	Page 4 and 15
Cost	Controllable cost savings	Promotes accountability and disciplined management and optimisation of our cost base. Controllable cost measurement bases remove the impact of uncontrollable items such as commodity prices, foreign exchange and price-linked costs. Threshold is set at negative 5% of Budget, target at Budget, and maximum at positive 5% of Budget, where negative performance targets represent a cost overrun relative to Budget, and positive performance targets represent a cost saving relative to Budget. Excludes non-operated entities.	Page 15
EBITDA	Adjusted Underlying EBITDA	Measures operational performance and the company's ability to generate cash flows, relative to our Budget. 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. Threshold is set at 70% of Budget, target at Budget, and maximum at 120% of Budget.	Page 27
Hermosa: Taylor	Surface civil works construction	Assesses progress against the surface critical path civil works for the process plant at the Taylor project. Threshold was set at construction commenced and engineering at 90%, target was that construction was progressing to plan and engineering complete, and maximum set at construction being complete.	Page 17
	Shaft development	Measures key shaft development milestones, assessing the advancement of the Main and Vent shafts relative to defined depth targets and completion criteria. Threshold set at the Main and Vent shaft both progressing beyond a threshold level, target required the Vent shaft to reach the target level, and maximum required target to be achieved and also that lateral development is completed at the Main shaft threshold level.	

1B FY26 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.

In considering the application of the Business Modifier for FY26, the Board first reflected on the tragic death of Simon Mukwarami at an incident at Worsley Alumina in March 2026. That Simon did not return home safely following his shift has had a profound impact on his colleagues and on everyone at South32.

We continue to reinforce our expectations that everyone at South32 is empowered to speak up about safety concerns and maintains a relentless focus on safety in everything we do. The Board remains resolute that there is no acceptable outcome other than everyone going home safe and well every day.

The Board also considered the requirement to place Mozal Aluminium on care and maintenance following over six years of work with the relevant parties to secure a new electricity supply agreement. As aligned with last year's review, the Board confirmed that no Business Modifier should be applied to any Executive KMP in reference to Mozal Aluminium being placed on care and maintenance. To the contrary, the unavailability of hydro power was outside management control and management, and the team at Mozal Aluminium are to be commended for safely placing it into care and maintenance.

Additionally, the Board reviewed the adjustment of the timelines and growth capital associated with the Hermosa Taylor project, including the shaft sinking, and considered the elements that were within management's control.

Taking into consideration the above, the Board decided to apply a negative Business Modifier of -20% for Graham Kerr, -20% for Matt Daley, and -10% for Noel Pillay and Sandy Sibenaler. The different adjustments are intended to reflect the level of accountability each member of the Executive KMP had in respect of the relevant events.

2 FY26 Individual Outcome

The performance of the CEO in delivering our strategy is assessed by the Board Chair, with the Individual Outcome approved by the Board. The individual performance of other Executive KMP is assessed by the CEO, with the Individual Outcome approved by the Remuneration Committee. All performance assessments include a review of what was delivered and how it was delivered.

The Board awarded Graham an Individual Outcome of 130% taking into consideration the assessment in delivering the South32 strategy as outlined below. Individual Outcomes applied to the other Executive KMP ranged from 100% to 140% as detailed in the FY26 overall STI outcome section below.

Graham Kerr's FY26 performance assessment

Graham demonstrated exceptional leadership during a critical period for the Company, working closely with Matt to execute the CEO transition plan while also leading the successful delivery of the agreement for the sale of our aluminium value chain assets to Alcoa, extending his tenure to see both priorities through to completion. His performance assessment does not cover the fatality at Worsley Alumina and the Hermosa Taylor project considerations included in the above Business Modifier section, which resulted in a -20% modifier.

OPTIMISE OUR BUSINESS

- Continued to implement our Lead Safely Every day (LSED) safety improvement program in FY26 which supported measurable improvements in safety performance across key indicators.
- Championed the advancement of our diversity and inclusion objectives.
- Achieved or exceeded production guidance for the majority of our operations.
- Maintained disciplined cost control as reflected in Operating unit cost outcomes, notwithstanding industry-wide inflationary cost pressures and the Middle East conflict contributing to higher raw material input prices and freight rates.
- Delivered the CEO transition plan with incoming CEO Matt Daley, as well as supporting the transition of the Board Chair.

UNLOCK THE VALUE OF OUR BUSINESS

- Supported the Sierra Gorda joint venture approval for the fourth grinding line project, which is expected to increase the operation's processing capacity by approximately 25%, delivering attractive financial returns.
- Increases in the Hermosa project's Taylor Mineral Reserve and Resource, as well as the Peake Mineral Resource.
- Increased Cannington's Ore Reserve by 28%, extending the reserve life by approximately two years and progressed both underground and open pit potential growth options.
- Advanced the development of new mining areas at Worsley Alumina to underpin improved bauxite supply.

IDENTIFY AND PURSUE OPPORTUNITIES

- Executed a binding conditional agreement to sell South32's aluminium value chain assets to Alcoa for an implied enterprise value of up to US$5.6B, unlocking value and simplifying our business.
- Completed the divestment of the Cerro Matoso ferronickel operation in Colombia for up to US$100M, following a strategic review in response to structural changes in the nickel market.
- Advanced the Ambler Metals project with our joint venture partner, including acceptance of the high-grade Arctic polymetallic deposit as a covered project under FAST-41.
- Continued investment in greenfield exploration to discover our next generation of base metal mines in highly prospective regions.

Remuneration Report continued

3 FY26 Overall STI Outcome

Overall STI outcomes for FY26 are outlined below.

Executive KMP	Business Scorecard Outcome % (1A)	Business Modifier % (1B)	Individual Outcome % (2)	Overall STI Outcome (% of Target) 70% of 1A x (1+1B) + 30% of 2	Total STI Awarded A$'000	Cash[13] A$'000	Deferred rights[14] A$'000	Percentage of max STI Awarded %	Percentage of max STI Forfeited %
Graham Kerr	108.0	-20	130	99.5	**2,626**	1,313	1,313	66	34
Matthew Daley	108.0	-20	100	90.5	**886**	443	443	60	40
Sandy Sibenaler	108.0	-10	140	110.0	**1,208**	604	604	73	27
Vanessa Torres[15]	100	—	100	100	**642**	642	—	67	33
Noel Pillay	108.0	-10	110	101.0	**972**	486	486	67	33

Long-term Incentive for FY26

The FY23 LTI was tested subject to performance conditions, as detailed in the below table, over a four-year period from 1 July 2022 to 30 June 2026 and continued service until the vesting date.

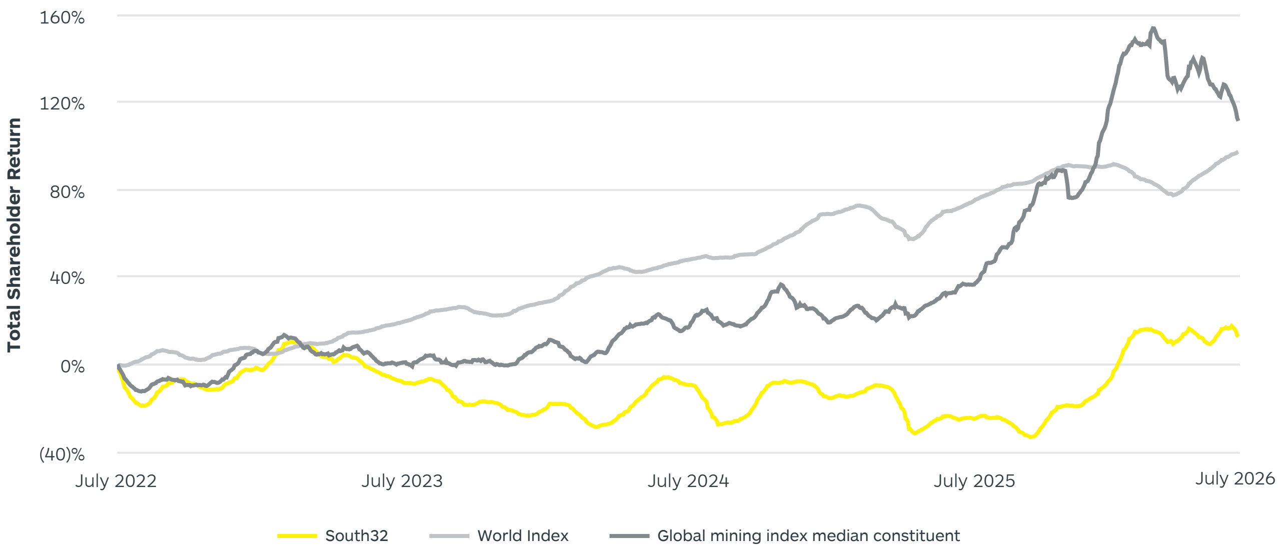
Sandy Sibenaler was granted a FY23 MSP Performance award prior to her appointment as a member of the Lead Team. This award has the same performance and vesting conditions as the FY23 LTI award.

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 12.7% ranked at the 18th percentile among the IHS Markit Global Mining peer group constituents and was below the TSR of the MSCI World Index of 97% (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



13. The cash portion of the STI will be paid in September 2026.
14. The deferred rights to South32 shares are anticipated to be granted in or around December 2026 and will be eligible to vest in August 2028.
15. Vanessa's STI reflects her period as an Executive KMP in FY26 and was paid entirely in cash.

Strategic measures

LTI strategic measures 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.

In the assessment of FY23 LTI strategic measures, the Board reviewed the material progression of FY23 strategic activities over the four-year performance period as detailed in the below table. Taking these assessments into account, the Board approved a vesting outcome of 15.5% out of the possible 20% for the strategic measures portion of the LTI award.

FY23 LTI strategic measures performance assessment

Performance measure	Vesting activities over the four-year period	Weighting	Weighted Outcome
Portfolio Management		10%	**9.0%**
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. – We consolidated our position in the highly prospective San Juan mineral belt in Argentina during FY23, exercising our earn-in right to acquire a 50.1% interest and operatorship in the Chita Valley copper exploration project. – We acquired a 14.8% equity position in Aldebaran Resources, owner of the Altar copper exploration-development project in Argentina. – Resource and exploration work at Hermosa continued with a market release made shortly after the end of FY23, reflecting exploration work that continued during the year, confirming an increase to the Taylor resource and drill results from the best intercept to date at the Peake prospect that has 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 reshape and strengthen our focus on base metals resulting in the anticipated divestment of our aluminium value chain to Alcoa for up US$5.6B plus approximately US$1.1B in rehabilitation provisions assumed by Alcoa. The divestment opportunity reflects the culmination of years of intensive work and execution, which will deliver a transformational outcome that fundamentally reshapes the Company's portfolio and strategic direction. – We continued to assess our portfolio optimisation alternatives, while we completed the divestment of four non-core base metals royalties in our portfolio that were ascribed no value for $185M in fixed consideration (cash and shares) plus up to US$15M contingent consideration.		
Developing or acquiring operations which are cash generative through the cycle, improving the overall quality of our business	– By the end of FY23 our revenue mix of base metals, including the aluminium value chain, was 71% compared to 45% at demerger, demonstrating our progress in improving the quality of our portfolio by increasing exposure to preferred commodities. – We continued to survey the opportunity set of acquisition opportunities during the year, however our primary focus was on embedding the material acquisition of a 45% interest in Sierra Gorda made during the prior year.		
Maintaining discipline by adhering to our proven capital management framework	– Our balanced approach to capital management continued in FY23 with returns to shareholders totalling US$586M, including US$218M through the continuation of our ongoing capital management program by way of our on-market share buy-back.		
Climate Change		10%	**6.5%**
Advancing conceptual projects through our capital investment tollgates, and the successful commissioning of identified emissions reduction projects	– Following conversion of two coal-fired burners to gas, Worsley Alumina progressed the Coal Alternative Steam Supply project, from concept to completion of Prefeasibility-Define study. This confirmed the preferred infrastructure location, capacity requirements and the deployment approach in addition to project economics and security of supply considerations aligned to the Western Australian Government's decarbonisation strategy. – Progressed the Waste Heat to digestion Prefeasibility study at Worsley Alumina. The study determined that the capital intensity and expected emissions reduction were insufficient to justify investment. – Completed the conversion of an additional 10% of pots to AP3XLE energy efficient technology at Hillside Aluminium, for a total of 66% converted pots.		
Assessing new technologies and alternative energy sources	– Completed battery electric trials at Cannington, including light vehicles, a 20-tonne tool carrier and supporting infrastructure. The outcomes informed the design for the safe deployment of electric vehicles underground at Hermosa's Taylor operation. – Established a joint working group with Eskom to explore mechanisms to bring competitively priced renewable energy into the national grid, backed by affordable firming capacity within the existing regulatory framework, a critical enabler for Hillside Aluminium's decarbonisation pathway. Identified indicative milestones associated with the anticipated maturation of key external dependencies relevant to our FY35 emissions reduction target.		
Participation and direct investment in research and development partnerships	– Led the infrastructure workstream within the Electric Mine Consortium, an Australian-led collaboration of mining companies, equipment suppliers, and service providers, driving infrastructure strategies and industry alignment to support the transition to fully electrified, zero-carbon, and zero-particulate mine sites.		
Total		**20%**	**15.5%**

Remuneration Report continued

FY23 LTI and MSP Performance award vesting outcomes

The Board approved a vesting outcome of 15.5% for the FY23 LTI and MSP Performance awards, with the remainder of each award to lapse as summarised in the below table.

		TSR performance[16]			Vesting Performance	Measure weighting	Weighted outcome
Measure	Vesting condition	Required for 40% vesting	Required for 100% vesting	South32 outcome	(C)	(D)	(C x D)
Total shareholder return	Global mining index constituents	>50th percentile	75th percentile	18th percentile	0%	53.3%	**0%**
	World index	97.2%[17]	121.1%[18]	12.7%	0%	26.7%	**0%**
Strategic measures	Portfolio management	-	-	-	90%	10%	**9.0%**
	Climate change	-	-	-	65%	10%	**6.5%**
Total						**100%**	**15.5%**

FY24 Transitional LTI award

An FY24 Transitional LTI award was granted to Sandy Sibenaler on her permanent appointment to the Lead Team. The award was designed to address the potential shortfall in vesting in August 2026 that arises from the transition from the MSP, which includes Retention awards with a three-year service period condition, to the four-year performance period of the LTI.

The FY24 Transitional LTI award was subject to the same TSR performance conditions as the FY24 LTI award, but over a three-year period. Two-thirds of the award were assessed against the constituents of the IHS Markit Global Mining Index at the start of the performance period, and one-third assessed against the MSCI World Index. For the three-year performance period from 1 July 2023 to 30 June 2026, our TSR ranked at the 20th percentile among the global mining sector index constituents and underperformed the MSCI World Index. As a result, the full FY24 Transitional LTI award lapsed.

Summary of LTI outcomes in FY26

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)[19]	Value lapsed / forfeited (A$000)[20]	Value of share price movement (A$000)[21]	Value at vesting (A$000)[22]
Graham Kerr	FY23 LTI	934,313	**144,818**	789,495	3,812	3,221	-26	565
Sandy Sibenaler	FY23 MSP Performance	53,522	**8,295**	45,227	218	185	-1	32
	FY24 Transitional LTI	85,559	**0**	85,559	325	325	0	0
Vanessa Torres	FY23 LTI	270,563	**39,210**	231,353[23]	1,104	944	-7	153
Noel Pillay	FY23 LTI	240,246	**37,238**	203,008	980	828	-7	145

LTI granted in FY26

FY26 LTI awards were granted to Executive KMP in December 2025 as detailed below. The awards are performance based, assessed over a four-year performance period, and subject to performance hurdles (see page 157). Shareholders approved the grant of rights for the CEO at the AGM on 23 October 2025.

FY26 LTI grants[24]

Executive KMP	Award	Maximum value (% of salary)	Maximum value (A$'000)	Number of rights granted[25]	Anticipated vesting date
Graham Kerr	FY26 LTI	200	4,400	**1,512,027**	August 2029
Sandy Sibenaler	FY26 LTI	133	1,170	**402,199**	August 2029
Vanessa Torres	FY26 LTI	133	1,160	**398,542**	August 2029
Noel Pillay[26]	FY26 LTI	133	1,041	**357,590**	August 2029

16. TSR calculation uses June 2022 average return at the start and June 2026 average return at the end of the measurement period.
17. Reflects the MSCI World Index TSR over the four-year performance period.
18. Reflects the MSCI World Index TSR over the four-year performance period plus 23.9%.
19. 'Value at grant' is the number of rights granted multiplied by the grant determination price in June 2022 of A$4.08 (for the FY23 LTI/FY23 MSP Performance) and June 2023 of A$3.80 (for the FY24 Transitional LTI), 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 2022/2023.
20. '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.
21. '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 2026 of A$3.90. This reflects the value added/(lost) due to the change in share price over the performance period.
22. 'Value at vesting' is the number of shares approved to vest, multiplied by the closing share price of South32 shares on 30 June 2026 of A$3.90.
23. Includes 17,594 rights which lapsed on leaving the Group in March 2026.
24. Matt Daley's FY26 LTI was awarded on 13 February 2026 on the same terms as other Executive KMP and is disclosed in the 'Commencement Awards granted in FY26' on page 167.
25. 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 2025, being A$2.91.
26. Salary for Noel Pillay is denominated in ZAR and was converted to AUD using an exchange rate of AUD:ZAR 11.76 to determine his FY26 award.

Commencement Awards granted in FY26

Matt Daley commenced as Deputy CEO on 2 February 2026 and assumed the role of CEO on 1 July 2026. The Board formed the view that providing a combination of Sign-on Shares to provide an immediate shareholding and alignment of interests, Service Rights to provide for progressive equity vesting, and LTI Rights to align Matt's incentives with those of other Lead Team members, was an appropriate way to incentivise him and compensate him for forfeiting benefits with his previous employer. As such, on 13 February 2026 he was granted:

- 285,714 sign-on shares which were fully vested and not subject to any service or performance conditions (Sign-on Shares)
- 1,482,857 service-based Rights, 1,242,857 of which vest based on continued service until August 2027 and 240,000 which vest based on continued service until August 2028 (together, the Service Rights)
- 1,714,286 performance Rights, 857,143 of which are subject to the same vesting conditions as South32's FY25 LTI and 857,143 of which are subject to the same vesting conditions as South32's FY26 LTI (together, the LTI Rights).

Shareholders approved the grant of Sign-on Shares, Service Rights and LTI Rights to Matt at the AGM on 23 October 2025. Further information on these awards can be found in the South32 2025 Notice of Meeting.

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) with each right entitling the holder to one share on vesting, 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 and Matt Daley's Service Rights include an entitlement to a cash dividend equivalent payment paid in full at vesting (but only in respect of those deferred STI rights and Service Rights that vest). No other rights carry a dividend equivalent payment entitlement.
Cessation of employment	Unless the Board determines otherwise: – all unvested rights lapse under resignation or termination for cause; and[27] – 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 and Service Rights: 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	The 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. Deferred STI awards and Service Rights will generally vest in full on a change of control.
Malus and clawback	The 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 the 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.

27. In relation to Matt Daley's Service Rights, if he resigns or is terminated summarily without notice in accordance with his contract of employment: (a) within 12 months of commencing his employment, any unvested Service Rights will be forfeited; (b) prior to the applicable vesting date, any unvested Service Rights will be forfeited, unless the Board determines otherwise.

Remuneration Report continued

Key terms and conditions of MSP and Transitional LTI awards

MSP	The MSP is the 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 do not vest will immediately lapse. MSP rights do not carry any entitlement to voting, dividends or dividend equivalent payments.
Transitional LTI	The Transitional LTI has been removed from the executive reward framework from FY26, with awards that were previously granted to executives remaining on foot. Transitional LTI awards were provided when an executive was promoted to a role in the Lead Team as they moved 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 was a one-off award that was 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.

FY26 NON-EXECUTIVE DIRECTOR REMUNERATION

Components of Non-Executive Director reward

	Board fees	Committee fees	Travel allowance
Purpose	As a global company, it is important that we offer competitive Non-Executive Director fees to help us attract the appropriate level of experience from a diverse global pool. Board fees reflect the size, complexity and global nature of our business and acknowledge the responsibilities of serving on the Board. To preserve the independence of 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 the Risk and Audit, Remuneration, and Sustainability Committees. No Committee Chair or member fees are paid for participation on the Nomination and Governance Committee.	Board meetings are ordinarily held in Australia, South Africa, and North and South America. Site visits are also an important part of the 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 – 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 Non-Executive Directors with a travel allowance.
Structure	Board fee is inclusive of superannuation.	We pay a fixed fee to the 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 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	To improve accountability and shareholder alignment, the minimum shareholding requirement for Non-Executive Directors is: – 100% of Board fees – obtained within a reasonable period – valued at the cost to acquire the shares, except for shares acquired at demerger which are valued at the closing share price on 18 May 2015 (A$2.05). Refer to page 172 for minimum shareholding requirement progress for Non-Executive Directors as at 30 June 2026.		

FY26 Non-Executive Director fees

Fees are reviewed annually and, effective 1 September 2025, Board fees remained unchanged, while Committee Chair and member fees were increased by 8.7%. This adjustment reflected external benchmarking data and is the first increase in Committee fees since 2018.

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	Committee Chair	46,000	**50,000**	8.7
	Members	23,000	**25,000**	8.7

Remuneration Report continued

STATUTORY DISCLOSURES

The below tables set out the statutory disclosures required under the Act and in accordance with Australian Accounting Standards. The amounts shown reflect remuneration that relates to their period of service as a KMP.

Non-Executive Director statutory remuneration (A$'000)

			Short-term benefits			Post-employment	
Non Executive Director	FY26 term		Board and Committee fees	Non-monetary benefits[28]	Travel allowance and cash benefits	Superannuation	Total
Stephen Pearce	Full year	**FY26**	**341**	**–**	**20**	**30**	**391**
		FY25	88	–	15	11	114
Karen Wood AM	Part year	**FY26**	**384**	**–**	**20**	**23**	**427**
		FY25	578	–	25	30	633
Frank Cooper AO	Part year	**FY26**	**76**	**–**	**–**	**9**	**85**
		FY25	241	–	25	29	295
Geoff Healy	Part year	**FY26**	**116**	**–**	**20**	**16**	**152**
		FY25	–	–	–	–	–
Sinead Kaufman	Part year	**FY26**	**49**	**–**	**–**	**6**	**55**
		FY25	–	–	–	–	–
Xiaoling Liu	Full year	**FY26**	**247**	**–**	**20**	**30**	**297**
		FY25	240	–	25	30	295
Carlos Mesquita	Full year	**FY26**	**225**	**4**	**60**	**3**	**292**
		FY25	223	3	60	2	288
Mandla Msimang	Full year	**FY26**	**249**	**3**	**50**	**3**	**305**
		FY25	99	–	20	1	120
Ntombifuthi Mtoba	Part year	**FY26**	**69**	**3**	**20**	**2**	**94**
		FY25	222	3	50	2	277
Jane Nelson	Full year	**FY26**	**225**	**3**	**55**	**3**	**286**
		FY25	223	2	45	2	272
Wayne Osborn	Full year	**FY26**	**247**	**–**	**25**	**30**	**302**
		FY25	241	–	40	30	311
Sharon Warburton	Full year	**FY26**	**245**	**–**	**20**	**–**	**265**
		FY25	224	–	25	–	249
Total		**FY26**	**2,473**	**13**	**310**	**155**	**2,951**
		FY25	2,379	8	330	137	2,854

Executive KMP statutory remuneration (A$'000)

		Short-term benefits				Post employment			Share based payments[29]		
Executive KMP		Salary	Cash bonus	Non-monetary benefits	Other short-term benefits	Super-annuation	Termination benefits	Other long-term benefits[30]	STI	LTI/MSP	Total remuneration[31]
Graham Kerr[32]	**FY26**	**2,166**	**1,313**	**62**	–	**293**	–	**189**	**1,468**	**2,226**	**7,717**
	FY25	2,023	1,202	53	–	32	–	42	1,065	2,138	6,555
Matthew Daley[33]	**FY26**	**823**	**443**	**2**	**2,428**	**115**	–	**76**	**1,333**	**2,311**	**7,531**
	FY25	–	–	–	–	–	–	–	–	–	–
Sandy Sibenaler	**FY26**	**896**	**678**	**7**	–	**122**	–	**47**	**644**	**498**	**2,892**
	FY25	871	627	7	–	32	–	1	430	414	2,382
Vanessa Torres	**FY26**	**537**	**642**	**23**	–	**77**	**991**	**10**	**385**	**412**	**3,077**
	FY25	865	518	31	–	32	–	4	517	655	2,622
Noel Pillay	**FY26**	**801**	**486**	**73**	–	**98**	–	**(4)**	**454**	**520**	**2,428**
	FY25	774	468	22	–	—	–	11	385	529	2,189
Total	**FY26**	**5,223**	**3,562**	**167**	**2,428**	**705**	**991**	**318**	**4,284**	**5,967**	**23,645**
	FY25	4,533	2,815	113	–	96	–	58	2,397	3,736	13,748

28. Includes tax return preparation as well as other fringe benefits and fringe benefits tax.
29. Calculated in accordance with Australian Accounting Standards and are the amortised fair value of equity and equity-related instruments.
30. Represents the accounting expense of annual and long-service leave accrued but unused in the year. A negative value is when more leave is used than was accrued.
31. Performance based remuneration includes the short-term cash bonus and all share based payments.
32. Graham Kerr's FY26 share based payments include STI of A$276,869 and LTI of A$89,091 which reflect an estimate based on the latest available information regarding anticipated tenure and good leaver status. The final amounts remain subject to Board discretion, future approval, and the timing of completion of the aluminium value chain asset sale.
33. Matt Daley's FY26 other short-term benefits includes a commencement benefit of A$2,000,000 cash payment and relocation benefits totalling A$427,973, and his FY26 STI share based payments includes a commencement benefit of 285,714 shares valued at the closing share price of South32 shares on 13 February grant date of A$4.42.

Details of rights held by Executive KMP

Refer to page 167 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 which can be accessed via our website. No closely related parties of any Executive KMP are issued rights.

Detail and movement of rights over South32 shares held by Executive KMP during FY26

Award[34]	Opening balance at 1 July 2025	Grant date	Grant date fair value	Granted in FY26	Vested in FY26		Lapsed / forfeited or other change in FY26		Closing balance at 30 June 2026	Anticipated vesting date
Executive KMP	Number		A$	Number	Number[35]	%	Number	%	Number	
Graham Kerr	**4,959,019**			**1,878,568**	**423,598**	**28**	**1,076,963**	**72**	**5,337,026**	
FY25 Deferred STI		3-Dec-25	3.32	366,541					366,541	Aug-27
FY26 LTI		3-Dec-25	2.00	1,512,027					1,512,027	Aug-29
FY24 Deferred STI	348,186	3-Dec-24	3.75						348,186	Aug-26
FY25 LTI	1,128,065	3-Dec-24	2.28						1,128,065	Aug-28
FY23 Deferred STI	233,546	4-Dec-23	2.88		233,546	100			—	Aug-25
FY24 LTI	1,047,894	4-Dec-23	1.54						1,047,894	Aug-27
FY23 LTI	934,313	8-Dec-22	2.37						934,313	Aug-26
FY22 LTI	1,267,015	6-Dec-21	2.35		190,052	15	1,076,963	85	—	Aug-25
Matthew Daley	**—**			**3,197,143**	**—**	**—**	**—**	**—**	**3,197,143**	
FY26 LTI		13-Feb-26	3.04	857,143					857,143	Aug-29
FY25 LTI		13-Feb-26	2.29	857,143					857,143	Aug-28
Service Rights		13-Feb-26	4.57	240,000					240,000	Aug-28
Service Rights		13-Feb-26	4.57	1,242,857					1,242,857	Aug-27
Sandy Sibenaler	**1,074,417**			**593,465**	**70,214**	**53**	**61,265**	**47**	**1,536,403**	
FY25 Deferred STI		3-Dec-25	3.32	191,266					191,266	Aug-27
FY26 LTI		3-Dec-25	2.00	402,199					402,199	Aug-29
FY24 Deferred STI	170,625	3-Dec-24	3.75						170,625	Aug-26
FY25 LTI	329,782	3-Dec-24	2.28						329,782	Aug-28
FY23 Deferred STI	27,290	4-Dec-23	2.88		27,290	100			—	Aug-25
FY24 LTI	303,450	4-Dec-23	1.54						303,450	Aug-27
FY24 Transitional LTI	85,559	4-Dec-23	1.21						85,559	Aug-26
FY23 MSP Retention	32,113	8-Dec-22	3.85		32,113	100			—	Aug-25
FY23 MSP Performance	53,522	8-Dec-22	2.37						53,522	Aug-26
FY22 MSP Performance	72,076	6-Dec-21	2.35		10,811	15	61,265	85	—	Aug-25
Vanessa Torres[36]	**1,504,994**			**556,612**	**185,729**	**39**	**291,997**	**61**	**1,583,880**	
FY25 Deferred STI		3-Dec-25	3.32	158,070					158,070	Aug-27
FY26 LTI		3-Dec-25	2.00	398,542					398,542	Aug-29
FY24 Deferred STI	126,373	3-Dec-24	3.75						126,373	Aug-26
FY25 LTI	326,882	3-Dec-24	2.28						326,882	Aug-28
FY23 Deferred STI	134,201	4-Dec-23	2.88		134,201	100			—	Aug-25
FY24 LTI	303,450	4-Dec-23	1.54						303,450	Aug-27
FY23 LTI	270,563	8-Dec-22	2.37						270,563	Aug-26
FY22 LTI	343,525	6-Dec-21	2.35		51,528	15	291,997	85	—	Aug-25
Noel Pillay	**1,288,038**			**507,567**	**127,204**	**31**	**280,468**	**69**	**1,387,933**	
FY25 Deferred STI		3-Dec-25	3.32	149,977					149,977	Aug-27
FY26 LTI		3-Dec-25	2.00	357,590					357,590	Aug-29
FY24 Deferred STI	123,658	3-Dec-24	3.75						123,658	Aug-26
FY25 LTI	272,642	3-Dec-24	2.28						272,642	Aug-28
FY23 Deferred STI	77,710	4-Dec-23	2.88		77,710	100			—	Aug-25
FY24 LTI	243,820	4-Dec-23	1.54						243,820	Aug-27
FY23 LTI	240,246	8-Dec-22	2.37						240,246	Aug-26
FY22 LTI	329,962	6-Dec-21	2.35		49,494	15	280,468	85	—	Aug-25

34. 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. 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 an estimate of the maximum possible total value is the number of rights multiplied by the grant date fair value as determined in accordance with the Accounting Standards.
35. Rights that vested in FY26 converted to South32 ordinary shares for nil consideration on 29 August 2025. The South32 closing share price on this date was A$2.72.
36. The closing balance for Vanessa Torres is as of the 9 February 2026 when she ceased to be an Executive KMP.

Remuneration Report continued

Shareholdings of KMP

The minimum shareholding requirement for Non-Executive Directors and Executive KMP is detailed on pages 169 and 157 respectively.

South32 shares held by each member of KMP either directly, indirectly or beneficially, including their related parties

	Held at 1 July 2025	Received as remuneration	Received on vesting of rights	Other net changes (Purchase, sales and transfers)	Held at 30 June 2026[37]	Progress against minimum shareholding requirement[38]
Non-Executive Directors						
Stephen Pearce	30,000	—	—	100,000	**130,000**	60%
Karen Wood AM	367,825	—	—	—	**367,825**	124%
Frank Cooper AO	128,010	—	—	—	**128,010**	97%
Geoff Healy	—	—	—	—	**—**	0%
Sinead Kaufman	—	—	—	—	**—**	0%
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%
Sharon Warburton	67,870	—	—	—	**67,870**	111%
Executive KMP						
Graham Kerr	3,081,102	—	423,598	(199,092)	**3,305,608**	146%
Matthew Daley	—	285,714	—	—	**285,714**	28%
Sandy Sibenaler	57,176	—	70,214	(33,001)	**94,389**	20%
Vanessa Torres	556,515	—	185,729	(87,293)	**654,951**	146%
Noel Pillay	478,773	—	127,204	(57,243)	**548,734**	134%

Transactions with KMP

There are no amounts payable to any KMP and there are no loans with any KMP as at 30 June 2026.

During FY26, 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 the Board on 27 August 2026.

37. For individuals who ceased to be KMP during the financial year, the reported closing share balance represents their shareholdings at their respective dates of cessation.
38. Calculated based on Board fees and Executive KMP salary at 30 June 2026 with the closing South32 share price on 30 June 2026 of A$3.90 used for Executive KMP valuation. Values at 100% or more indicate the relevant minimum shareholding requirement has been met.

FINANCIAL REPORT

Consolidated income statement
for the year ended 30 June 2026

US$M	Note	FY26	FY25
Continuing operations			
Revenue:			
Group production		**5,460**	5,384
Third party products and services		**356**	396
	4	**5,816**	5,780
Other income		**124**	202
Expenses excluding finance costs	5	**(4,670)**	(5,527)
Share of profit/(loss) of equity accounted investments	25	**89**	99
Operating profit/(loss) from continuing operations		**1,359**	554
Comprising:			
Group production		**1,341**	536
Third party products and services		**18**	18
Operating profit/(loss) from continuing operations		**1,359**	554
Finance income		**258**	259
Finance costs		**(250)**	(194)
Net finance income/(costs)	18	**8**	65
Profit/(loss) before tax from continuing operations		**1,367**	619
Income tax (expense)/benefit	6	**(308)**	(304)
Profit/(loss) for the year from continuing operations		**1,059**	315
Discontinued operations			
Profit/(loss) after tax from discontinued operations	30	**26**	(105)
Profit/(loss) for the year		**1,085**	210
Attributable to:			
Equity holders of South32 Limited		**1,087**	213
Non-controlling interests		**(2)**	(3)
Profit/(loss) for the year from continuing operations attributable to equity holders of South32 Limited:			
Basic earnings/(loss) per share (cents)	8	**23.6**	7.0
Diluted earnings/(loss) per share (cents)	8	**23.5**	7.0
Profit/(loss) for the year attributable to equity holders of South32 Limited:			
Basic earnings/(loss) per share (cents)	8	**24.2**	4.7
Diluted earnings/(loss) per share (cents)	8	**24.1**	4.7

The accompanying notes form part of the consolidated financial statements.

Consolidated statement of comprehensive income
for the year ended 30 June 2026

US$M	Note	FY26	FY25
Profit/(loss) for the year		**1,085**	210
Other comprehensive income			
Items that may be reclassified to the Consolidated income statement:			
Translation of foreign operations		**2**	(4)
Share of other comprehensive income/(loss) of equity accounted investments	25	**1**	–
Total items that may be reclassified to the Consolidated income statement		**3**	(4)
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)		**97**	30
Income tax (expense)/benefit		**(17)**	(10)
Share of other comprehensive income/(loss) of equity accounted investments	25	**(3)**	1
Gains/(losses) on pension and medical schemes	15	**(1)**	–
Total items that will not be reclassified to the Consolidated income statement		**76**	21
Total other comprehensive income/(loss)		**79**	17
Total comprehensive income/(loss)		**1,164**	227
Attributable to:			
Equity holders of South32 Limited		**1,165**	232
Non-controlling interests		**(1)**	(5)

The accompanying notes form part of the consolidated financial statements.

Consolidated balance sheet
as at 30 June 2026

US$M	Note	FY26	FY25
ASSETS			
Current assets			
Cash and cash equivalents	16	**2,134**	1,677
Trade and other receivables	9	**861**	809
Other financial assets	19	**12**	7
Inventories	10	**812**	935
Current tax assets		**4**	11
Other assets		**47**	54
Assets held for sale	30	**–**	306
Total current assets		**3,870**	3,799
Non-current assets			
Trade and other receivables	9	**1,861**	2,000
Other financial assets	19	**371**	184
Inventories	10	**32**	36
Property, plant and equipment	11	**7,038**	6,429
Intangible assets	12	**214**	196
Equity accounted investments	25	**596**	590
Deferred tax assets	6	**497**	486
Other assets		**12**	7
Total non-current assets		**10,621**	9,928
Total assets		**14,491**	13,727
LIABILITIES			
Current liabilities			
Trade and other payables	14	**762**	802
Interest bearing liabilities	17	**520**	267
Current tax payables		**76**	40
Provisions	15	**225**	185
Deferred income		**6**	8
Liabilities directly associated with assets held for sale	30	**–**	264
Total current liabilities		**1,589**	1,566
Non-current liabilities			
Interest bearing liabilities	17	**1,331**	1,367
Other financial liabilities	19	**22**	78
Deferred tax liabilities	6	**166**	175
Provisions	15	**1,669**	1,684
Total non-current liabilities		**3,188**	3,304
Total liabilities		**4,777**	4,870
Net assets		**9,714**	8,857
EQUITY			
Share capital	20	**13,125**	13,160
Treasury shares	20	**(14)**	(25)
Reserves		**(3,486)**	(3,567)
Retained earnings/(accumulated losses)		**75**	(723)
Total equity attributable to equity holders of South32 Limited		**9,700**	8,845
Non-controlling interests		**14**	12
Total equity		**9,714**	8,857

The accompanying notes form part of the consolidated financial statements.

Consolidated cash flow statement

for the year ended 30 June 2026

US$M	FY26	FY25
Operating activities		
Profit/(loss) before tax from continuing operations	**1,367**	619
Profit/(loss) before tax from discontinued operations	**23**	(77)
Adjustments for:		
Significant items[1]	**99**	(121)
Depreciation and amortisation expense	**434**	511
Impairment losses/(reversals) of financial assets	**(249)**	27
Impairment losses/(reversals) of non-financial assets	**–**	464
Employee share awards expense	**20**	20
Net finance (income)/costs	**(5)**	(49)
Share of (profit)/loss of equity accounted investments	**(89)**	(99)
(Gains)/losses on disposal of subsidiaries and joint operations	**(16)**	47
Unrealised (gains)/losses on derivative instruments and fair value movements on contingent consideration measured at fair value through profit or loss (FVTPL)	**(142)**	115
Other non-cash or non-operating items	**5**	13
Changes in assets and liabilities:		
Trade and other receivables	**93**	87
Inventories	**42**	(118)
Trade and other payables	**(89)**	(19)
Provisions and other liabilities	**36**	13
Cash generated from operations	**1,529**	1,433
Interest received	**487**	244
Interest paid	**(110)**	(110)
Income tax paid	**(285)**	(236)
Dividends received	**1**	2
Dividends received from equity accounted investments	**12**	2
Net cash flows from operating activities	**1,634**	1,335
Investing activities		
Purchase of property, plant and equipment	**(1,037)**	(917)
Purchase of intangible assets	**(20)**	(6)
Proceeds from sale of property, plant and equipment and intangible assets	**–**	100
Exploration expenditure	**(77)**	(80)
Exploration expenditure expensed and included in operating cash flows	**40**	40
Investment in financial assets	**(64)**	(40)
Proceeds from financial assets	**56**	26
Payments for the acquisition of subsidiaries and joint operations, net of their cash	**–**	(4)
Proceeds from the disposal of subsidiaries and joint operations, net of their cash	**15**	954
Payments for preference shares issued by equity accounted investments	**(24)**	(93)
Proceeds from redemption of preference shares issued by equity accounted investments	**114**	–
Net cash flows from investing activities	**(997)**	(20)
Financing activities		
Proceeds from interest bearing liabilities	**215**	53
Repayment of lease liabilities	**(110)**	(76)
Repayment of other interest bearing liabilities	**(35)**	(26)
Purchase of shares by Employee Share Ownership Plan (ESOP) Trusts	**(5)**	(10)
Share buy-back	**(35)**	(56)
Dividends paid	**(292)**	(294)
Contributions from non-controlling interests	**1**	4
Net cash flows from financing activities	**(261)**	(405)
Net increase in cash and cash equivalents	**376**	910
Cash and cash equivalents, net of overdrafts, at the beginning of the year[2]	**1,757**	842
Effect of foreign exchange rate changes on cash and cash equivalents	**1**	5
Cash and cash equivalents, net of overdrafts, at the end of the year[2]	**2,134**	1,757

1. Includes non-cash significant items recognised during the year, refer to note 4(b)(ii) Significant items, and cash flows relating to significant items recognised in prior years.
2. FY25 cash and cash equivalents included US$80 million classified as held for sale as part of the Cerro Matoso disposal group. Refer to note 30 Disposal of subsidiaries.

The accompanying notes form part of the consolidated financial statements.

Consolidated statement of changes in equity

for the year ended 30 June 2026

US$M	Share capital	Treasury shares	Financial assets reserve[1]	Employee share awards reserve[2]	Other reserves[3]	Retained earnings/ (accumulated losses)	Total	Non-controlling interests[4]	Total equity
	Attributable to equity holders of South32 Limited								
Balance as at 1 July 2025	**13,160**	**(25)**	**(18)**	**46**	**(3,595)**	**(723)**	**8,845**	**12**	**8,857**
Profit/(loss) for the year	**–**	**–**	**–**	**–**	**–**	**1,087**	**1,087**	**(2)**	**1,085**
Other comprehensive income/(loss)	**–**	**–**	**80**	**–**	**2**	**(4)**	**78**	**1**	**79**
Total comprehensive income/(loss)	**–**	**–**	**80**	**–**	**2**	**1,083**	**1,165**	**(1)**	**1,164**
Transactions with owners:									
Dividends	**–**	**–**	**–**	**–**	**–**	**(292)**	**(292)**	**–**	**(292)**
Shares bought back and cancelled	**(35)**	**–**	**–**	**–**	**–**	**–**	**(35)**	**–**	**(35)**
Employee share entitlements for unvested awards, net of tax	**–**	**–**	**–**	**27**	**–**	**–**	**27**	**–**	**27**
Employee share awards vested and lapsed, net of tax	**–**	**16**	**–**	**(25)**	**–**	**7**	**(2)**	**–**	**(2)**
Purchase of shares by ESOP Trusts	**–**	**(5)**	**–**	**–**	**–**	**–**	**(5)**	**–**	**(5)**
Equity issued to holders of non-controlling interests	**–**	**–**	**–**	**–**	**(3)**	**–**	**(3)**	**3**	**–**
Balance as at 30 June 2026	**13,125**	**(14)**	**62**	**48**	**(3,596)**	**75**	**9,700**	**14**	**9,714**
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

1. Represents the fair value movement of investments in equity instruments designated as FVOCI, net of tax.
2. Represents the accrued employee entitlements to share awards that have not yet vested, net of tax.
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 Group's demerger from BHP Billiton in 2015.
4. Relates to the minority shareholder (49.9 per cent) of Minera Sud Argentina S.A., which holds the Chita Valley copper porphyry exploration project in Argentina.

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 2026 were authorised for issue in accordance with a resolution of the Directors on 27 August 2026.

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 2026/183*;
- 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 2025. 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, including the parent entity, 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 uncertainties and judgements are considered pervasive to the financial statements as a whole:

Agreement to sell aluminium value chain assets

On 30 June 2026, the Group entered into a binding conditional agreement to sell its interests in Worsley Alumina, Brazil Alumina, Brazil Aluminium, Hillside Aluminium and Mineração Rio do Norte (the aluminium value chain assets) to Alcoa Corporation for consideration comprising US$3,100 million upfront cash consideration, 17 million Alcoa shares and up to US$750 million in price-linked contingent consideration. The transaction utilises a locked box mechanism, in which the transaction price is based on the financial position of the aluminium value chain assets as at 31 March 2026. South32 will also receive a five per cent per annum equity return fee on the upfront cash consideration for the period from obtaining South32 shareholder approval through to completion. The transaction is expected to complete in H2 FY27, subject to satisfaction or waiver of conditions precedent, including approval by South32 shareholders and various regulatory approvals.

The key accounting estimates and judgements made by management relating to this transaction are as follows:

- Management assessed the terms of the sale agreement against the criteria for classification as held for sale in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*. As the completion remains subject to substantive conditions precedent, including South32 shareholder approval and various regulatory approvals, management concluded that the sale was not highly probable at 30 June 2026 and as a result the criteria for classification as held for sale were not met. The assets and liabilities will continue to be classified and measured in accordance with the Group's existing accounting policies and the results from the aluminium value chain assets will continue to be reported as part of the Group's continuing operations; and
- Management considered the transaction as part of its assessment of impairment indicators for non-financial assets, refer to note 13 Impairment of non-financial assets.

Impact of the Middle East conflict and global trade policy developments

The Group continues to monitor the global economic implications of the ongoing conflict in the Middle East, and the various import tariff and trade restriction policies that have been implemented or proposed by governments globally. The potential impact of these 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. These factors represent a source of estimation uncertainty that may lead to material changes in the financial results in future reporting 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-related risks and opportunities. The key risks and opportunities 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 including energy costs, 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 (LoOPs) (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.

The Group's expectations of, and approach to, climate-related risks and opportunities presented below continue to include the risks and opportunities of the Group's interests in the aluminium value chain assets.

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.

1. The Group’s base case is used for portfolio planning, investment evaluation, assessment of indicators of impairment, and determination of asset recoverable amounts where required. By contrast, the Group’s 1.5°C scenario (referred to as the Accelerated Transition scenario, see the Sustainability chapter of this Annual Report and the Group’s Climate Change Action Plan 2025) 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 Accelerated Transition 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. Basis of preparation continued

(c) Key estimates, assumptions and judgements continued

Climate-related risks and opportunities continued

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 the 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, notwithstanding specific asset-level exposures at Hillside Aluminium which is further considered below.

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 (CGUs)[4] with the highest exposure to transition risks include Worsley Alumina and Hillside 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 interim 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.

Hillside Aluminium

Hillside Aluminium's electricity is supplied by Eskom under a contract expiring in 2031. During FY26, the Group continued to work with Eskom and other stakeholders in the South African energy sector on pathways to secure a low-carbon electricity supply, focusing on renewable electricity supply pathways, specifically to explore mechanisms to integrate competitively priced renewable electricity into the national grid. The Hillside Aluminium LoOP is currently limited to 2031, in line with the expiry of the existing electricity supply agreement. Extension of the Hillside Aluminium LoOP beyond 2031 is highly dependent on securing an affordable source of low-carbon energy.

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[5] to halve its net operational emissions by FY35 from FY21 levels. The decarbonisation pathway to meet the Group's long-term goal[6] 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, carbon and energy 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.

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.
4. Mozal Aluminium is also considered to have a high exposure to transition risks, however in March 2026, Mozal Aluminium transitioned to care and maintenance as the Group was unable to secure sufficient and affordable electricity supply for Mozal Aluminium beyond that point.
5. Intended outcome in relation to which we have identified one or more pathways for delivery of that outcome, subject to certain assumptions or conditions.
6. An aspiration to deliver an outcome for which we have not identified a pathway for delivery.

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

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[7].

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, increases to operating costs and 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.

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 indicates that the recoverable amounts of the Group's CGUs remain resilient under both the Fragmented Transition and Accelerated Transition scenarios.

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$71 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.

7. 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.

2. Basis of preparation continued

(c) Key estimates, assumptions and judgements continued

Mineral Resources and Ore Reserves

A Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth's crust and there are reasonable prospects for eventual economic extraction. 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.

As the economic assumptions used to estimate the Mineral Resources and 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[8] 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 2025

The following new accounting standards and interpretations have been published and are effective for the year ended 30 June 2026:

- Amendments to AASB 121 – *Lack of Exchangeability*; and
- Amendments to AASB 136 and AASB 137 - *Disclosures about Uncertainties in the Financial Statements*.

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 2026:

- Amendments to AASB 7 and 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 7 and AASB 9 – *Contracts Referencing Nature-dependent Electricity*;
- Amendments to AASB 10 and AASB 128 – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*; and
- AASB 18 – *Presentation and Disclosure in Financial Statements*.

The Group has reviewed these amendments and new standards, 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 has finalised its assessment of the new standard and concluded that it will have no impact on the recognition or measurement of assets, liabilities, income or expenses. The standard will give rise solely to reclassifications and presentation changes within the financial statements, together with additional disclosures in the notes.

The Group does not intend to early adopt any of the new standards or amendments. It is expected that where applicable, these standards and amendments will be adopted on each of the respective effective dates.

8. 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.

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
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
Worsley Alumina[1]	Integrated bauxite mine and alumina refinery in Australia
Brazil Alumina[1]	Integrated bauxite mine and alumina refinery in Brazil
Brazil Aluminium[1]	Aluminium smelter in Brazil
Hillside Aluminium[1]	Aluminium smelter in South Africa
Mozal Aluminium[2]	Aluminium smelter in Mozambique
Cerro Matoso[3]	Integrated laterite ferronickel mine and smelting complex in Colombia
Illawarra Metallurgical Coal[4]	Metallurgical coal mines in Australia

1. On 30 June 2026, the Group entered into a binding conditional agreement to sell its interests in Worsley Alumina, Brazil Alumina, Brazil Aluminium and Hillside Aluminium to Alcoa Corporation. The Group's equity accounted investment in Mineração Rio do Norte is included in the Brazil Alumina operating segment. Refer to note 2(c) Key estimates, assumptions and judgements.
2. On 15 March 2026, Mozal Aluminium transitioned to care and maintenance. Refer to note 4(b)(ii) Significant items.
3. On 1 December 2025, the Group completed the sale of Cerro Matoso. Refer to note 30 Disposal of subsidiaries.
4. On 29 August 2024, the Group completed the sale of Illawarra Metallurgical Coal. Refer to note 30 Disposal of subsidiaries.

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 in time at 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

FY26 US$M	Sierra Gorda[1]	Cannington	Hermosa	Australia Manganese[1]	South Africa Manganese[1]
Revenue from customers	1,074	810	–	678	359
Other revenue[4]	80	42	–	(3)	5
Total underlying revenue	1,154	852	–	675	364
Comprising:					
Group production	1,154	852	–	675	364
Third party products and services[5]	–	–	–	–	–
Inter-segment revenue	–	–	–	–	–
Total underlying revenue	1,154	852	–	675	364
Underlying EBITDA	758	451	(39)	229	30
Underlying depreciation and amortisation	(197)	(87)	(7)	(86)	(28)
Underlying EBIT	561	364	(46)	143	2
Comprising:					
Group production	567	365	(46)	147	2
Exploration expenditure expensed	(6)	(1)	–	(4)	–
Third party products and services[5]	–	–	–	–	–
Share of profit/(loss) of equity accounted investments	–	–	–	–	–
Underlying EBIT	561	364	(46)	143	2
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	12	4	30	5	–
Underlying capital expenditure[7]	235	42	711	78	27
Underlying equity accounted investments	–	–	–	–	–
Total underlying assets[8]	2,125	535	3,001	744	359
Total underlying liabilities[8]	242	489	218	554	148

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$129 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. On 15 March 2026, Mozal Aluminium transitioned to care and maintenance. Refer to note 4(b)(ii) Significant items.
3. The Cerro Matoso and Illawarra Metallurgical Coal operating segments have been classified as discontinued operations. Refer to note 30 Disposal of subsidiaries.
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$77 million for aluminium, US$1 million for alumina, US$35 million for manganese, US$94 million for freight services and US$55 million for raw materials. Underlying EBIT on third party products and services sold from continuing operations comprises US$8 million for aluminium, US$11 million for alumina and US$(1) million for freight services.
6. Represents the total of all adjustments made to operating profit/(loss), 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		
Worsley Alumina	Brazil Alumina	Brazil Aluminium	Hillside Aluminium	Mozal Aluminium[2]	Group and unallocated items/ eliminations	Group underlying results from continuing operations[1]	Cerro Matoso[3]	Illawarra Metallurgical Coal[3]	Group underlying results[1]
1,320	**503**	**441**	**2,216**	**890**	**(518)**	**7,773**	**193**	**–**	**7,966**
(1)	**(1)**	**–**	**20**	**–**	**–**	**142**	**–**	**–**	**142**
1,319	**502**	**441**	**2,236**	**890**	**(518)**	**7,915**	**193**	**–**	**8,108**
686	**355**	**441**	**2,236**	**890**	**–**	**7,653**	**193**	**–**	**7,846**
–	**–**	**–**	**–**	**–**	**262**	**262**	**–**	**–**	**262**
633	**147**	**–**	**–**	**–**	**(780)**	**–**	**–**	**–**	**–**
1,319	**502**	**441**	**2,236**	**890**	**(518)**	**7,915**	**193**	**–**	**8,108**
181	**29**	**27**	**655**	**183**	**(53)**	**2,451**	**11**	**–**	**2,462**
(176)	**(56)**	**(7)**	**(74)**	**(1)**	**(26)**	**(745)**	**–**	**–**	**(745)**
5	**(27)**	**20**	**581**	**182**	**(79)**	**1,706**	**11**	**–**	**1,717**
9	**(11)**	**20**	**581**	**182**	**(63)**	**1,753**	**12**	**–**	**1,765**
(4)	**–**	**–**	**–**	**–**	**(34)**	**(49)**	**(1)**	**–**	**(50)**
–	**–**	**–**	**–**	**–**	**18**	**18**	**–**	**–**	**18**
–	**(16)**	**–**	**–**	**–**	**–**	**(16)**	**–**	**–**	**(16)**
5	**(27)**	**20**	**581**	**182**	**(79)**	**1,706**	**11**	**–**	**1,717**
						(171)	**(4)**	**–**	**(175)**
						(454)	**–**	**–**	**(454)**
						(58)	**–**	**–**	**(58)**
						1,023	**7**	**–**	**1,030**
						36	**–**	**19**	**55**
						1,059	**7**	**19**	**1,085**
4	**–**	**–**	**–**	**–**	**38**	**93**	**1**	**–**	**94**
160	**25**	**15**	**63**	**9**	**4**	**1,369**	**8**	**–**	**1,377**
–	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2,712	**743**	**157**	**1,248**	**48**	**3,891**	**15,563**	**–**	**–**	**15,563**
1,007	**181**	**83**	**390**	**144**	**2,393**	**5,849**	**–**	**–**	**5,849**

Notes to financial statements – Results for the year continued

4. Segment information continued
(b) Segment results continued

FY25 US$M	Sierra Gorda[1]	Cannington	Hermosa	Australia Manganese[1]	South Africa Manganese[1]
Revenue from customers	821	644	–	46	366
Other revenue[3]	11	15	–	(4)	(13)
Total underlying revenue	832	659	–	42	353
Comprising:					
Group production	832	659	–	42	353
Third party products and services[4]	–	–	–	–	–
Inter-segment revenue	–	–	–	–	–
Total underlying revenue	832	659	–	42	353
Underlying EBITDA	482	281	(41)	(105)	46
Underlying depreciation and amortisation	(164)	(77)	(4)	(20)	(22)
Underlying EBIT	318	204	(45)	(125)	24
Comprising:					
Group production	318	206	(45)	(120)	24
Exploration expenditure expensed	–	(2)	–	(5)	–
Third party products and services[4]	–	–	–	–	–
Share of profit/(loss) of equity accounted investments	–	–	–	–	–
Underlying EBIT	318	204	(45)	(125)	24
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	13	6	35	5	–
Underlying capital expenditure[6]	216	49	517	115	44
Underlying equity accounted investments	–	–	–	–	–
Total underlying assets[7]	1,982	576	2,228	737	385
Total underlying liabilities[7]	213	445	196	497	133

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 Disposal of subsidiaries.
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 operating profit/(loss), 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		
Worsley Alumina	Brazil Alumina	Brazil Aluminium	Hillside Aluminium	Mozal Aluminium	Group and unallocated items/ eliminations	Group underlying results from continuing operations[1]	Cerro Matoso[2]	Illawarra Metallurgical Coal[2]	Group underlying results[1]
1,918	746	355	1,995	980	(893)	6,978	484	145	7,607
(1)	3	–	(6)	(1)	(1)	3	1	(1)	3
1,917	749	355	1,989	979	(894)	6,981	485	144	7,610
877	525	355	1,989	979	–	6,611	485	116	7,212
–	–	–	–	–	370	370	–	28	398
1,040	224	–	–	–	(1,264)	–	–	–	–
1,917	749	355	1,989	979	(894)	6,981	485	144	7,610
795	283	(92)	154	125	(134)	1,794	84	50	1,928
(176)	(57)	(5)	(69)	(70)	(27)	(691)	(26)	–	(717)
619	226	(97)	85	55	(161)	1,103	58	50	1,211
621	233	(97)	85	55	(144)	1,136	59	50	1,245
(2)	–	–	–	–	(35)	(44)	(1)	–	(45)
–	–	–	–	–	18	18	–	–	18
–	(7)	–	–	–	–	(7)	–	–	(7)
619	226	(97)	85	55	(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
2	–	–	–	–	35	96	1	1	98
106	41	9	67	21	20	1,205	30	57	1,292
–	15	–	–	–	–	15	–	–	15
2,767	842	130	1,157	353	3,259	14,416	330	–	14,746
1,060	204	59	369	201	2,246	5,623	266	–	5,889

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:

FY26 US$M	Note	Continuing operations	Discontinued operations[1]	Total
Underlying EBIT		**1,706**	**11**	**1,717**
Significant items	4(b)(ii)	**(122)**	**–**	**(122)**
Joint venture adjustments[2,3]		**(613)**	**–**	**(613)**
Exchange rate gains/(losses) on restatement of monetary items[4]		**(7)**	**(1)**	**(8)**
Impairment (losses)/reversals of financial assets[4]	19	**249**	**–**	**249**
Gains/(losses) on the disposal of subsidiaries[5]	30	**–**	**16**	**16**
Gains/(losses) on non-trading derivative instruments and contingent consideration measured at FVTPL[4,6]		**146**	**–**	**146**
Operating profit/(loss)		**1,359**	**26**	**1,385**
Underlying net finance costs		**(171)**	**(4)**	**(175)**
Joint venture adjustments[2,3]		**218**	**–**	**218**
Exchange rate variations on net cash/(debt)		**(39)**	**1**	**(38)**
Net finance income/(costs)		**8**	**(3)**	**5**
Underlying income tax expense		**(454)**	**–**	**(454)**
Underlying royalty related tax expense		**(58)**	**–**	**(58)**
Tax effect of significant items	4(b)(ii)	**(2)**	**–**	**(2)**
Joint venture adjustments relating to income tax expense[2,3]		**144**	**–**	**144**
Joint venture adjustments relating to royalty related tax expense[2,3]		**58**	**–**	**58**
Tax effect of other adjustments to derive Underlying EBIT		**(31)**	**–**	**(31)**
Tax effect of other adjustments to derive Underlying net finance costs		**11**	**–**	**11**
Exchange rate variations on tax balances		**24**	**3**	**27**
Income tax (expense)/benefit		**(308)**	**3**	**(305)**
Underlying earnings		**1,023**	**7**	**1,030**
Total adjustments to profit/(loss)		**36**	**19**	**55**
Profit/(loss) for the year		**1,059**	**26**	**1,085**
Underlying earnings attributable to:				
Equity holders of South32 Limited		**1,025**	**7**	**1,032**
Non-controlling interests		**(2)**	**–**	**(2)**

1. Refer to note 30 Disposal of subsidiaries.
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$(193) million of which US$(217) million relates to the Sierra Gorda segment, US$60 million relates to the Australia Manganese segment and US$(36) million relates to the South Africa Manganese segment. The Sierra Gorda joint venture adjustments include a revaluation loss of US$(249) million (US$(182) million post-tax) relating to the shareholder loan payable that is eliminated from the Group's Underlying earnings upon proportional consolidation. The Australia Manganese joint venture adjustments include significant items of US$92 million (US$59 million post-tax) relating to insurance income recognised as Australia Manganese finalised its insurance recoveries for the impacts of Tropical Cyclone Megan at Groote Eylandt Mining Company Pty Ltd (GEMCO) in March 2024. The South Africa Manganese joint venture adjustments include a US$49 million (US$38 million post-tax) impairment expense recognised for the Wessels mine at Hotazel Manganese Mines (Pty) Ltd (HMM).
4. Amounts from continuing operations are recognised in expenses excluding finance costs in the Consolidated income statement.
5. Includes a loss of US$3 million for the disposal of Cerro Matoso and a gain of US$19 million in relation to the FY25 disposal of Illawarra Metallurgical Coal following the finalisation of working capital, net debt and capital expenditure adjustments during FY26.
6. Includes a gain of US$93 million on the revaluation of the contingent consideration receivable from the FY25 disposal of Illawarra Metallurgical Coal and a gain of US$55 million on the revaluation of the contingent consideration payable for the FY22 acquisition of Sierra Gorda.

4. Segment information continued
(b) Segment results continued
(i) *Underlying results reconciliation* continued

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)
Gains/(losses) on the disposal of subsidiaries[5]	30	–	(47)	(47)
Gains/(losses) on non-trading derivative instruments and contingent consideration measured at FVTPL[4,6]		(121)	–	(121)
Operating profit/(loss)		554	(61)	493
Underlying net finance costs		(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 Disposal of subsidiaries.
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 relates to the Sierra Gorda segment, US$51 million relates to the Australia Manganese segment and US$45 million relates 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 is 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) relating to the impacts of Tropical Cyclone Megan at GEMCO in March 2024, including insurance income, expenses relating to idle capacity charges, repairs and clean-up costs. 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. Amounts from continuing operations are recognised in expenses excluding finance costs in the Consolidated income statement.
5. Includes a loss of US$47 million in relation to the FY25 disposal of Illawarra Metallurgical Coal.
6. Includes a loss of US$61 million on the revaluation of the contingent consideration receivable from the FY25 disposal of Illawarra Metallurgical Coal and a loss of US$55 million on the revaluation of the contingent consideration payable for the FY22 acquisition of Sierra Gorda.

Notes to financial statements – Results for the year continued

4. Segment information continued
(b) Segment results continued
(i) Underlying results reconciliation continued

FY26 US$M	Group underlying results	Joint venture adjustments	Discontinued operations adjustments[1]	Group statutory results
Total revenue[2]	**8,108**	**(2,099)**	**(193)**	**5,816**
Depreciation and amortisation	**745**	**(311)**	**–**	**434**
Share of profit/(loss) of equity accounted investments	**(16)**	**105**	**–**	**89**
Exploration expenditure[3]	**94**	**(17)**	**–**	**77**
Capital expenditure[3]	**1,377**	**(340)**	**–**	**1,037**
Equity accounted investments	**–**	**596**	**–**	**596**
Total assets	**15,563**	**(1,072)**	**–**	**14,491**
Total liabilities	**5,849**	**(1,072)**	**–**	**4,777**

1. Refer to note 30 Disposal of subsidiaries.
2. Group statutory total revenue includes other revenue related to fair value movements on provisionally priced contracts of US$60 million.
3. The Group statutory results include the cash flows from discontinued operations, consistent with the Consolidated cash flow statement.

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 Disposal of subsidiaries.
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.

(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.

FY26 US$M	Gross	Tax	Net
Mozal Aluminium care and maintenance impacts	**(122)**	**(2)**	**(124)**
Total significant items	**(122)**	**(2)**	**(124)**

FY25 US$M	Gross	Tax	Net
Worsley access compensation agreement	97	1	98
Mozal Aluminium inventory write-down	(26)	–	(26)
Total significant items	71	1	72

Mozal Aluminium significant items (FY25 & FY26)

On 15 March 2026, Mozal Aluminium transitioned to care and maintenance as the Group was unable to secure a sufficient and affordable power supply beyond March 2026. As a result, the Group has recognised expenses in FY26 that do not reflect the performance of the underlying operation, and which have therefore been classified as significant items.

In FY25, the Group had recognised the maximum impairment of property, plant and equipment and intangible assets after considering the recoverable amount of individual assets within the Mozal Aluminium CGU, as well as a US$26 million write-down of inventory based on management's estimated net realisable value of the inventory on hand at that time. Refer to note 13 Impairment of non-financial assets.

In FY26, the group recognised further net costs of US$122 million including inventory write-downs of US$89 million, employee separation costs of US$28 million, and US$5 million of net other costs. The net costs of US$122 million, comprise US$127 million of costs recognised in expenses excluding finance costs and a US$5 million gain recognised in other income in the Consolidated income statement.

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

(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	FY26	FY25	FY26	FY25
Australia	**479**	279	**3,283**	3,352
Bahrain	**131**	346	**–**	–
Brazil	**335**	294	**645**	725
China	**459**	248	**–**	–
Italy	**311**	268	**–**	–
Japan	**442**	415	**–**	–
Mozambique	**270**	357	**33**	34
Netherlands[2]	**812**	887	**1,407**	1,554
South Africa	**523**	422	**906**	959
United States of America	**421**	530	**3,067**	2,299
Rest of Africa	**10**	–	**–**	–
Rest of Asia	**561**	631	**82**	72
Rest of Europe	**634**	545	**8**	8
Rest of Middle East	**99**	144	**–**	–
Rest of North America	**241**	286	**35**	19
Rest of Oceania	**88**	128	**–**	–
Rest of South America	**–**	–	**287**	236
Unallocated assets[3]	**–**	–	**868**	670
Total	**5,816**	5,780	**10,621**	9,928

1. Includes other revenue related to fair value movements on provisionally priced contracts of US$60 million (FY25: US$10 million).
2. Non-current assets include the non-current portion of the shareholder loan receivable from Sierra Gorda.
3. 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	FY26	FY25
Changes in inventories of finished goods and work in progress		**21**	28
Raw materials and consumables used		**2,407**	2,316
Wages, salaries and redundancies		**655**	561
Pension and other post-retirement obligations		**52**	46
External services (including transportation)		**843**	944
Third party products and services		**324**	362
Depreciation and amortisation		**434**	485
Exchange rate (gains)/losses on restatement of monetary items		**7**	4
(Gains)/losses on derivative instruments and contingent consideration measured at FVTPL		**(141)**	111
Government and other royalties paid and payable		**86**	68
Exploration expenditure expensed		**39**	39
Impairment losses/(reversals) of financial assets	19	**(249)**	27
Impairment losses/(reversals) of non-financial assets	13	**–**	346
Short-term, low-value and variable lease rentals		**62**	58
All other operating expenses		**130**	132
Total		**4,670**	5,527

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	FY26	FY25
Current income tax (expense)/benefit		**(333)**	(319)
Deferred income tax (expense)/benefit		**28**	(13)
Total income tax (expense)/benefit		**(305)**	(332)
Income tax (expense)/benefit attributable to:			
Continuing operations		**(308)**	(304)
Discontinued operations	30	**3**	(28)
Total income tax (expense)/benefit		**(305)**	(332)

(b) Reconciliation of prima facie tax expense to income tax expense

US$M	Note	FY26	FY25
Profit/(loss) before tax from continuing operations		**1,367**	619
Profit/(loss) before tax from discontinued operations	30	**23**	(77)
Deduct: Share of profit of equity accounted investments included in continuing operations		**89**	99
Profit/(loss) subject to tax		**1,301**	443
Income tax on profit/(loss) calculated at 30 per cent		**(390)**	(133)
Tax rate differential on non-Australian income		**22**	(100)
Exchange variations and other translation adjustments		**27**	14
Withholding tax on distributed earnings		**(12)**	–
Derecognition of future tax benefits		**(20)**	(28)
Non-deductible impairment charges[1]		**–**	(42)
Prior year adjustments		**(4)**	7
Other		**72**	(50)
Total income tax (expense)/benefit		**(305)**	(332)

1. FY25 primarily relates to the non-deductible impairment of Cerro Matoso (US$41 million tax expense). 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	FY26	FY25	FY26	FY25	FY26	FY25
Type of temporary difference						
Depreciation	**84**	84	**80**	98	**17**	(6)
Employee benefits	**51**	47	**(6)**	(5)	**2**	–
Closure and rehabilitation	**308**	278	**–**	(7)	**19**	32
Other provisions	**6**	17	**(3)**	(3)	**(12)**	3
Deferred charges	**–**	–	**–**	–	**–**	(4)
Non tax-depreciable fair value adjustments, revaluations and mineral rights	**(23)**	(17)	**–**	5	**4**	(12)
Tax-effected losses	**80**	82	**–**	–	**(2)**	(12)
Brazil deferral incentive[2]	**–**	–	**95**	88	**(7)**	(27)
Leases	**33**	19	**–**	(1)	**13**	(1)
Other	**(42)**	(24)	**–**	–	**(6)**	14
Total	**497**	486	**166**	175	**28**	(13)

1. Deferred tax expense charged/(credited) to the Consolidated income statement includes US$2 million (FY25: US$10 million) from discontinued operations. Refer to note 30 Disposal of subsidiaries.
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	FY26	FY25
Unrecognised deferred tax assets		
Tax-effected losses[1]	**829**	308
Mineral rights	**349**	587
Impairment of investments in subsidiaries	**1,125**	1,228
Closure and rehabilitation	**73**	64
Depreciable assets	**28**	30
Other temporary differences	**(9)**	3
Total unrecognised deferred tax assets	**2,395**	2,220
Unrecognised deferred tax liabilities		
Taxable temporary differences associated with investments and undistributed earnings in subsidiaries	**18**	36
Total unrecognised deferred tax liabilities	**18**	36

1. Represents capital losses of US$705 million and tax revenue losses of US$124 million 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 were effective in Australia from 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 2026 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	FY26	FY25
Prior year final dividend[1]	**117**	140
Interim dividend[2]	**175**	154
Total dividends declared and paid during the year	**292**	294

1. 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 dividend was paid on 16 October 2025.
2. On 12 February 2026, the Directors resolved to pay a fully franked interim dividend of US 3.9 cents per share (US$175 million) in respect of the 2026 financial half year. The dividend was paid on 2 April 2026.

Franking account

US$M	FY26	FY25
Franking credits at the beginning of the financial year	**706**	635
Credits arising from tax paid/payable by South32 Limited[1]	**49**	207
Utilisation of credits arising from the payment of franked dividends	**(122)**	(127)
Exchange rate variations	**34**	(9)
Total franking credits available at the end of the financial year[2]	**667**	706

1. Includes the Australia FY26 income tax liability of US$1 million.
2. The payment of the final franked FY26 dividend declared after 30 June 2026 will decrease the franking account balance by US$104 million. Refer to note 31 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	FY26	FY25
Continuing operations		**1,061**	318
Discontinued operations	30	**26**	(105)
Profit/(loss) attributable to equity holders of South32 Limited (basic)		**1,087**	213
Profit/(loss) attributable to equity holders of South32 Limited (diluted)		**1,087**	213

Weighted average number of shares Million	FY26	FY25
Basic earnings/(loss) per share denominator[1]	**4,486**	4,510
Shares contingently issuable under ESOPs	**17**	14
Diluted earnings/(loss) per share denominator	**4,503**	4,524

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.

Earnings/(loss) per share US cents	FY26	FY25
Continuing operations		
Basic earnings/(loss) per share	**23.6**	7.0
Diluted earnings/(loss) per share	**23.5**	7.0
Attributable to ordinary equity holders of South32 Limited		
Basic earnings/(loss) per share	**24.2**	4.7
Diluted earnings/(loss) per share	**24.1**	4.7

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	FY26	FY25
Current			
Trade receivables		**339**	408
Loans to equity accounted investments[1]	28	**374**	233
Other receivables		**148**	168
Total current trade and other receivables[2]		**861**	809
Non-current			
Loans to equity accounted investments[1]	28	**1,574**	1,737
Other receivables		**287**	263
Total non-current trade and other receivables[2]		**1,861**	2,000

1. Includes the credit-impaired shareholder loan receivable from Sierra Gorda which is classified as current of US$374 million and non-current of US$1,406 million (FY25: current of US$220 million and non-current of US$1,554 million). Refer to note 19 Financial assets and financial liabilities.
2. Net of allowances for expected credit losses of US$4 million (FY25: US$1 million).

Trade receivables generally have terms of up to 30 days.

10. Inventories

US$M	FY26	FY25
Current		
Raw materials and consumables	**416**	474
Work in progress	**222**	296
Finished goods	**174**	165
Total current inventories	**812**	935
Non-current		
Raw materials and consumables	**32**	36
Total non-current inventories	**32**	36

Inventory write-downs of US$93 million (FY25: US$32 million) were recognised in the year, including US$89 million (FY25: US$26 million) relating to Mozal Aluminium's transition to care and maintenance, refer to note 4(b)(ii) Significant items.

The carrying value of inventories carried at net realisable value as at 30 June 2026 was US$92 million (FY25: US$12 million).

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

FY26 US$M	Note	Land and buildings Right-of-use assets	Land and buildings Owned assets	Plant and equipment Right-of-use assets	Plant and equipment Owned assets	Other mineral assets[1]	Assets under construction	Exploration and evaluation	Total
Cost									
At the beginning of the year		**35**	**2,339**	**1,221**	**10,466**	**3,048**	**1,865**	**112**	**19,086**
Additions		**19**	**–**	**92**	**–**	**–**	**1,088**	**41**	**1,240**
Changes in closure and rehabilitation provisions	15	**–**	**–**	**–**	**(121)**	**–**	**–**	**–**	**(121)**
Disposals		**–**	**(4)**	**(17)**	**(47)**	**–**	**(3)**	**–**	**(71)**
Transfers and other movements		**–**	**60**	**(6)**	**303**	**33**	**(373)**	**(17)**	**–**
At the end of the year		**54**	**2,395**	**1,290**	**10,601**	**3,081**	**2,577**	**136**	**20,134**
Accumulated depreciation and impairments									
At the beginning of the year		**14**	**1,557**	**571**	**7,997**	**2,248**	**270**	**–**	**12,657**
Depreciation[2]		**9**	**61**	**120**	**291**	**20**	**–**	**–**	**501**
Disposals		**–**	**(4)**	**(17)**	**(41)**	**–**	**–**	**–**	**(62)**
At the end of the year		**23**	**1,614**	**674**	**8,247**	**2,268**	**270**	**–**	**13,096**
Net book value at the end of the year		**31**	**781**	**616**	**2,354**	**813**	**2,307**	**136**	**7,038**

1. Other mineral assets include US$482 million relating to acquired mineral deposits still in the exploration and evaluation phase.
2. Includes capitalised depreciation of US$73 million.

FY25 US$M	Note	Land and buildings Right-of-use assets	Land and buildings Owned assets	Plant and equipment Right-of-use assets	Plant and equipment Owned assets	Other mineral assets[1]	Assets under construction	Exploration and evaluation	Total
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	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[2,3]		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 Disposal of subsidiaries.
3. Includes capitalised depreciation of US$29 million.

Capital expenditure commitments as at 30 June 2026 were US$229 million (FY25: US$163 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$169 million (FY25: US$130 million) for lease liabilities recognised on the Consolidated balance sheet and US$66 million (FY25: US$77 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)
Other mineral assets	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.

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

FY26 US$M	Goodwill	Other intangibles[1]	Total
Cost			
At the beginning of the year	**139**	**188**	**327**
Translation adjustments	**–**	**4**	**4**
Additions	**–**	**20**	**20**
Disposals	**–**	**(40)**	**(40)**
At the end of the year	**139**	**172**	**311**
Accumulated amortisation and impairments			
At the beginning of the year	**–**	**131**	**131**
Amortisation	**–**	**6**	**6**
Disposals	**–**	**(40)**	**(40)**
At the end of the year	**–**	**97**	**97**
Net book value at the end of the year	**139**	**75**	**214**

1. Other intangibles include US$27 million relating to acquired exploration rights still in the exploration and evaluation phase.

FY25 US$M	Note	Goodwill	Other intangibles[1]	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[2]		–	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. Other intangibles include US$23 million relating to acquired exploration rights still in the exploration and evaluation phase.
2. Includes amortisation charges relating to discontinued operations of US$3 million. Refer to note 30 Disposal of subsidiaries.

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. 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.

Goodwill is required to be tested for impairment annually, refer to note 13 Impairment of non-financial assets.

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	FY26	FY25
Impairment			
Property, plant and equipment - owned assets	11	–	442
Property, plant and equipment - ROU assets	11	–	4
Intangible assets	12	–	18
Total impairment[1]		–	464

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.

(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. On 15 March 2026, Mozal Aluminium transitioned to care and maintenance as it has been unable to secure sufficient and affordable electricity supply beyond March 2026, when the electricity supply agreement expired.

In FY25, the Group identified indicators of impairment for the Mozal Aluminium CGU, including a notification from HCB, a hydro-electric power generator which supplied electricity to Mozal Aluminium, 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.

The impairment of US$372 million included 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 ROU 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 reflected management's expectations, informed by the progress of commercial negotiations and prevailing market conditions at the time.

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

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
Alumina price (US$/t)	**340 to 410**
Aluminium price (US$/t)	**2,450 to 2,750**
Foreign exchange rates (ZAR to US$)	**17.5 to 18.5**

Notes to financial statements – Operating assets and liabilities continued

13. Impairment of non-financial assets continued

(a) Impairments - 30 June 2025 continued

Cerro Matoso

In July 2025, the Group announced its decision to enter into a binding agreement to sell Cerro Matoso and the sale completed on 1 December 2025. The related Cerro Matoso disposal group was reclassified as held for sale at 30 June 2025.

The recoverable amount of the Cerro Matoso disposal group, which includes the Cerro Matoso CGU, 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 Disposal of subsidiaries for further details.

(b) Impairment test for CGUs containing goodwill

The carrying amount of goodwill has been allocated to the following CGU:

US$M	Note	FY26	FY25
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. As outlined in note 2(c) Key estimates, assumptions and judgements, the Group entered into an agreement to sell its interests in the aluminium value chain assets, including Hillside Aluminium. Consistent with the treatment to not classify the Group's interests in the aluminium value chain assets as held for sale at 30 June 2026, the recoverable amount for the Hillside Aluminium CGU at 30 June 2026 was determined using a consistent FVLCD methodology as applied in prior years.

The recoverable amount of the Hillside Aluminium CGU was determined based on a FVLCD calculation, using a real US$ post tax discount rate of nine 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 to the valuation (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 prices, 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:

FY26	Assumptions used	Impact on recoverable amount (US$M)
Alumina price (US$/t)	**315 to 395**	**(135)**
Aluminium price (US$/t)	**2,860 to 3,465**	**(630)**
Foreign exchange rates (US$ to ZAR)	**16.9 to 17.5**	**(285)**

Production volumes – Estimated production volumes are based on the life of the smelter as determined by management as part of its LoOP. 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's actual enacted scheme less allowable abatements, in real terms, of ZAR334 to ZAR471 per tonne CO_2-e was applied for the life of the smelter for Scope 1 and 2 emissions.

At 30 June 2026, the recoverable amount of the Hillside Aluminium CGU exceeds its carrying value and whilst changes in these key assumptions could reduce the recoverable amount, a reasonably possible change in these assumptions would not result in the carrying value exceeding its 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. Refer to note 2(c) Key estimates, assumptions and judgements for further details regarding Mineral Resources and Ore Reserves as sources of estimation uncertainty.
Costs of production and capital expenditure	Future costs of production and capital expenditure are derived from approved budgets and projections over the life of operation or development project.
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$71 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.

Agreement to sell aluminium value chain assets

As outlined in note 2(c) Key estimates, assumptions and judgements, the Group entered into an agreement to sell its interests in the aluminium value chain assets. Consistent with the treatment to not classify the Group's interests in the aluminium value chain assets as held for sale at 30 June 2026, management continued to calculate discounted cash flow valuation ranges as part of its assessment for indicators of impairment or impairment reversal for the CGUs included within the aluminium value chain assets, consistent with prior years and as used to assess the other CGUs. The discounted cash flow valuation ranges were also informed by the terms of the sale agreement and included consideration of a range of reasonably possible outcomes for the transaction, including the expected timing of completion and the price-linked contingent consideration component of the consideration receivable. Based on this assessment, no indicators of impairment or impairment reversal were identified for any of the aluminium value chain assets.

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.

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. On 30 June 2026, the Group entered into a binding conditional agreement to sell its interests in Worsley Alumina to Alcoa Corporation. The Worsley Alumina CGU will be assessed for impairment or impairment reversal immediately prior to its reclassification as held for sale, or in the event the transaction does not proceed, noting there could be a material impact to the recoverable amount at this time. Refer to note 2(c) Key estimates, assumptions and judgements.

Notes to financial statements – Operating assets and liabilities continued

13. Impairment of non-financial assets continued

Key estimates, assumptions and judgements continued

Hermosa - Taylor Project

In addition to the key estimates and assumptions that are pervasive across most of the Group's operations, the Taylor project is subject to risks typically associated with greenfield projects in the construction phase, including delivery against project schedule and escalation in pre-production capital expenditure. In April 2026, the Group announced an updated development plan for the Taylor project, including an increase in estimated mine life and higher estimated pre-production capital expenditure. The increase reflected scope changes, inflationary pressures and industry-wide input cost increases, including the impact of import tariffs imposed by the U.S. government.

Management considered these changes in the discounted cash flow valuation ranges used to assess the Taylor project for indicators of impairment or impairment reversal at 30 June 2026. These revised discounted cash flow valuation ranges, which also reflected management's latest views on commodity prices and other assumptions, did not result in the identification of any indicators of impairment or impairment reversal.

Key pre-production capital costs, including steel, cement and electrical components, remain subject to uncertainty from industry-wide inflation, the availability of capital goods, and the evolving U.S. trade policy environment, including potential changes to tariffs on imported goods.

Given the long-life nature of the Taylor project, its valuation is inherently more sensitive to assumptions applied over an extended forecast period, particularly commodity price and discount rate assumptions. The sensitivity of the discounted cash flow valuation ranges, as used in managements assessment of indicators of impairment or impairment reversal, to a change in these assumptions, while holding all other variables constant, is shown in the table below:

FY26	Change in key assumption	Impact on valuation (US$M)	
		Favourable	Unfavourable
Zinc price	10%	360	(360)
Lead price	10%	285	(285)
Silver price	10%	360	(360)
Discount rate	100 basis points	690	(580)
Pre-production capital expenditure	10%	155	(155)

14. Trade and other payables

US$M	FY26	FY25
Current		
Trade creditors	**672**	752
Other creditors	**90**	50
Total current trade and other payables	**762**	802

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	FY26	FY25
Current		
Employee benefits	**173**	163
Closure and rehabilitation	**24**	16
Other	**28**	6
Total current provisions	**225**	185
Non-current		
Employee benefits	**8**	7
Closure and rehabilitation	**1,628**	1,653
Post-retirement employee benefits	**21**	15
Other	**12**	9
Total non-current provisions	**1,669**	1,684

FY26 US$M	Employee benefits	Closure and rehabilitation	Post-retirement employee benefits	Other	Total
At the beginning of the year	**170**	**1,669**	**15**	**15**	**1,869**
Charge/(credit) to the Consolidated income statement:					
Underlying	**145**	**9**	**1**	**67**	**222**
Discounting	**–**	**99**	**–**	**–**	**99**
Net interest expense	**–**	**–**	**2**	**–**	**2**
Exchange rate variations	**6**	**11**	**1**	**4**	**22**
Released during the year	**(3)**	**(6)**	**–**	**(6)**	**(15)**
Amounts capitalised for change in costs and estimates	**–**	**(93)**	**–**	**–**	**(93)**
Amounts capitalised for change in discount rate	**–**	**(101)**	**–**	**–**	**(101)**
Foreign exchange amounts capitalised	**–**	**73**	**–**	**–**	**73**
Amounts taken to retained earnings	**–**	**–**	**1**	**–**	**1**
Utilisation	**(137)**	**(9)**	**(2)**	**(40)**	**(188)**
Other movements[1]	**–**	**–**	**3**	**–**	**3**
At the end of the year	**181**	**1,652**	**21**	**40**	**1,894**

1. Relates to defined benefit pension plans with a net asset position of US$3 million at 30 June 2026, which are presented within non-current other assets on the Consolidated balance sheet.

Notes to financial statements – Operating assets and liabilities continued

15. Provisions continued

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 Disposal of subsidiaries.
2. Includes interest expense relating to discontinued operations of US$1 million. Refer to note 30 Disposal of subsidiaries.

(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 expected to occur progressively over the remaining life of the operation, with the majority of the outflows occurring at or after closure, and 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 and foreign exchange rate movements. 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 in cost estimates and foreign exchange rate movements 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.

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 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-related risks and opportunities are reflected in the estimates and assumptions noted above. Refer to note 2(c) Key estimates, assumptions and judgements.

As outlined in note 2(c) Key estimates, assumptions and judgements, the Group entered into an agreement to sell its interests in the aluminium value chain assets. As part of this transaction, US$1,143 million of closure and rehabilitation liabilities, based on 30 June 2026 values, will be disposed of on completion.

If risk-free interest rates were decreased by 0.5 per cent (in real terms), the provision would increase by approximately US$233 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	FY26	FY25
Cash	**956**	681
Short-term deposits	**1,178**	996
Cash and cash equivalents[1]	**2,134**	1,677

1. Cash and cash equivalents include US$5 million (FY25: US$1 million) which is restricted by legal or contractual arrangements.

17. Interest bearing liabilities

US$M	Note	FY26	FY25
Current			
Lease liabilities		**111**	92
Unsecured loans from equity accounted investments	28	**379**	160
Unsecured other		**30**	15
Total current interest bearing liabilities		**520**	267
Non-current			
Lease liabilities		**637**	621
Senior unsecured notes		**694**	693
Unsecured other		**–**	53
Total non-current interest bearing liabilities		**1,331**	1,367

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, including cash flows arising from financing activities, is set out below:

FY26 US$M	Lease liabilities	Other interest bearing liabilities	Total interest bearing liabilities
At the beginning of the year	**713**	**921**	**1,634**
Cash movements:			
Proceeds from interest bearing liabilities	**–**	**215**	**215**
Repayment of interest bearing liabilities	**(110)**	**(35)**	**(145)**
Interest paid	**(59)**	**(51)**	**(110)**
Non-cash movements:			
Interest charged[1]	**59**	**51**	**110**
Net increase/(decrease) of interest bearing liabilities	**111**	**(3)**	**108**
Exchange rate variations	**34**	**5**	**39**
At the end of the year	**748**	**1,103**	**1,851**

1. Includes US$4 million of interest capitalised to property, plant and equipment.

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 30 Disposal of subsidiaries.
2. Includes US$2 million of interest capitalised to property, plant and equipment.

18. Net finance income/(costs)

US$M	FY26	FY25
Finance income		
Interest on loans to equity accounted investments	**173**	177
Other interest income	**85**	82
Total finance income	**258**	259
Finance costs		
Interest on borrowings	**(55)**	(61)
Interest on lease liabilities	**(55)**	(52)
Discounting on provisions and other liabilities	**(101)**	(94)
Exchange rate variations on net cash/(debt)	**(39)**	13
Total finance costs	**(250)**	(194)
Net finance income/(costs)	**8**	65

19. Financial assets and financial liabilities

The following table presents the financial assets and liabilities by class at their carrying amounts:

FY26 US$M	Note	Held at FVTPL	Designated as FVOCI	Amortised cost	Total
Financial assets					
Cash and cash equivalents	16	**–**	**–**	**2,134**	**2,134**
Trade and other receivables[1]	9	**102**	**–**	**667**	**769**
Other financial assets:					
Contingent consideration receivable		**12**	**–**	**–**	**12**
Total current financial assets		**114**	**–**	**2,801**	**2,915**
Trade and other receivables[1]	9	**–**	**–**	**1,786**	**1,786**
Other financial assets:					
Investments in equity instruments designated as FVOCI		**–**	**231**	**–**	**231**
Contingent consideration receivable		**140**	**–**	**–**	**140**
Total non-current financial assets		**140**	**231**	**1,786**	**2,157**
Total financial assets		**254**	**231**	**4,587**	**5,072**
Financial liabilities					
Trade and other payables[2]	14	**16**	**–**	**722**	**738**
Interest bearing liabilities	17	**–**	**–**	**520**	**520**
Total current financial liabilities		**16**	**–**	**1,242**	**1,258**
Interest bearing liabilities	17	**–**	**–**	**1,331**	**1,331**
Other financial liabilities:					
Contingent consideration payable		**22**	**–**	**–**	**22**
Total non-current financial liabilities		**22**	**–**	**1,331**	**1,353**
Total financial liabilities		**38**	**–**	**2,573**	**2,611**

1. Excludes current input taxes of US$92 million and non-current input and other taxes of US$75 million included in other receivables. Refer to note 9 Trade and other receivables.
2. Excludes current input taxes of US$24 million included in other creditors. Refer to note 14 Trade and other payables.

Notes to financial statements – Capital structure and financing continued

19. Financial assets and financial liabilities continued

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.

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 assets 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$694 million (FY25: US$693 million) and a fair value of US$667 million (FY25: US$655 million), and lease liabilities with a carrying value of US$748 million (FY25: US$713 million), for which a fair value has not been determined. The fair value of the Group’s senior unsecured notes is measured using 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 market 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, 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.

19. Financial assets and financial liabilities continued

(a) Fair value measurement continued

FY26 US$M	Level 1	Level 2	Level 3	Total
Financial assets and liabilities				
Trade and other receivables	**–**	**102**	**–**	**102**
Trade and other payables	**–**	**(16)**	**–**	**(16)**
Investments in equity instruments designated as FVOCI[1]	**218**	**–**	**13**	**231**
Contingent consideration receivable	**–**	**–**	**152**	**152**
Contingent consideration payable	**–**	**–**	**(22)**	**(22)**
Total	**218**	**86**	**143**	**447**

1. Includes US$65 million for the Group's investment in Trilogy Metals Inc., the Group's joint venture partner in Ambler Metals. In October 2025, the Group entered into an agreement to sell 8.2 million of its shares to the U.S. Department of War for US$18 million and to grant a 10-year call option over a further 6.2 million shares, exercisable at US$0.01 per share following substantial completion of construction of the Ambler Access Road. At 30 June 2026, transaction completion remained subject to execution of a definitive agreement and obtaining the required exchange and regulatory approvals, and therefore was not reflected in the Group's FY26 financial statements. Completion of the proposed transaction is expected to occur in H1 FY27.

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

The following table shows the movements in the Group's Level 3 financial assets and liabilities:

US$M	FY26	FY25
At the beginning of the year	**(13)**	(8)
Addition of financial assets	**6**	115
Net gains/(losses) recognised in the Consolidated income statement[1]	**149**	(122)
Net gains/(losses) recognised in the Consolidated statement of comprehensive income[2]	**1**	2
At the end of the year	**143**	(13)

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:

			Impact on carrying amount	
FY26 US$M	Carrying amount	Significant inputs	Favourable	Unfavourable
Financial assets				
Contingent consideration receivable	**147**	Coal price[1] Production volumes[2]	**123**	**(138)**

1. Coal price inputs reflect estimates of future commodity prices.
2. Production volumes inputs reflect estimates of future production.

Notes to financial statements – Capital structure and financing continued

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

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	FY26	FY25
Financial assets		
Cash and cash equivalents	**2,109**	1,664
Trade and other receivables	**20**	32
Financial liabilities		
Interest bearing liabilities	**(409)**	(190)
Net exposure	**1,720**	1,506

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	FY26	FY25
Increase of 100 basis points	**13**	11
Decrease of 100 basis points	**(13)**	(11)

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	FY26	FY25
Australian dollar	**(831)**	(796)
Brazilian real	**(49)**	(74)
Canadian dollar	**147**	110
British pounds	**78**	37

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	FY26	FY25	FY26	FY25
10% strengthening in Australian dollar	**(58)**	(56)	**–**	–
10% strengthening in Brazilian real	**(5)**	(7)	**–**	–
10% strengthening in Canadian dollar	**1**	3	**14**	8
10% strengthening in British pounds	**–**	–	**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 section.

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 2026 to the impact of movements in commodity prices on provisionally invoiced sale and purchase volumes was predominantly around silver, lead, zinc, aluminium and alumina.

The Group had 1.9Moz of silver, 20.3kt of lead, 3.8kt of zinc, 12.6kt of aluminium and 10.6kt of alumina exposure at 30 June 2026 (FY25: 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) that was provisionally priced. The final price of these sales or purchases will be determined during the first half of FY27. 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$15 million (FY25: US$14 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:

FY26 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.

Notes to financial statements – Capital structure and financing continued

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:

FY26 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]	**738**	**738**	**738**	**–**	**–**
Senior unsecured notes	**694**	**882**	**30**	**122**	**730**
Lease liabilities	**748**	**1,131**	**165**	**381**	**585**
Other interest bearing liabilities	**409**	**409**	**409**	**–**	**–**
Other financial liabilities - contingent consideration payable	**22**	**28**	**–**	**28**	**–**
Total	**2,611**	**3,188**	**1,342**	**531**	**1,315**

1. Excludes current input taxes of US$24 million included in other creditors. Refer to note 14 Trade and other payables.

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.

(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 or reversals of impairment of financial assets.

The Group's investment in the Sierra Gorda operation is represented by the carrying value of an equity accounted investment of US$259 million (FY25: US$212 million), and the carrying value of a purchased credit-impaired receivable of US$1,780 million (FY25: US$1,774 million) classified as a loan to an equity accounted investment within trade and other receivables on the Consolidated balance sheet.

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 2026, the Group updated its estimated timing of the loan repayments and as a result recognised an impairment reversal of US$249 million (FY25: impairment of US$27 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$1,780 million (FY25: US$1,774 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	FY26	FY25
At the beginning of the year	**1,774**	1,814
Interest accrued	**158**	163
Net impairment	**249**	(27)
Repayment of accrued interest	**(401)**	(176)
At the end of the year	**1,780**	1,774

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) Key estimates, assumptions and judgements 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$5.28/lb - US$6.09/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.

FY26 US$M	Face value	Carrying value	Impact on profit/(loss) after tax Favourable	Impact on profit/(loss) after tax Unfavourable
Trade and other receivables				
Loans to equity accounted investments	**1,927**	**1,780**	**4**	**(24)**

(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

	FY26		FY25	
	Shares	US$M	Shares	US$M
Share capital				
At the beginning of the year	**4,503,635,121**	**13,160**	4,529,258,568	13,216
Shares bought back and cancelled	**(17,149,383)**	**(35)**	(25,623,447)	(56)
At the end of the year	**4,486,485,738**	**13,125**	4,503,635,121	13,160
Treasury shares				
At the beginning of the year	**(9,719,505)**	**(25)**	(15,687,464)	(43)
Purchase of shares by ESOP Trusts	**(1,881,123)**	**(5)**	(3,968,685)	(10)
Employee share awards vested	**6,540,671**	**16**	9,936,644	28
At the end of the year	**(5,059,957)**	**(14)**	(9,719,505)	(25)

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	FY26	FY25
Fees payable to the Group's auditor for assurance services		
Audit and review of financial statements	**4,079**	4,052
Other assurance services[1]	**1,390**	767
Total auditor's remuneration	**5,469**	4,819

1. Primarily comprises transaction assurance services and sustainability assurance services.

22. Employee share ownership plans

At 30 June 2026, the Group had the following employee share ownership plans:

Plan	Overview	Vesting conditions[1]	Vesting dates
Long-Term Incentive Plan[2] (FY23 - FY26)	Recurring long-term incentive plan for Lead Team members.	Awards subject to performance and service conditions over a four-year vesting period.	August 2026 August 2027 August 2028 August 2029
Deferred Short-Term Incentive Plan[3] (FY24, FY25)	Recurring short-term incentive plan for Lead Team members.	Awards subject to service conditions over a two-year vesting period.	August 2026 August 2027
Management Share Plan[4] (FY23 - FY26)	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 2026 August 2027 August 2028 August 2029
AllShare Plan[5] (2023 - 2025)	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 2026 August 2027 August 2028
Executive Transitional Award Plan[6] (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[3] (FY25, FY26)	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 two vesting periods.	August 2026 August 2027
Deputy CEO Service Rights Award[7] (FY26)	A one-off grant made to Matt Daley in recognition of benefits forfeited with his previous employer on joining the Group.	Awards subject to service conditions over two vesting periods.	August 2027 August 2028
CFO Retention Award[8] (FY26)	A one-off grant of retention rights made to Sandy Sibenaler. The awards are based on an agreed cash value and will be settled in shares, with the number of shares determined by reference to the share price at the vesting date.	Awards subject to service conditions over two vesting periods.	January 2028 January 2029

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 8 December 2022, 4 December 2023, 3 December 2024, 3 December 2025 and 13 February 2026.
3. Awards granted on 3 December 2024 and 3 December 2025.
4. Awards granted on 8 December 2022, 15 May 2023, 4 December 2023, 7 May 2024, 3 December 2024, 6 May 2025, 3 December 2025 and 7 May 2026.
5. Awards granted on 4 December 2023, 3 December 2024 and 3 December 2025.
6. Awards granted on 4 December 2023 and 3 December 2024.
7. Awards granted on 13 February 2026.
8. Awards granted on 3 May 2026.

Awards may be granted annually subject to approval by shareholders at the annual general meeting for awards to the Chief Executive Officer and, in FY26, awards to the then Deputy 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 FY26 is disclosed in the Remuneration Report.

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 Deferred Short-term Incentive Plan, AllShare JSE Plan and Deputy CEO Service Rights Award 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.

22. Employee share ownership plans continued

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.

(a) Employee Share Ownership Plan Trusts

The South32 Limited Employee Incentive Plans 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 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 consider 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:

FY26	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					
FY26 Long-Term Incentive Plan	**1.26 - 2.15**	**2.22 - 2.34**	**35**	**4**	**3.98 - 4.20**
FY25 Deferred Short-Term Incentive Plan	**2.09**	**2.22**	**35**	**2**	**3.84**
FY26 Management Share Plan - Retention rights	**1.81 - 1.92**	**2.21 - 3.03**	**35**	**3**	**3.91 - 6.16**
FY26 Management Share Plan - Performance rights	**1.19 - 1.26**	**2.21 - 3.03**	**35**	**4**	**3.98 - 6.72**
2025 AllShare Plan	**1.97**	**2.21 - 2.22**	**35**	**2 - 3**	**3.84 - 6.16**
Transitional and other plans[1]					
FY26 Management Share Plan Sign-on Award	**1.97**	**2.22**	**35**	**2**	**3.84**
FY26 Deputy CEO Service Rights Award - Tranche 1 and 2	**3.24**	**3.13**	**35**	**1 - 2**	**4.14 - 4.15**

1. Excludes awards issuable under the FY26 CFO Retention Award. The number of shares are variable, to be determined at vesting based on an agreed cash value.

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.

Notes to financial statements – Other notes continued

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 2026.

FY26 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	**12,011,942**	**5,566,519**	**(503,163)**	**(1,088,747)**	**(2,851,276)**	**13,135,275**
Deferred Short-Term Incentive Plan	**2,240,270**	**1,354,273**	**(1,419,957)**	**–**	**–**	**2,174,586**
Management Share Plan - Retention rights	**5,454,770**	**3,393,008**	**(1,938,265)**	**(667,547)**	**–**	**6,241,966**
Management Share Plan - Performance rights	**12,455,592**	**4,482,497**	**(424,681)**	**(1,375,217)**	**(2,421,232)**	**12,716,959**
AllShare Plan	**10,453,280**	**5,677,500**	**(6,453,880)**	**(469,290)**	**–**	**9,207,610**
Transitional and other plans						
Executive Transitional Award Plan	**171,900**	**–**	**–**	**–**	**–**	**171,900**
Management Share Plan Sign-on Award - Retention rights	**103,600**	**14,000**	**(46,100)**	**–**	**–**	**71,500**
Management Share Plan Sign-on Award - Performance rights	**42,000**	**–**	**–**	**–**	**–**	**42,000**
FY26 Deputy CEO Service Rights Award - Tranche 1	**–**	**1,242,857**	**–**	**–**	**–**	**1,242,857**
FY26 Deputy CEO Service Rights Award - Tranche 2	**–**	**240,000**	**–**	**–**	**–**	**240,000**
Total awards[1]	**42,933,354**	**21,970,654**	**(10,786,046)**	**(3,600,801)**	**(5,272,508)**	**45,244,653**

1. Excludes awards issuable under the FY26 CFO Retention Award. The number of shares are variable, to be determined at vesting based on an agreed cash value.

23. Contingent assets and liabilities

Contingent assets and liabilities not otherwise provided for in the consolidated financial statements are as follows:

US$M	FY26	FY25
Contingent liabilities		
Actual or potential litigation	**310**	318
Transaction-related contingencies	**82**	–
Total contingent liabilities	**392**	318
Contingent assets		
Actual or potential litigation	**6**	15
Total contingent assets	**6**	15

Actual or potential litigation liabilities primarily relate to historical tax assessments and other related matters in Colombia and Brazil.

Transaction-related contingencies relate to a possible break fee payable if the Group's agreement to sell its interests in the aluminium value chain assets, as outlined in note 2(c) Key estimates, assumptions and judgements, does not complete as a result of certain agreed circumstances.

Actual or potential litigation assets primarily relate to potential recovery of pre-closing tax liabilities in respect of the Sierra Gorda acquisition.

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.

24. Subsidiaries

The Group's material subsidiaries are as follows:

Material subsidiaries	Country of incorporation	Principal activity	Effective interest % FY26	Effective interest % FY25
African Metals (Pty) Ltd	South Africa	Investment holding company	**100**	100
Cerro Matoso S.A.[1]	Colombia	Integrated laterite ferronickel mine and smelting complex	**–**	99.9
Hillside Aluminium (Pty) Ltd	South Africa	Aluminium smelter	**100**	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 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[1]	United Kingdom	Investment holding company	**–**	100
South32 Southern Africa Holdings Limited	United Kingdom	Investment holding company	**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. These subsidiaries were disposed of in FY26 as part of the sale of Cerro Matoso. Refer to note 30 Disposal of subsidiaries.

Notes to financial statements – Other notes continued

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 % FY26	Ownership interest % FY25
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 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.

The Group uses the term 'equity accounted investments' to refer to associates and joint ventures collectively.

A reconciliation of the carrying amount of the equity accounted investments is set out below:

US$M	FY26	FY25
At the beginning of the year	**590**	396
Share of profit/(loss)	**89**	99
Share of other comprehensive income/(loss)	**(2)**	1
Dividends received	**(12)**	(2)
Net funding and capital movements	**(69)**	96
At the end of the year	**596**	590

Carrying amount of equity accounted investments US$M	FY26	FY25
Australia Manganese	**92**	67
South Africa Manganese	**187**	236
Manganese Marketing	**58**	60
Sierra Gorda	**259**	212
Individually immaterial[1]	**–**	15
Total	**596**	590

1. Individually immaterial consists of an investment in Mineração Rio do Norte (33 per cent). At 30 June 2026, the cumulative share of unrecognised losses in respect of Mineração Rio do Norte amounted to US$3 million which fully relates to the current year.

Share of profit/(loss) of equity accounted investments US$M	FY26	FY25
Australia Manganese	**95**	(58)
South Africa Manganese	**(49)**	47
Manganese Marketing	**10**	(1)
Sierra Gorda	**49**	118
Individually immaterial[1]	**(16)**	(7)
Total	**89**	99

1. Individually immaterial consists of an investment in Mineração Rio do Norte (33 per cent). At 30 June 2026, the cumulative share of unrecognised losses in respect of Mineração Rio do Norte amounted to US$3 million which fully relates to the current year.

25. Equity accounted investments continued

The following table summarises the financial information relating to each material equity accounted investment:

FY26 US$M	Joint ventures Australia Manganese[1]	South Africa Manganese[1]	Manganese Marketing[1]	Sierra Gorda
Reconciliation of the carrying amount of equity accounted investments				
Current assets	**600**	**229**	**183**	**661**
Non-current assets	**888**	**523**	**55**	**4,919**
Current liabilities	**(299)**	**(88)**	**(141)**	**(411)**
Non-current liabilities	**(1,036)**	**(252)**	**–**	**(4,594)**
Net assets - 100%	**153**	**412**	**97**	**575**
Carrying amount of equity accounted investments	**92**	**187**	**58**	**259**
Reconciliation of share of profit/(loss) of equity accounted investments				
Revenue - 100%	**996**	**547**	**1,773**	**2,565**
Profit/(loss) after tax - 100%	**158**	**(91)**	**17**	**109**
Share of profit/(loss) of equity accounted investments	**95**	**(49)**	**10**	**49**
Other balances of equity accounted investments presented on a 100% basis				
Cash and cash equivalents[2]	**–**	**18**	**–**	**129**
Current financial liabilities (excluding trade and other payables and provisions)	**(6)**	**(2)**	**–**	**(28)**
Non-current financial liabilities (excluding trade and other payables and provisions)	**(248)**	**(68)**	**–**	**(4,451)**
Depreciation and amortisation	**(139)**	**(51)**	**(5)**	**(437)**
Interest income	**6**	**3**	**3**	**8**
Interest expense	**(52)**	**(24)**	**–**	**(411)**
Income tax (expense)/benefit	**(115)**	**27**	**(5)**	**(141)**
Royalty related tax (expense)/benefit	**(56)**	**–**	**–**	**(68)**

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$17 million, on a 100 per cent basis, which is restricted by legal or contractual arrangements.

FY25 US$M	Joint ventures Australia Manganese[1]	South Africa Manganese[1]	Manganese Marketing[1]	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
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
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	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.

The Group's share of capital expenditure commitments of material equity accounted investments as at 30 June 2026 was US$52 million (FY25: US$59 million). The material equity accounted investments had US$2 million (FY25: nil) contingent assets and US$1 million (FY25: nil) contingent liabilities as at 30 June 2026.

Notes to financial statements – Other notes continued

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 % FY26	Effective Interest % FY25
Ambler Metals	United States	Base metals exploration and development options	**50**	50
Brazil Alumina[1]	Brazil	Integrated bauxite mine and alumina refinery	**36**	36
Brazil Aluminium[1]	Brazil	Aluminium smelter	**40**	40
Mozal Aluminium[2,3]	Mozambique	Aluminium smelter	**63.7**	63.7
Worsley Alumina[1,3]	Australia	Integrated bauxite mine and alumina refinery	**86**	86

1. On 30 June 2026, the Group entered into a binding conditional agreement to sell its interests in Worsley Alumina, Brazil Alumina and Brazil Aluminium to Alcoa Corporation. Refer to note 2(c) Key estimates, assumptions and judgements.
2. On 15 March 2026, Mozal Aluminium transitioned to care and maintenance. Refer to note 4(b)(ii) Significant items.
3. 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	FY26	FY25
Short-term employee benefits	**9,620**	6,659
Post-employment benefits	**584**	152
Other long-term benefits	**216**	37
Termination benefits	**672**	–
Share-based payments	**6,956**	3,974
Total	**18,048**	10,822

(b) Transactions with key management personnel

There were no transactions with key management personnel during the year ended 30 June 2026 (FY25: US$nil).

(c) Loans to key management personnel

There were no loans with any key management personnel as at 30 June 2026 (FY25: 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 2026 (FY25: US$nil).

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 2026, the Group had post-retirement defined benefit pension net assets recognised on the Consolidated balance sheet of US$2,993 thousand (FY25: net liabilities of US$8,911 thousand, including amounts classified as held for sale). The net assets consist of defined benefit pension scheme assets with a fair value of US$32,586 thousand (FY25: US$32,414 thousand) and defined benefit pension obligations of US$29,593 thousand (FY25: US$41,325 thousand).

At 30 June 2026, the Group had a post-retirement defined benefit medical scheme liability recognised on the Consolidated balance sheet of US$21,233 thousand (FY25: US$17,245 thousand). The post-retirement medical scheme is unfunded.

Total contributions to these plans by the Group during the year were US$1,812 thousand (FY25: US$4,340 thousand).

(e) Transactions with related parties

Transactions with related parties US$'000	Joint ventures		Associates	
	FY26	FY25	FY26	FY25
Sales of goods and services	**281,964**	159,656	**–**	868
Purchases of goods and services	**5,596**	5,968	**174,288**	191,833
Interest income	**172,694**	177,375	**–**	–
Dividend income	**12,000**	2,400	**–**	–
Interest expense	**10,782**	9,454	**–**	–
Increase/(decrease) in short-term financing arrangements	**231,547**	37,148	**–**	–
Increase/(decrease) in loans with related parties	**(9,674)**	(21,151)	**–**	(33,464)

Outstanding balances with related parties US$'000	Joint ventures		Associates	
	FY26	FY25	FY26	FY25
Trade and sundry amounts owing to related parties	**7,418**	4,354	**8,983**	13,199
Other amounts owing to related parties[1]	**378,621**	159,969	**–**	–
Other amounts owing from related parties[2]	**600**	13,495	**–**	–
Trade and sundry amounts owing from related parties	**38,561**	28,797	**–**	–
Loan amounts owing from related parties[3,4,5]	**1,947,410**	1,957,084	**–**	–

1. 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).
2. 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.
3. 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.
4. Includes an interest free loan owing from Australia Manganese, which is repayable by 7 January 2030.
5. Includes a purchased credit-impaired loan owing from Sierra Gorda, which has a face value of US$1,927 million (FY25: US$2,228 million) and incurs interest at a contractual rate of eight per cent per annum. The loan is repayable by 31 December 2032. 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 (FY25: US$500 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 (FY25: US$400 million). The facility extends to 24 September 2027.

South32 Limited and two subsidiaries of the Group have guaranteed and entered into a deed of reimbursement for its equivalent 33 per cent share of the repayment of loan facilities totalling US$670 million (FY25: US$530 million) entered into by Mineração Rio do Norte, with maturities ranging from October 2026 to November 2027. At the end of the year, a total of US$664 million was drawn from these facilities (FY25: US$392 million).

No other guarantees are provided for or have been received from any related party.

Notes to financial statements – Other notes continued

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	FY26	FY25
Result of parent entity		
Profit/(loss) after tax for the year	**1,187**	319
Total comprehensive income/(loss)	**1,187**	319
Financial position of parent entity at year end		
Current assets	**249**	380
Current liabilities	**(270)**	(482)
Total assets	**13,597**	12,469
Total liabilities	**(2,427)**	(2,174)
Net assets	**11,170**	10,295
Total equity of the parent entity		
Share capital	**13,125**	13,160
Treasury shares	**(12)**	(21)
Other reserves	**28**	26
Profit reserve[1]	**3,207**	3,499
Accumulated losses	**(5,178)**	(6,369)
Total equity	**11,170**	10,295

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 Southern Africa Holdings Limited 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 Limited, a 100 per cent owned finance subsidiary of the parent entity, refer to note 17 Interest bearing liabilities. The parent entity and South32 Southern Africa Holdings 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 of US$1,500 million 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 2026, 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 (FY25: US$500 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 (FY25: US$400 million). The facility extends to 24 September 2027.

The parent entity and two subsidiaries of the Group have guaranteed and entered into a deed of reimbursement for its equivalent 33 per cent share of the repayment of loan facilities totalling US$670 million (FY25: US$530 million) entered into by Mineração Rio do Norte, with maturities ranging from October 2026 to November 2027. At the end of the year, a total of US$664 million was drawn from these facilities (FY25: US$392 million).

The parent entity has guaranteed the repayment of revolving credit facilities totalling US$80 million (FY25: US$80 million) 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 (FY25: US$30 million). One of the facilities expired on 11 August 2026 and has since been extended to 10 August 2028.

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.

30. Disposal of subsidiaries

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. The sale completed on 1 December 2025 and resulted in a loss on disposal of US$3 million. The sale consideration included a nominal upfront cash consideration and contingent consideration of up to US$100 million, subject to customary working capital and net debt adjustments.

Cerro Matoso was classified as held for sale and 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.

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	FY26	FY25
Revenue:		
Group production	**193**	485
	193	485
Other income	**1**	3
Expenses excluding finance costs	**(184)**	(549)
Loss on disposal of the discontinued operation	**(3)**	–
Operating profit/(loss) from a discontinued operation	**7**	(61)
Finance income	**1**	2
Finance costs	**(4)**	(15)
Net finance income/(costs)	**(3)**	(13)
Profit/(loss) before tax from a discontinued operation	**4**	(74)
Income tax (expense)/benefit	**3**	(17)
Profit/(loss) for the year from a discontinued operation	**7**	(91)
Total comprehensive income/(loss) from a discontinued operation attributable to the equity holders of South32 Limited	**7**	(91)
Basic earnings/(loss) per share (cents)	**0.2**	(2.0)
Diluted earnings/(loss) per share (cents)	**0.2**	(2.0)

The cash flows from the discontinued operation are as follows:

US$M	FY26	FY25
Net cash flows from operating activities	**2**	90
Net cash flows from investment activities	**(22)**	(30)

Notes to financial statements – Other notes continued

30. Disposal of subsidiaries continued

Cerro Matoso *continued*

The effect of disposal on the results and financial position of the Group is as follows:

US$M	FY26
Consideration	
Upfront consideration, net of transaction costs	**7**
Contingent price linked consideration	**5**
Total consideration	**12**
Net assets disposed of	
Cash and cash equivalents	**21**
Trade and other receivables	**56**
Inventories	**109**
Property, plant and equipment	**86**
Intangible assets	**5**
Current tax assets	**9**
Deferred tax assets	**2**
Other assets	**1**
Trade and other payables	**(63)**
Interest bearing liabilities	**(4)**
Provisions	**(207)**
Net assets disposed of	**15**
Loss on disposal	**(3)**
Consideration received, net of transaction costs, satisfied in cash	**7**
Cash and cash equivalents disposed of	**(21)**
Net cash outflow	**(14)**

30. Disposal of subsidiaries continued

Illawarra Metallurgical Coal

In February 2024, the Group announced its decision to enter into a binding agreement for the sale of Illawarra Metallurgical Coal to an entity owned by Golden Energy and Resources Pte Ltd (GEAR) and M Resources Pty Ltd (M Resources). The sale consideration included an upfront and deferred cash consideration of US$1,300 million, before adjustments, and contingent price-linked consideration of up to US$350 million. The sale completed on 29 August 2024 and resulted in a net loss on disposal of US$28 million, of which an estimated loss of US$47 million was recognised in FY25 and a gain of US$19 million recognised in FY26 upon finalisation of the working capital, net debt and capital expenditure adjustments to the upfront consideration.

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	FY26	FY25
Revenue:		
Group production	–	116
Third party products and services	–	28
	–	144
Expenses excluding finance costs	–	(97)
Gain/(loss) on disposal of the discontinued operation	**19**	(47)
Operating profit/(loss) from a discontinued operation	**19**	–
Finance costs	–	(3)
Net finance income/(costs)	–	(3)
Profit/(loss) before tax from a discontinued operation	**19**	(3)
Income tax (expense)/benefit	–	(11)
Profit/(loss) for the year from a discontinued operation	**19**	(14)
Total comprehensive income/(loss) from a discontinued operation attributable to the equity holders of South32 Limited	**19**	(14)
Basic earnings/(loss) per share (cents)	**0.4**	(0.3)
Diluted earnings/(loss) per share (cents)	**0.4**	(0.3)

The cash flows from the discontinued operation are as follows:

US$M	FY26	FY25
Net cash flows from operating activities	–	86
Net cash flows from investment activities	**29**	880
Net cash flows from financing activities	–	(1)

31. Subsequent events

Capital management

On 27 August 2026, the Directors resolved to pay a fully-franked final dividend of US 5.4 cents per share (US$242 million) in respect of the 2026 financial year. The dividends will be paid on 15 October 2026. The dividends have not been provided for in the consolidated financial statements and will be recognised in the 2027 financial year.

On 27 August 2026, the Directors resolved to extend the existing on-market share buy-back program by six months. The program has US$209 million remaining to be returned to shareholders by 10 September 2027.

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 2026

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**
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 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 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 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**
South32 Jersey Limited	Body Corporate	Jersey	Australian	N/A	**100**
South32 Limited (the Company)	Body Corporate	Australia	Australian	N/A	**Parent**
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**

Consolidated entity disclosure statement

as at 30 June 2026

Entity name	Legal structure	Country of incorporation	Australian or foreign tax resident	Jurisdiction for foreign tax residency	Ownership interest %[1]
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 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 2026 in accordance with subsection 295 (3A) of the Corporations 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.

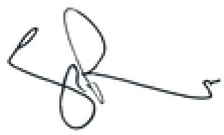
In determining tax residency, the Group has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5. Where necessary for foreign tax residency, the Group has used independent tax advisers in foreign jurisdictions 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 2026.

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 174 to 229 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 2026 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 230 to 231 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 2026.
3. The Directors draw attention to note 2 to the financial statements on page 179 which includes a statement of compliance with International Financial Reporting Standards (IFRS) Accounting Standards.

Signed in accordance with a resolution of the Board of Directors.



Stephen Pearce
Chair

Matt Daley
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 the financial report and the audit and review of specified sustainability disclosures in the sustainability report of South32 Limited for the financial year ended 30 June 2026 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 review; and
2. no contraventions of any applicable code of professional conduct in relation to the audit and review.

KPMG

KPMG

Jane Bailey

Jane Bailey
Partner

Perth
27 August 2026

KPMG

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 2026 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and *the Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated balance sheet as at 30 June 2026;
- 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 determination of tax residency as at 30 June 2026;
- 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities 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; and
- Closure and rehabilitation provision.

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.

KPMG

INDEPENDENT AUDITOR'S REPORT

Asset valuation (Property, plant & equipment US$7,038m, Intangible assets US$214m, Equity accounted investments US$596m)

Refer to Note 13 *Impairment of non-financial assets* to the Financial Report

The key audit matter

The assessment of whether impairment or impairment reversal indicators or evidence exist at the aluminium value chain cash generating units (CGUs), Manganese equity accounted investments (EAIs) and the Hermosa – Taylor CGU is a key audit matter due to:

- the size of the Group's property, plant and equipment, intangible assets and equity accounted investments;
- the risk and uncertainty related to key assumptions used in Group's assessment, including forecast commodity prices, capital expenditure and future production; and
- the resultant level of auditor judgement and effort required in challenging the Group's determination that there were no indicators of impairment or impairment reversal, requiring involvement of valuation specialists alongside our senior audit team members.

We focused on the key internal and external factors impacting CGUs and EAIs, including:

- volatility in forecast commodity prices, which are subject to greater volatility in the current economic environment;
- forecast development capital expenditure, based on internal project estimates, which is subject to greater uncertainty in the current economic environment;
- future production and related costs, as set out in the life of operation; and
- the conditional agreement to sell the aluminium value chain assets, including price-linked contingent consideration.

How the matter was addressed in our audit

With involvement of valuation specialists, we performed the following procedures, amongst others, to assess or challenge the Group's determination that no indicators or evidence of impairment or impairment reversal were present:

- evaluated the Group's assessment with reference to our knowledge of the Group, our industry experience and current economic conditions, and requirements of AASB 136 *Impairment of Assets* and AASB 128 *Investments in Associates and Joint Ventures*;
- assessed the forecast commodity prices used in the Group's assessment by comparing them to, and considering changes in, market observable price forecasts;
- compared forecast development capital expenditure for Hermosa – Taylor to key contracts and third-party reports;
- compared the forecast production volumes and related costs to the approved budgets and inquired of operational management to check certain changes in assumptions; and
- assessed the Group's assumptions underlying its estimate of the potential consideration receivable under the conditional agreement to sell the aluminium value chain assets, including forecast commodity price and production assumptions used to determine any contingent consideration.

We assessed the disclosures in note 13 of the Group financial statements, using our understanding obtained from our testing, against the requirements of the accounting standards.

KPMG

INDEPENDENT AUDITOR'S REPORT

Closure and rehabilitation provision (US$1,652m)

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:

- 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 and their timing, particularly for those costs to be incurred years into the future.

Closure and rehabilitation activities are governed by Group policies based on operating, environmental and regulatory requirements, which differ across the Group.

The estimate of the closure and rehabilitation provision is influenced by the:

- complexity in environmental and regulatory requirements, and the impact to the completeness of the closure and rehabilitation provision;
- Group's policies and the nature of the costs incorporated into the closure and rehabilitation provision; and
- 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 closure and rehabilitation provision.

The Group used third party and internal experts to assess closure and rehabilitation obligations and associated estimates of future costs.

We involved our valuation and closure specialists alongside our senior audit team members in our testing.

How the matter was addressed in our audit

Our procedures included:

- We evaluated key assumptions used in the closure and rehabilitation provision, relevant to the key sites the Group operates in, by:
  - Working with our closure specialists, assessing the scope and competence of the Group's third party and internal experts used in the determination of the closure and rehabilitation provision estimate.
  - Assessing significant updates to closure assumptions against the closure and rehabilitation plan, internal expert analysis and our industry knowledge, and evaluating the Group's accounting policy and estimation methodology against the requirements of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.
  - Assessing the contingency applied within the closure model to account for the complexity in environmental and regulatory requirements for consistency with the Group's policy and our industry knowledge.
  - Comparing the timing of closure and rehabilitation activities to the Group's mineral resources and ore reserve estimates underlying the expected production profile contained in the life of operation plans.
  - Working with our valuation specialists, comparing discount rate assumptions to market observable data.
- We tested the mathematical accuracy of the closure and rehabilitation provision.
- We evaluated the completeness of the closure and rehabilitation provision against the Group's closure plan and our understanding of the Group's operating, environmental and regulatory requirements; and
- We assessed the disclosures in note 15 to the Financial Report against accounting standard requirements.

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 Sustainability Report prepared in accordance with the Corporations Act, the Select Sustainability Information presented in the South32 Limited 2026 Reports being the Sustainability section of the Annual Report, the Sustainability Databook, and the Sustainability Standards and Frameworks Index and our respective assurance opinions/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.

KPMG

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 2026, 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 156 to 172 of the Directors' report for the year ended 30 June 2026.

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
27 August 2026

RESOURCES AND RESERVES

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 241. 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% terms and represent estimates as at 30 June 2026.
- 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. While 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 241.

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.

Resources and Reserves continued

At a glance - Resources and Reserves

	Total Ore Reserve (Mt)		Reserve Life Years[1]		Total Mineral Resource (Mt)	
Operations, development projects and options	As at 30 June 2026	As at 30 June 2025	As at 30 June 2026	As at 30 June 2025	As at 30 June 2026	As at 30 June 2025
Sierra Gorda	**679**	730	**14**	15	**1,730**	1,800
Cannington	**11**	10	**7.0**	6.0	**71**	78
Hermosa						
Taylor	**99**	65	**25**	19	**169**	153
Clark					**55**	55
Peake					**33**	25
Ambler Metals						
Arctic					**43**	43
Bornite					**148**	148
Australia Manganese	**56**	59	**6.0**	6.0	**109**	126
South Africa Manganese[2]	**71**	89	**34**	43	**183**	190
Worsley Alumina	**164**	177	**10**	11	**1,080**	1,050
Brazil Alumina	**34**	41	**3.0**	3.2	**498**	495
Cerro Matoso[3]	**-**	27	**-**	7	**-**	297

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. Cerro Matoso was divested on 1 December 2025.

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
- 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 FY26, 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 two independent assurance audits of Ore Reserve estimates
- four internal mine planning and Ore Reserve assurance audits.

The accompanying tables, on pages 241 to 250, outline our Mineral Resources and Ore 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.

During FY26, we continued to expand our global exploration footprint. We funded greenfield exploration in Australia, Argentina, Botswana, Canada, Chile, Namibia, Norway and the United States. Our exploration expenditure for FY26 was US$94 million (FY25: US$98 million) of which US$26 million related to brownfield and US$68 million related to greenfield (FY25: US$28 million and US$70 million respectively).

Sierra Gorda

Sierra Gorda is a large integrated copper mining and processing operation located in the Antofagasta region of northern Chile, 60km south-west of the city of Ca lama. 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 **L.Vaccia**, MAusIMM, employed by Sierra Gorda S.C.M.

Ore Reserves **E Ardiles**, MAusIMM, employed by Sierra Gorda S.C.M.

Mineral Resources

Deposit	Material Type	Mineral Resource	Mt	% TCu	g/t Au	% Mo
Sierra Gorda(1)(4)	OC Sulphide	Measured	317	0.40	0.07	0.026
(45% interest)		Indicated	475	0.34	0.06	0.013
		Inferred	892	0.37	0.06	0.013
		Total as at 30 June 2026	**1,680**	**0.37**	**0.06**	**0.016**
		Total as at 30 June 2025	1,750	0.36	0.06	0.015
	Stockpile	Measured				
		Indicated	52	0.27	0.05	0.012
		Inferred				
		Total as at 30 June 2026	**52**	**0.27**	**0.05**	**0.012**
		Total as at 30 June 2025	54	0.27	0.04	0.012

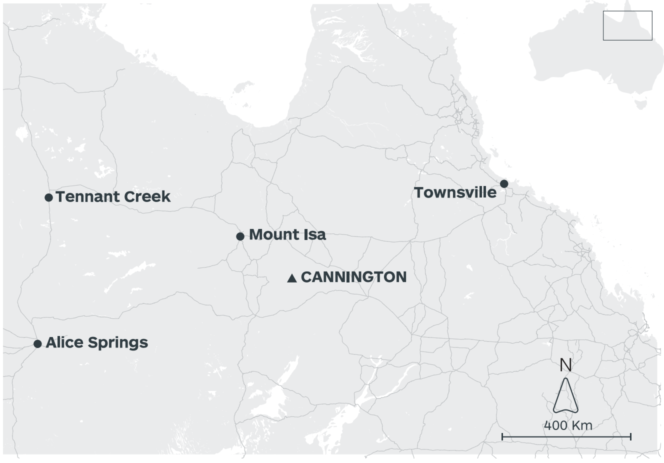
Ore Reserves

Deposit	Material Type	Ore Reserves	Mt	% TCu	g/t Au	% Mo
Sierra Gorda(1)(2)(3)(4)	OC Sulphide	Proved	291	0.41	0.07	0.026
(45% interest)		Probable	336	0.37	0.06	0.014
		Total as at 30 June 2026	**627**	**0.39**	**0.07**	**0.020**
		Total as at 30 June 2025	676	0.39	0.06	0.019
	Stockpile	Proved				
		Probable	52	0.27	0.05	0.012
		Total as at 30 June 2026	**52**	**0.27**	**0.05**	**0.012**
		Total as at 30 June 2025	54	0.27	0.04	0.012
		Reserve Life (Years) as at 30 June 2026				14

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.
4. Since 30 June 2026, South32 has reported an updated Ore Reserve and Mineral Resource estimate for the Sierra Gorda, details of which are set out in the Company's ASX announcement titled "61% increase in Sierra Gorda Ore Reserve estimate" dated 25 August 2026. South32 is not aware of any new information or data that materially affects the information contained in that announcement, and that all material assumptions and technical parameters underpinning the estimates contained in that announcement continue to apply and have not materially changed.

Resources and Reserves continued

Cannington



Cannington is an integrated silver-lead-zinc mining and processing operation located in north-west Queensland, 200km south-east 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

Mineral Resources

Deposit	Material Type	Mineral Resource	Mt	g/t Ag	% Pb	% Zn
Cannington[1][2]	UG Sulphide	Measured	33	168	4.84	2.98
(100% interest)		Indicated	8.9	100	3.10	2.81
		Inferred	1.9	59	1.52	2.70
		Total as at 30 June 2026	**44**	**149**	**4.33**	**2.94**
		Total as at 30 June 2025	53	140	4.17	2.79
	OC Sulphide	Measured	20	110	3.38	2.23
		Indicated	5.0	55	2.17	2.24
		Inferred	1.8	44	1.43	1.44
		Total as at 30 June 2026	**27**	**95**	**3.02**	**2.17**
		Total as at 30 June 2025	25	101	3.21	2.28

Ore Reserves

Deposit	Material Type	Ore Reserves	Mt	g/t Ag	% Pb	% Zn
Cannington[1][3][4][5]	UG Sulphide	Proved	9.5	183	5.10	3.17
(100% interest)		Probable	1.9	211	5.11	1.41
		Total as at 30 June 2026	**11**	**188**	**5.11**	**2.88**
		Total as at 30 June 2025	10	177	5.30	2.93
		Reserve Life (Years) as at 30 June 2026				7.0

1. Cut-off: Net smelter return in A$/t

Mineral Resources		
	UG Sulphide	170
	OC Sulphide	58
Ore Reserves		
	UG Sulphide	170 to 250 (Variable)

2. Changes to Mineral Resource due to increase in operating cost and exchange rate resulting in increase of reporting NSR cut-off from A$130/ tonne.
3. Ore delivered to process plant.
4. Addition of Ore Reserve following re-optimisation of available Mineral Resource estimate.
5. Metallurgical recoveries are 88% Ag, 88% Pb and 86% Zn.

Hermosa

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, US.

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 will utilise long-hole open stoping method to extract ore accessed via a decline and shaft. Processing facilities are currently under construction and 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, employed by Terra Resources Consulting Group LLC

Ore Reserves **K McCoy**, MAusIMM

Clark & Peake

Mineral Resources **P Garretson**, MAusIMM, employed by Terra Resources Consulting Group LLC

Mineral Resources

Deposit	Material Type	Mineral Resource	Mt	% Zn	% Cu	% Pb	% Mn	g/t Ag
Taylor[1][2]	UG Sulphide	Measured	57	4.56		4.68		75
(100% interest)		Indicated	86	3.11		3.86		78
		Inferred	26	2.48		2.18		67
		Total as at 30 June 2026	**169**	**3.51**		**3.88**		**76**
		Total as at 30 June 2025	153	3.53		3.83		77
Clarke[1]	UG Oxide	Measured	0.4	1.77			8.11	56
(100% interest)		Indicated	35	2.40			9.49	58
		Inferred	20	1.61			8.33	115
		Total as at 30 June 2026	**55**	**2.11**			**9.07**	**78**
		Total as at 30 June 2025	55	2.11			9.07	78
Peake[1][2]	UG Sulphide	Measured						
(100% interest)		Indicated						
		Inferred	33	0.28	0.87	0.32		36
		Total as at 30 June 2026	**33**	**0.28**	**0.87**	**0.32**		**36**
		Total as at 30 June 2025	25	0.45	0.79	0.47		42

Ore Reserves

Deposit	Material Type	Ore Reserves	Mt	% Zn	% Pb	g/t Ag
Taylor[1][3][4]	UG Sulphide	Proved	41	5.02	5.12	79
(100% interest)		Probable	58	3.19	4.05	76
		Total as at 30 June 2026	**99**	**3.95**	**4.50**	**77**
		Total as at 30 June 2025	65	4.35	4.90	82
		Reserve Life (Years) as at 30 June 2026				25

1. Cut-off: Net smelter return in US$/t

   Mineral Resources
   - Taylor UG Sulphide 90
   - Clark UG Oxide 175
   - Peake UG Sulphide 90

   Ore Reserves
   - Taylor UG Sulphide 90
2. Changes to Mineral Resource due to additional drilling.
3. Metallurgical recoveries are 89-92% for Pb, 85-92% for Zn, 76-83% for Ag.
4. Changes to Ore Reserves due to re-optimisation and material increase of Ag price.

Resources and Reserves continued

Ambler Metals

Ambler Metals consists of a series of high-grade polymetallic sulphide deposits located in central Alaska, US. The Arctic and Bornite deposits are located 260km and 275km 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, 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)

Mineral Resources

Deposit	Material Type	Mineral Resource	Mt	% Cu	% Zn	% Pb	g/t Ag	g/t Au
Arctic[(1)] (50% interest)	OC Sulphide	Measured	24	3.14	4.35	0.77	49	0.62
		Indicated	15	2.84	4.46	0.84	46	0.60
		Inferred	3.7	1.84	3.24	0.70	39	0.40
		Total as at 30 June 2026	**43**	**2.93**	**4.30**	**0.79**	**47**	**0.59**
		Total as at 30 June 2025	43	2.93	4.30	0.79	47	0.59
Bornite[(1)] (50% interest)	OC Sulphide	Measured						
		Indicated	40	1.06				
		Inferred	38	1.03				
		Total as at 30 June 2026	**78**	**1.04**				
		Total as at 30 June 2025	78	1.04				
	UG Sulphide	Measured						
		Indicated						
		Inferred	70	2.29				
		Total as at 30 June 2026	**70**	**2.29**				
		Total as at 30 June 2025	70	2.29				

1. Cut-off:

Arctic (Net smelter return in US$/t)	OC Sulphide	62
Bornite	OC Sulphide	0.5% Cu
	UG Sulphide	1.5% Cu

Australia Manganese

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 1960s.

The orebody consists of relatively shallow stratiform massive to disseminated sheet-like manganese deposits, consisting of cretaceous sediments lapping onto Proterozoic basement sandstones 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 **A Byers**, MAusIMM

Ore Reserves **M Bryant**, MAusIMM, employed by The Minserve Group Pty Ltd

Mineral Resources

Deposit	Material Type	Mineral Resource	Mt	% Mn	% Yield
GEMCO[1]	ROM[2]	Measured	58	45.0	46
(60% interest)		Indicated	28	41.0	47
		Inferred	15	45.2	43
		Total as at 30 June 2026	**101**	**43.9**	**46**
		Total as at 30 June 2025	115	43.6	46
	Sands[3]	Measured			
		Indicated	7.5	20.5	
		Inferred			
		Total as at 30 June 2026	**7.5**	**20.5**	
		Total as at 30 June 2025	11	19.8	

Ore Reserves

Deposit	Material Type	Ore Reserves	Mt	% Mn	% Yield
GEMCO[1][4][5][6]	ROM	Proved	16	43.2	54
(60% interest)		Probable	37	40.9	50
		Total as at 30 June 2026	**52**	**41.7**	**51**
		Total as at 30 June 2025	53	42.0	57
	Sands	Proved			
		Probable	3.7	40.0	22
		Total as at 30 June 2026	**3.7**	**40.0**	**22**
		Total as at 30 June 2025	6.0	40.0	20
		Reserve Life (Years) as at 30 June 2026			6.0

1. Cut-off grade
   Mineral Resources
   ROM ≥35% Mn washed product
   Sands >0% yield
   Ore Reserves
   ROM ≥36% average Mn washed product per ore mining block
   Sands >6.7% yield
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 optimisation of environmental buffers and ore recovery above cut-off parameters.
6. Plant recoveries: see yield in Ore Reserves table.

Resources and Reserves continued

South Africa Manganese

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 1960s.

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 **O Nkuna**, Pr. Sci. Nat., SACNASP

Ore Reserves **M Rakhunwana**, MAusIMM

Mineral Resources

Deposit	Material Type	Mineral Resource	Mt	% Mn	% Fe
Wessels[1][2]	Lower Body	Measured	23	41.2	14.3
(44.4% interest)		Indicated	14	39.2	22.5
		Inferred	2.8	37.8	25.6
		Total as at 30 June 2026	**40**	**40.3**	**17.9**
		Total as at 30 June 2025	41	43.4	14.3
	Upper Body	Measured	6.5	41.3	18.8
		Indicated	67	40.1	19.4
		Inferred	15	39.4	21.7
		Total as at 30 June 2026	**89**	**40.1**	**19.7**
		Total as at 30 June 2025	89	41.0	19.1

Ore Reserves

Deposit	Material Type	Ore Reserves	Mt	% Mn	% Fe
Wessels[1][3][4][5]	Lower Body	Proved	3.1	43.9	12.0
(44.4% interest)		Probable	0.3	43.8	13.2
		Total as at 30 June 2026	**3.4**	**43.9**	**12.0**
		Total as at 30 June 2025	13	43.6	14.3
	Upper Body	Proved	3.3	42.4	17.6
		Probable	35	41.4	17.9
		Total as at 30 June 2026	**38**	**41.5**	**17.9**
		Total as at 30 June 2025	42	41.3	18.6
		Reserve Life (Years) as at 30 June 2026			34

Mineral Resources

Deposit	Material Type	Mineral Resource	Mt	% Mn	% Fe
Mamatwan[1][2]	M, C, N Zones	Measured	31	36.5	4.7
(44.4% interest)		Indicated	4.7	36.8	4.8
		Inferred			
		Total as at 30 June 2026	**36**	**36.6**	**4.7**
		Total as at 30 June 2025	39	36.7	4.5
	X Zone	Measured	1.7	36.2	4.5
		Indicated			
		Inferred			
		Total as at 30 June 2026	**1.7**	**36.2**	**4.5**
		Total as at 30 June 2025	2.4	36.3	4.5
	Top Cut (balance I&O)	Measured	14	29.5	5.9
		Indicated	2.4	29.9	5.9
		Inferred			
		Total as at 30 June 2026	**16**	**29.5**	**5.9**
		Total as at 30 June 2025	19	29.5	5.8

Ore Reserves

Deposit	Material Type	Ore Reserves	Mt	% Mn	% Fe
Mamatwan[1][3][5]	M, C, N Zones	Proved	18	36.1	4.6
(44.4% interest)		Probable	12	35.9	4.5
		Total as at 30 June 2026	**30**	**36.0**	**4.6**
		Total as at 30 June 2025	34	36.3	4.5
		Reserve Life (Years) as at 30 June 2026			10

1. Cut-off grade
   Mineral Resources
   Wessels — Reported within the mining section.
   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. Changes to Ore Reserves due to updated resource estimate.
5. Metallurgical recoveries
   Wessels 97%
   Mamatwan 93%.

Resources and Reserves continued

Worsley Alumina

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

Mineral Resources

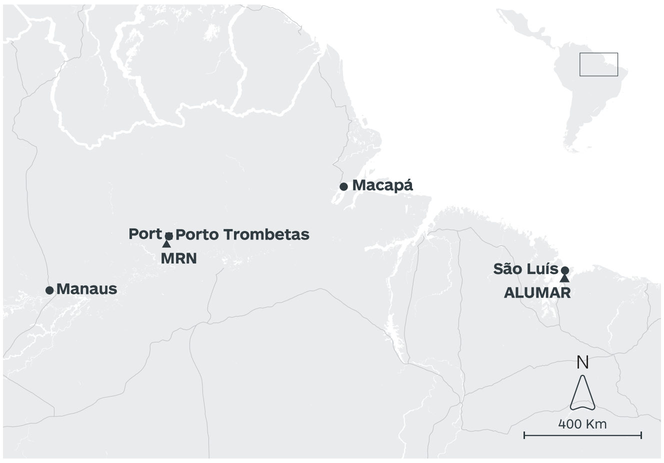
Deposit	Material Type	Mineral Resource	Mt	% $A.Al_2O_3$	% $R.SiO_2$
Worsley[1]	Laterite	Measured	304	27.9	1.7
(86% interest)		Indicated	390	29.2	2.2
		Inferred	387	28.5	2.1
		Total as at 30 June 2026	**1,080**	**28.6**	**2.0**
		Total as at 30 June 2025	1,050	28.7	2.0

Ore Reserves

Deposit	Material Type	Ore Reserves	Mt	% $A.Al_2O_3$	% $R.SiO_2$
Worsley[1][2][3]	Laterite	Proved	154	28.3	1.6
(86% interest)		Probable	10	28.0	1.6
		Total as at 30 June 2026	**164**	**28.3**	**1.6**
		Total as at 30 June 2025	177	28.2	1.6
		Reserve Life (Years) as at 30 June 2026			10

1. Cut-off grade
   Mineral Resources Variable ranging from $A.Al_2O_3 \geq 20$-25% and $R.SiO_2 \leq 5$% for mineralised material and $A.Al_2O_3 \geq 28$% and $R.SiO_2 \leq 3$% 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 93%.

Mineração Rio do Norte



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 1980s.

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

Mineral Resources

Deposit	Material Type	Mineral Resource	Mt	% A.Al_2O_3	% R.SiO_2
MRN[(1)(2)]	Washed	Measured	458	47.3	5.3
(33% interest)		Indicated	3.5	49.0	2.6
		Inferred	36	47.4	5.1
		Total as at 30 June 2026	**498**	**47.3**	**5.3**
		Total as at 30 June 2025	495	47.4	5.2

Ore Reserves

Deposit	Material Type	Ore Reserves	Mt	% A.Al_2O_3	% R.SiO_2
MRN[(1)(2)(3)(4)]	Washed	Proved	28	46.8	5.9
(33% interest)		Probable	6.0	47.9	5.3
		Total as at 30 June 2026	**34**	**47.0**	**5.8**
		Total as at 30 June 2025	41	47.5	5.5
		Reserve Life (Years) as at 30 June 2026			3.0

1. Cut-off grade
   Mineral Resources A.Al_2O_3≥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%.

Resources and Reserves continued

Cerro Matoso[1]

Cerro Matoso is an integrated nickel mining and smelting operation located in northern Colombia, approximately 20km south-west of the town of Montelibano. Operations commenced in the 1980s.

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. On 1 December 2025, South32 completed the divestment of the Cerro Matoso.

Competent Persons

Mineral Resources **J Florez**, MAusIMM, employed by CoreX

Ore Reserves **D Vasquez**, MAusIMM, employed by CoreX

Mineral Resources

Deposit	Material Type	Mineral Resource	Mt	% Ni
Cerro Matoso	Laterite	Measured	–	–
(0% interest)		Indicated	–	–
		Inferred	–	–
		Total as at 30 June 2026	**–**	**–**
		Total as at 30 June 2025	253	0.9
	Stockpile	Measured	–	–
		Indicated	–	–
		Inferred	–	–
		Total as at 30 June 2026	**–**	**–**
		Total as at 30 June 2025	44	0.9

Ore Reserves

Deposit	Material Type	Ore Reserves	Mt	% Ni
Cerro Matoso	Laterite	Proved	–	–
(0% interest)		Probable	–	–
		Total as at 30 June 2026	**–**	**–**
		Total as at 30 June 2025	15	1.0
	Stockpile	Proved	–	–
		Probable	–	–
		Total as at 30 June 2026	**–**	**–**
		Total as at 30 June 2025	12	1.0
		Reserve Life (Years) as at 30 June 2026		-

1. Refer to market release "Completion of Cerro Matoso divestment" dated 1 December 2025 for further details.

OTHER INFORMATION

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 2026.

Name	Date notice received	Number of shares in notice	Percentage of capital in notice
AustralianSuper Pty Ltd	29 January 2026	323,022,923	7.20
BlackRock Group	8 December 2021	318,403,413	6.84[(a)]
State Street Corporation	16 June 2026	368,445,878	8.21
Vanguard Group	31 January 2024	276,360,221	6.10

(a) Based on the 'Notice of change of interests of substantial holder' dated 8 December 2021, BlackRock Inc. also holds 230 ADS representing an additional 0.11%.

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 2026.

Size of holding	Number of shareholders	Number of shares	Percentage of capital
1 - 1,000	103,470	48,416,745	1.08
1,001 - 5,000	70,628	170,494,406	3.80
5,001 - 10,000	19,985	146,078,562	3.26
10,001 - 100,000	18,407	418,949,154	9.34
100,001 and over	635	3,702,546,871	82.53
Total	**213,125**	**4,486,485,738**	**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 2026.

Size of holding	Number of rights holders	Number of rights	Percentage of rights on issue
1 - 1,000	712	533,830	1.19
1,001 - 5,000	5,422	8,508,654	18.98
5,001 - 10,000	32	270,484	0.60
10,001 - 100,000	113	4,967,395	11.08
100,001 and over	63	30,552,028	68.15
Total	**6,342**	**44,832,391**	**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 2026.

Name		Number of fully paid shares	Percentage of capital
1	HSBC Custody Nominees (Australia) Limited	1,264,738,417	28.19
2	J P Morgan Nominees Australia Pty Limited	931,040,550	20.75
3	Citicorp Nominees Pty Ltd	526,373,415	11.73
4	South Africa Control A/C	319,279,592	7.12
5	BNP Paribas Noms Pty Ltd	135,040,945	3.01
6	Citicorp Nominees Pty Limited <Citibank NY ADR Dep A/C>	85,782,930	1.91
7	Computershare Clearing Pty Ltd <CCNL DI A/C>	72,527,302	1.62
8	BNP Paribas Nominees Pty Ltd <Agency Lending A/C>	53,247,044	1.19
9	HSBC Custody Nominees (Australia) Limited <NT-Comnwlth Super Corp A/C>	32,836,000	0.73
10	BNP Paribas Nominees Pty Ltd <Hub24 Custodial Serv Ltd>	29,095,496	0.65
11	Netwealth Investments Limited <Wrap Services A/C>	14,728,387	0.33
12	HSBC Custody Nominees (Australia) Limited	12,845,571	0.29
13	BNP Paribas Nominees Pty Ltd <Clearstream>	9,865,202	0.22
14	BNP Paribas Noms Ltd <NZ>	8,890,688	0.20
15	Merrill Lynch (Australia) Nominees Pty Limited	7,915,153	0.18
16	BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient>	4,934,747	0.11
17	Palm Beach Nominees Pty Limited	4,863,155	0.11
18	HSBC Custody Nominees (Australia) Limited - A/C 2	4,771,964	0.11
19	CPU Share Plans Pty Ltd <S32 ASP Unallocated A/C>	4,646,267	0.10
20	HSBC Custody Nominees (Australia) Limited - GSCO ECA	4,595,008	0.10
Total		**3,528,017,833**	**78.65**

Restricted and escrowed securities

As at 31 July 2026, 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 2026, there were 7,795 shareholders on the Australian South32 Limited register holding less than a marketable parcel (A$500) based on the closing market price of A$4.57.

On-market purchases of South32 Limited Securities for employee incentive plans

The Group purchased South32 Limited ordinary shares on-market through the Company's employee share plan trusts for the purposes of the South32 Equity Incentive Plans.

During FY26, 1,574,079 shares were purchased on-market for the Australian ESOP Trust and 378,000 were purchased for the South African ESOP Trust. The average price at which the shares were purchased was A$3.23 and ZAR34.73 respectively.

In addition, 118,120 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$2.71.

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 2026, we have returned a total of US$2.358 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 commenced in April 2017. Following its cancellation in February 2024 to maintain financial flexibility, we announced a US$200 million on-market share buy-back under our capital management program in August 2024. In February 2026, the buy-back was increased by a further US$100 million and the execution period extended to 26 February 2027.

Subsequent to 30 June 2026, the Board approved a further extension of the program to September 2027, reflecting the Group's strong financial position and disciplined approach to capital management and shareholder returns.

Between the commencement of purchasing under the on-market share buy-back on 19 April 2017 and 30 June 2026, South32 Limited has purchased a total of 837 million shares, which represented 15.73 per cent of share capital at the commencement of the program.

During the year ended 30 June 2026, South32 Limited purchased 17 million shares under the on-market share buy-back, which represented 0.38 per cent of share capital at the beginning of the financial year. Total consideration paid for these shares was US$35 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 2026 AGM is scheduled to be held on Thursday 15 October 2026 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 2026, 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 2026, 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 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.investorcentre.com*. Alternatively, refer to the contacts listed under Share registries below.

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
Facsimile: +44 370 703 6101
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 266.

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.

AASB S2
Australian Accounting Standards Board Standard S2 (Climate-related Disclosures). Australia's mandatory reporting standard that requires qualifying entities to disclose consistent and decision-useful information regarding climate-related risks, opportunities, greenhouse gas emissions, and strategic financial impact.

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 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 using the Hall-Héroult process.

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 Safeguard Mechanism
Australia's regulatory scheme for reducing GHG emissions from large industrial facilities through facility-specific emissions baselines and compliance obligations.

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
The primary ore and commercial feedstock of the aluminium industry, consisting predominantly of aluminium hydroxide minerals (gibbsite, boehmite and diaspore) from which alumina (Al_2O_3) is refined via the Bayer process.

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.

CAHRA
Conflict-affected and high risk areas.

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 (EU 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).

Glossary of terms and abbreviations continued

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.

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 actual or perceived 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.

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.

Coupled Model Intercomparison Project 6 (CMIP6)
The sixth phase of the Coupled Model Intercomparison Project, CMIP6, is a global, coordinated climate-modelling initiative led by the World Climate Research Programme. It supports standardised comparisons of past, present and future climate simulations to improve model fidelity and analyse climate change under multiple scenarios. CMIP6 builds on CMIP5 with improved models and new scenario frameworks (SSPs) used in the IPCC's Sixth Assessment Report (AR6).

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.

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 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 a priority element of the *Broad-Based Black Economic Empowerment (B-BBEE) Codes of Good Practice* and aims to strengthen procurement from and support the development of Black-owned small, medium, and micro enterprises, thereby increasing their participation in corporate value chains and contributing to economic transformation.

Supplier Development focuses on businesses that are already part of an organisation's supply chain, while Enterprise Development supports businesses that are not yet suppliers but have the potential to become future suppliers.

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.

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.

FYXX
Refers to the financial year ending 30 June 20XX, where XX is the two-digit number for the year.

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.

Glossary of terms and abbreviations continued

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 comprise emissions of carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF_6), measured in carbon dioxide equivalent (CO_2-e). HFC emissions are currently not material to our operations. Where relevant, reported emissions include biogenic CO_2 emissions.

- Scope 1 emissions - Direct GHG emissions from our operated assets and activities, including electricity generated at our sites.
- Scope 2 emissions - Indirect GHG emissions from the generation of purchased electricity consumed by our operations.
- Scope 3 emissions - Other indirect GHG emissions occurring in our 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.

HPIIF
High-potential injury and illness frequency. The number of high-potential injuries and illnesses per million hours worked by employees and contractors.

HRIAs
Human Rights Impact Assessments.

HRRSAs
Human Rights Risk Self-assessments.

Human rights
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. These rights are 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.

H1 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.

H2 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.

Inclusion index score
A measure of employees' and contractors' perceptions of inclusion, based on responses to inclusion-related questions in South32's annual Your Voice survey. The score reflects the extent to which respondents feel respected, valued, and able to contribute in an inclusive workplace.

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
Informed by definition and characteristics described in Article 1 of ILO Convention No. 169 on Indigenous and Tribal Peoples, it comprises:

- tribal peoples whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations
- peoples who are regarded as Indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonisation or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions and who self-identify as Indigenous or Tribal.

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, and an observer from Association of Mining and Exploration Companies (AMEC).

JORC Code
The Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves. The current edition of the JORC Code was published in 2012.

JSE
Johannesburg Stock Exchange.

Just transition
An approach to decarbonisation that seeks to manage social impacts, risks and opportunities by supporting a fair, equitable and inclusive transition to a low-carbon economy, particularly for workers, communities and others most affected by the transition.

KPI
Key Performance Indicator.

KMP
Key management personnel are people who have authority and responsibility for planning, directing and controlling the activities of South32 either directly or indirectly.

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 managed for conservation
Total land at the time of reporting managed by South32 for biodiversity conservation. It includes land formally assigned and managed as a compensatory action and other land protected from disturbance and actively managed for biodiversity conservation. It excludes government-designated biodiversity conservation areas that are not managed by South32 as a compensatory action.

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
- 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 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, 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.

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.

Glossary of terms and abbreviations continued

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
Coal with properties suitable for steelmaking, including coking coal used to produce coke and non-coking coals used in processes such as pulverised coal injection.

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-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 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 non-material 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 projects 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, and Mineração Rio do Norte S.A (MRN). Details of South32's ownership interest can be found on page 267 of this Report and in the 'Reporting boundaries' tab of our Sustainability Databook 2026 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.

Operated joint ventures
Operations, development projects and options, and exploration projects which are not wholly owned by South32 Limited or its subsidiaries and for which South32 manages the operation, being, Australia Manganese, South Africa Manganese, Minera Sud Argentina, Mozal Aluminium and Worsley Alumina. Details of South32's ownership interest can be found on page 267 of this Report and in the 'Reporting boundaries' tab of our Sustainability Databook 2026 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.

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 Underlying EBITDA 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. 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 and FY26. FY26 realised prices for copper (US$5.92/lb), molybdenum (US$25.90/lb), gold (US$4,462/oz) and silver (US$70.6/oz) have been used for FY27e and FY28e.

Payable zinc equivalent (kt)
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 and FY26. FY26 realised prices for zinc (US$3,000/t), lead (US$1,944/t) and silver (US$66.4/oz) have been used for FY27e and FY28e.

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.

Primary demand
Demand met through new production, including mining, smelting, or refining — excluding recycled or recovered material.

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).

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.

Residual mix (emission factor)
The greenhouse gas emission factor representing the emissions intensity of the residual electricity supply within a defined geographic market after the generation attributes associated with all tracked contractual instruments have been claimed, retired or cancelled.

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.

Glossary of terms and abbreviations continued

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.

'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. 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).

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 with a potential severity of PL4 (Potential for Fatality) or above, or significant damage to property, plant or the environment.

Significant hazard to significant event near miss ratio
The ratio of reported significant hazards to reported significant event near misses, used to monitor proactive identification and management of high-consequence risks.

Social investment
Contributions made to support the social, economic, cultural or environmental wellbeing of communities where we operate or have an interest. This comprises direct investment (including Enterprise Development, a component of Enterprise and Supplier Development), in-kind support and administrative costs.

Source Pathway Receptor
A systematic approach used to identify air emission sources and assess their potential impacts on people and the environment. It begins by identifying the source of air emissions, followed by evaluating the pathways through which pollutants may be transported or dispersed in the environment. The assessment then considers the receptors, such as communities, sensitive populations, ecosystems, and environmental resources, that may be exposed to and affected by the emissions.

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%), 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%. Prior to the divestment of Cerro Matoso on 1 December 2025, South32's ownership was 99.9%. Unless otherwise stated: all metrics reflect South32's share.

Stockpile
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. 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.

Sustainability-related risks and opportunities

Risks and opportunities arising from South32's dependencies on, and impacts on, the economy, environment and people across its value chain that could reasonably be expected to affect South32's prospects.

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 structured around four pillars: governance, strategy, risk management, and metrics and targets. The TCFD was disbanded in October 2023 and its recommendations have been incorporated and built upon in AASB S2 Climate-related Disclosures.

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.

Total demand

Combined demand for both primary materials and recycled (secondary) content.

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 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

The CA100+ Net Zero Standard for Diversified Mining categorises transition materials into Key Transition Materials (KTMs) and Other Transition Materials (OTMs). Examples of KTMs include lithium, copper, nickel and cobalt, while examples of OTMs include aluminium, alumina and bauxite, silver, zinc, manganese and lead (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/(loss) after tax and earnings adjustment items from continuing and discontinued operations. Earnings adjustments represent items that do not reflect our underlying operations. In order to calculate Underlying earnings, 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. 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 Underlying earnings net of amounts attributable to non-controlling interests.

Glossary of terms and abbreviations continued

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; and Joint venture adjustments. 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 EBIT. 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. Underlying EBITDA per operation excludes third-party products and services EBITDA. Underlying depreciation and amortisation is adjusted for joint venture adjustments as applicable each period, irrespective of materiality. 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 EBITDA. 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/benefit divided by Underlying profit/loss subject to tax.

Underlying revenue
Underlying revenue includes revenue from third-party products and services.

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.

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

kdmt
thousand dry metric tonne

km
kilometre

koz
thousand ounces

kt
kilotonnes (metric)

kwmt
thousand wet metric tonnes

lb
pound

ML
megalitre

m
metre

Mt
million metric tonnes

$MtCO_2$-e
million metric tonnes of carbon dioxide equivalent

Mtpa
Million metric tonnes per annum

Mwmt
million wet metric tonnes

MW
megawatt

oz
ounce

t
Metric tonne

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

Mn
manganese

Mo
molybdenum

Ni
nickel

OC
open-cut/open-pit/opencast

Pb
lead

$R.SiO_2$
reactive silica

UG
underground working

Zn
zinc

Corporate directory

Group Headquarters
Level 2, 100 St Georges Terrace
Perth WA 6000
Australia

Telephone: +61 8 9324 9000
Email: Company.Secretary@south32.net

South Africa Office
39 Melrose Boulevard
Melrose Arch
Melrose, Johannesburg 2076
South Africa

Telephone: +27 11 376 2000

Singapore Marketing Office
16 Collyer Quay
#18-00, Collyer Quay Centre
Singapore 049318
Singapore

Telephone: +65 6679 2600

London Marketing Office
Nova North
11 Bressenden Place
London SW1E 5BY
United Kingdom

Telephone: +44 20 7798 1700

North America Office
Suite 1780, 1066 West Hastings Street
Vancouver V6E 3X1
British Columbia
Canada

Telephone: +1 604 915 5680

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 254. Information about the American Depositary Receipts Depositary, Transfer Agent and Registrar can also be found on page 254.

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.

Information about this report

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 57 to 116 (with the balance sitting in the Climate Change Action Plan 2025).

The disclosures in this report, the Climate-related Reporting Methodology 2026 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 and expectations regarding the achievement of the Group's operational emissions reduction target and other climate and sustainability goals. 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 and external factors 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 cannot predict whether forward-looking statements, or the assumptions on which they are based, will eventuate. 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.

Information prepared by third parties

Certain information contained in this report is based on information prepared by third parties. While South32 considers the relevance and appropriateness of such information, some third-party information has not been subject to independent verification.

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%	
South Africa Manganese	44.0%	
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.

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SOUTH32

www.south32.net

SUSTAINABILITY STANDARDS AND FRAMEWORKS INDEX 2026

BRIGHTER
FUTURES
TOGETHER

About this index

Our 2026 Annual Reporting Suite

This Sustainability Standards and Frameworks Index supplements the 2026 Annual Reporting Suite. Together with the Tax Transparency and Payments to Governments report, the following documents form part of our 2026 Annual Reporting Suite and are published separately:

Annual Report

Modern Slavery Statement

Climate-related Reporting Methodology

Other documents supplementing our Annual Reporting Suite include the:

- Sustainability Databook
- Tax Databook

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

About this document

This Index identifies the location of our sustainability-related disclosures across our 2026 Annual Reporting Suite and website at www.south32.net. It also demonstrates alignment with applicable reporting standards, frameworks and regulatory requirements, and provides information on certifications held by our operations and our assessment against selected ESG ratings and indices.

Contents

ESG performance and sustainability certifications

ESG PERFORMANCE AND SUSTAINABILITY CERTIFICATIONS

ESG ratings and indices

The table below outlines the primary ESG ratings and indices we regularly engage with or monitor and is not intended to be exhaustive. Unless otherwise indicated, ratings are current as at 30 June 2026.

Provider	Rating scale (best to worst score)	FY26	FY25	FY24	Participation status and supporting commentary
ESG rating providers					
Sustainalytics ESG Risk Rating	Negligible (0) to Severe (50+)	**Medium - 21.55**	Medium - 22.1	Medium - 23.5	Annual participation in rating review processes and regular monitoring.
MSCI ESG Rating	AAA to CCC	**AA**	A	A	
ISS - Corporate Rating	A+ to D-	**B-**	B-	C+	
ISS Quality Score - Environment	1 to 10	**2**	2	-	
ISS Quality Score - Social	1 to 10	**1**	1	-	
ISS Quality Score - Governance	1 to 10	**4**	1	-	
CDP	South32 has not participated in CDP questionnaires for several years. Our disclosures (aligned with AASB, GRI and TCFD) provide comprehensive coverage of climate, biodiversity and water-related matters.				
Sustainability indices					
FTSE4Good Index	5 to 0	**3.9**	3.8	3.8	Annual rating monitoring only.
S&P Global Corporate Sustainability Assessment (CSA)	100 to 0	**49**	48	41	

Sustainability certifications

The table below details sustainbility-related certifications attained by our operations and select non-operated joint ventures.

Issuing body		Certification	Level	Issue Date	Expiry	Certification reference
Aluminium Stewardship Initiative (ASI)	Worsley Alumina	Performance Standard (v3 2022)	Full	Sep 2024	Sep 2027	Certificate #383
		Chain of Custody (v2 2022)	Full	Nov 2024	Nov 2027	Certificate #409
	Mineração Rio do Norte	Performance Standard (v3 2022)	Full	Mar 2024	Mar 2027	Certificate #175
		Chain of Custody (v2 2022)	Full	Mar 2024	Mar 2027	Certificate #256
	Alumar refinery (Brazil Alumina)	Performance Standard (v2 2017)	Provisional	Sep 2025	Sep 2026	Certificate #30
		Chain of Custody (v2 2022)	Full	Jul 2024	Jul 2027	Certificate #72
International Organisation for Standardization (ISO)	Hillside Aluminium	ISO 9001 - Quality Management System	Full	Jun 2024	Jul 2027	Registration #LS 2564
		ISO 45001 - Occupational Health and Safety Management Systems	Full	Sep 2023	Sep 2026	Registration #OHS 180401
		ISO 14001 - Environmental Management Systems	Full	Aug 2024	Jul 2027	Registration #EM 140069
	Worsley Alumina	ISO 9001 - Quality Management System	Full	Oct 2023	Oct 2026	Certificate #AU99/1252
London Metals Exchange (LME) Responsible Sourcing	Hillside Aluminium	LME - Approved Brand	Listed: Hillside Aluminium			Approved brands | London Metal Exchange - see Hillside Aluminium

Standards and frameworks alignment

STANDARDS AND FRAMEWORKS ALIGNMENT

United Nations Sustainable Development Goals (UN SDGs)

We focus on the UN SDGs where we can have the most meaningful impact through our activities.

UN SDG	Annual Report 2026 (or other) reference location:
3 - Good Health and Wellbeing *Ensure healthy lives and promote well-being for all at all ages.*	– Safety and health (page 61) – Community relationships (page 65)
4 - Quality Education *Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.*	– Community relationships (page 65) – Sustainability Databook 2026 (Social investment; Attracting and retaining talent tabs)
5 - Gender Equality *Achieve gender equality and empower all women and girls.*	– People and culture (page 63) – Sustainability Databook 2026 (Workforce and diversity tab) – Code of Business Conduct and Speak Up Policy
6 - Clean Water and Sanitation *Ensure availability and sustainable management of water and sanitation for all.*	– Water (page 73) – Community relationships (page 65) – Sustainability Databook 2026 (Water tab)
7 - Affordable and Clean Energy *Ensure access to affordable, reliable, sustainable and modern energy for all.*	– Addressing climate change (page 77) – Sustainability Databook 2026 (Energy tab)
8 - Decent work and economic growth *Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.*	– People and culture (page 63) – Delivering value to society (page 65) – Human rights (page 68)
9 - Industry, innovation and infrastructure *Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.*	– Delivering value to society (page 65) – Managing our environmental impact (page 71) – Addressing climate change (page 77) – Sustainability Databook 2026 (Social investment; Our economic contributions tabs)
10 - Reduced Inequalities *Reduce inequality within and among countries.*	– People and culture (page 63) – Delivering value to society (page 65) – Code of Business Conduct and Speak Up Policy
11 - Sustainable Cities and Communities *Make cities and human settlements inclusive, safe, resilient and sustainable.*	– Delivering value to society (page 65) – Managing our environmental impact (page 71)
12 - Responsible consumption and production *Ensure sustainable consumption and production patterns.*	– Our Approach to Value Chain Management – Sustainability Databook 2026 (Modern slavery; Human rights tabs) – Modern Slavery Statement 2026
13 - Climate Action *Take urgent action to combat climate change and its impacts.*	– Managing our environmental impact (page 71) – Addressing climate change (page 77)
15 - Life on Land *Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.*	– Community relationships (page 65) – Nature (page 71) – Biodiversity (page 72)
16 - Peace, justice and strong institutions *Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.*	– Human rights (page 68) – Modern Slavery Statement 2026
17 - Partnerships for the Goals *Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development.*	– Community relationships (page 65)

ICMM Mining Principles and Performance Expectations (ICMM PEs)

We have been a member of the ICMM since 2015. The ICMM Mining Principles and Performance Expectations (PEs) establish environmental, social and governance requirements at both the corporate and operational levels. In accordance with ICMM requirements, our corporate function and operations completed self-assessments in 2022. These assessments are reviewed at least every three years and are subject to third-party validation (TPV) on a risk-based schedule.

In FY26, we undertook a targeted review of our 2022 self-assessments to confirm whether existing ratings remained appropriate or had improved. The results are summarised below.

ICMM PE conformance by operation (summary)

Operation	Meets	Partially Meets	Does not Meet	Not Applicable	Overall conformance[1]	Last detailed assessment	Validation completed
Australia Manganese	70%	10%	—%	20%	**88%**	FY23	TPV in FY23
Cannington	78%	3%	—%	20%	**97%**	FY24	TPV in FY25
Worsley Alumina	78%	3%	—%	20%	**97%**	FY23	TPV in FY23
Hillside Aluminium	75%	3%	—%	23%	**97%**	FY24	TPV in FY25
South Africa Manganese	75%	5%	—%	20%	**94%**	FY25	TPV in FY25
Corporate	75%	—%	—%	25%	**100%**	FY25	Internal validation in FY25

ICMM PE conformance by operation (detailed)

Meets Partially Meets Does not meet Not applicable

ICMM Principle	Australia Manganese	Cannington	Hillside Aluminium	South Africa Manganese	Worsley Alumina	Corporate
Principle 1: Ethical Business						
Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development.						
1.1 Establish systems to maintain compliance with applicable law.	Partially Meets	Meets	Meets	Meets	Meets	Meets
1.2 Implement policies and practices to prevent bribery and corruption, and to publicly disclose facilitation payments.	Meets	Meets	Meets	Meets	Meets	Meets
1.3 Implement policies and standards consistent with the ICMM policy framework.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Meets
1.4 Assign accountability for sustainability performance at the Board and/or Executive Committee level.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Meets
1.5 Disclose the value and beneficiaries of financial and in-kind political contributions whether directly or through an intermediary.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Meets
Principle 2: Decision Making						
Integrate sustainable development in corporate strategy and decision-making processes.						
2.1 Integrate sustainable development principles into corporate strategy and decision-making processes relating to investments in the design, operation and closure of facilities.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Meets
2.2 Support the adoption of responsible physical and psychological health and safety, environmental, human rights and labour policies and practices by joint venture partners, suppliers and contractors, based on risk.	Meets	Meets	Meets	Meets	Meets	Meets
Principle 3: Human Rights						
Respect human rights and the interests, cultures, customs and values of employees and communities affected by our activities.						
3.1 Support the UN Guiding Principles on Business and Human Rights by developing a policy commitment to respect human rights, undertaking human rights due diligence and providing for or cooperating in processes to enable the remediation of adverse human rights impacts that members have caused or contributed to.	Meets	Meets	Meets	Meets	Meets	Meets
3.2 Avoid the involuntary physical or economic displacement of families and communities. Where this is not possible apply the mitigation hierarchy and implement actions or remedies that address residual adverse effects to restore or improve livelihoods and standards of living of displaced people.	Meets	Meets	Meets	Meets	Meets	Not applicable
3.3 Implement, based on risk, a human rights and security approach consistent with the Voluntary Principles on Security and Human Rights.	Meets	Meets	Meets	Meets	Meets	Not applicable
3.4 Respect the rights of workers by: not employing child or forced labour; avoiding human trafficking; not assigning hazardous/ dangerous work to those under 18; eliminating all forms of harassment and discrimination; respecting freedom of association and collective bargaining; and providing an appropriate mechanism to address workers grievances.	Meets	Meets	Meets	Meets	Meets	Meets

[1] Overall conformance considers the total number of PEs that are rated 'Meets' against the PEs applicable to the operation only.

Standards and frameworks alignment continued

ICMM Principle	Australia Manganese	Cannington	Hillside Aluminium	South Africa Manganese	Worsley Alumina	Corporate
3.5 Equitably remunerate employees with wages that equal or exceed legal requirements or represent a competitive wage within that job market (whichever is higher) and assign regular and overtime working hours within legally required limits.	🟢	🟢	🟢	🟢	🟢	🟢
3.6 Respect the rights, interests, aspirations, culture and natural resource-based livelihoods of Indigenous Peoples in project design, development and operation; apply the mitigation hierarchy to address adverse impacts; and deliver sustainable benefits for Indigenous Peoples.	🟢	🟢	🟢	🟢	🟢	⊗
3.7 Work to obtain the free, prior and informed consent of Indigenous Peoples where significant adverse impacts are likely to occur, as a result of relocation, disturbance of lands and territories or of critical cultural heritage, and capture the outcomes of engagement and consent processes in agreements.	🟢	🟢	🟢	🟢	🟢	⊗
3.8 Implement policies and practices to respect the rights and interests of women that reflect gender-informed approaches to work practices and job design, and that protect against all forms of discrimination and harassment, and behaviours that adversely impact on women's successful participation in the workplace.	🟢	🟢	🟢	🟢	🟢	🟢
3.9 Implement policies and practices to respect the rights and interests of all workers and improve workforce representation in the workplace so it is more inclusive.	🟢	🟢	🟢	🟢	🟢	🟢
Principle 4: Risk Management						
Implement effective risk-management strategies and systems based on sound science, and which account for stakeholder perceptions of risk.						
4.1 Assess environmental and social risks and opportunities of new projects and of significant changes to existing operations in consultation with interested and affected stakeholders, and publicly disclose assessment results.	🟢	🟢	🟢	🟢	🟢	🟢
4.2 Undertake risk-based due diligence on conflict and human rights that aligns with the OECD Due Diligence Guidance on Conflict Affected and High Risk Areas, when operating in, or sourcing from, a conflict-affected or high-risk area.	🟢	🟢	🟢	🟢	🟢	🟢
4.3 Implement risk-based controls to avoid/prevent, minimise, mitigate and/or remedy physical and psychological health, safety and environmental impacts to workers, local communities, cultural heritage and the natural environment, based upon a recognised international standard or management system.	🟢	🟢	🟢	🟢	🟢	⊗
4.4 Develop, maintain and test emergency response plans. Where risks to external stakeholders are significant, this should be in collaboration with potentially affected stakeholders and consistent with established industry good practice.	🟢	🟢	🟢	🟢	🟢	⊗
Principle 5: Health and Safety						
Pursue continual improvement in health and safety performance with the ultimate goal of zero harm.						
5.1 Implement practices aimed at continually improving workplace physical and psychological health and safety, and monitor performance for the elimination of workplace fatalities, serious injuries, psychosocial hazards and prevention of occupational diseases, based upon a recognised international standard or management system.	🟢	🟢	🟢	🟢	🟢	🟢
5.2 Provide workers with training in accordance with their responsibilities for physical and psychological health and safety and implement health surveillance and risk-based monitoring programmes based on occupational exposures.	🟢	🟢	🟢	🟢	🟢	🟢
5.3 Safeguard the health of workers against exposure to diesel particulate matter (DPM) emissions in all underground mining operations by implementing a comprehensive DPM management programme.	⊗	🟢	⊗	🟡	⊗	⊗
Principle 6: Environmental Performance						
Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change.						
6.1 Plan and design for closure in consultation with relevant authorities and stakeholders, implement measures to address closure-related environmental and social aspects, and make financial provision to enable agreed closure and post-closure commitments to be realised.	🟢	🟢	🟢	🟢	🟢	🟢
6.2 Implement water stewardship practices that provide for strong and transparent water governance, effective and efficient management of water at operations, and collaboration with stakeholders at a catchment level to achieve responsible and sustainable water use.	🟢	🟢	🟢	🟢	🟢	🟢
6.3 Design, construct, operate, monitor and decommission tailings disposal/storage facilities using comprehensive, risk-based management and governance practices in line with internationally recognised good practice, to minimise the risk of catastrophic failure.	🟢	🟢	⊗	🟢	🟢	🟢
6.4 Apply the mitigation hierarchy to prevent pollution, manage releases and waste, and address potential impacts on human health and the environment.	🟢	🟢	🟢	🟢	🟢	⊗

ICMM Principle	Australia Manganese	Cannington	Hillside Aluminium	South Africa Manganese	Worsley Alumina	Corporate
6.5 Implement measures to improve energy efficiency and contribute to a low-carbon future, and report the outcomes based on internationally recognised protocols for measuring CO2 equivalent (GHG) emissions.	🟢	🟢	🟢	🟢	🟢	🟢
Principle 7: Conservation of Biodiversity						
Contribute to the conservation of biodiversity and integrated approaches to land-use planning.						
7.1 Neither explore nor develop new mines in World Heritage sites, respect legally designated protected areas, and design and operate any new operations or changes to existing operations to be compatible with the value for which such areas were designated.	🟢	🟢	🟢	🟢	🟢	🟢
7.2 Assess and address risks and impacts to biodiversity and ecosystem services by implementing the mitigation hierarchy, with the ambition of achieving no-net-loss of biodiversity.	🟢	🟢	🟢	🟢	🟢	🟢
Principle 8: Responsible Production						
Facilitate and support the knowledge-base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals.						
8.1 In project design, operation and de-commissioning, implement cost-effective measures for the recovery, re-use or recycling of energy, natural resources, and materials.	🟠	🟠	🟢	🟠	🟠	🟢
8.2 Assess the hazards of the products of mining according to UN Globally Harmonized System of Hazard Classification and Labelling or equivalent relevant regulatory systems and communicate through safety data sheets and labelling as appropriate.	🟠	🟢	🟢	🟢	🟢	🟢
Principle 9: Social Performance						
Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities.						
9.1 Implement inclusive approaches with local communities to identify their development priorities and support activities that contribute to their lasting social and economic wellbeing, in partnership with government, civil society and development agencies, as appropriate.	🟢	🟢	🟢	🟢	🟢	🟢
9.2 Enable access by local enterprises to procurement and contracting opportunities across the project life cycle, both directly and by encouraging larger contractors and suppliers, and also by supporting initiatives to enhance economic opportunities for local communities.	🟢	🟢	🟢	🟢	🟢	🟢
9.3 Conduct stakeholder engagement based upon an analysis of the local context and provide local stakeholders with access to appropriate and effective mechanisms for seeking resolution of grievances related to the company and its activities.	🟢	🟢	🟢	🟢	🟢	⊗
9.4 Collaborate with government, where appropriate, to support improvements in environmental and social practices of local Artisanal and Small-scale Mining.	⊗	⊗	⊗	⊗	⊗	⊗
Principle 10: Stakeholder Engagement						
Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner, effectively report and independently verify progress and performance.						
10.1 Identify and engage with key corporate-level external stakeholders on sustainable development issues in an open and transparent manner.	⊗	⊗	⊗	⊗	⊗	🟢
10.2 Publicly support the implementation of the Extractive Industries Transparency Initiative (EITI) and compile information on all material payments, at the appropriate levels of government, by country and by project.	🟢	🟢	🟢	🟢	🟢	🟢
10.3 Report annually on economic, social and environmental performance at the corporate level using the GRI Sustainability Reporting Standards.	⊗	⊗	⊗	⊗	⊗	🟢
10.4 Each year, conduct independent assurance of sustainability performance following the ICMM guidance on assuring and verifying membership requirements.	⊗	⊗	⊗	⊗	⊗	🟢

Standards and frameworks alignment continued

Global Reporting Index (GRI) index

We report information cited in this index for the reporting period 1 July 2025 to 30 June 2026 in accordance with the GRI Standards.

GRI 2: General Disclosures 2021

Disclosure title	Annual Report 2026 (or other) reference location:	Omissions
2-1 Organisational details	– About this report (inside front cover) – Shareholder Information (page 252) – Where we operate and what we produce (page 8)	
2-2 Entities included in the organisation's sustainability reporting	– Note 2 to the financial statements (Basis of preparation) from page – Sustainability Databook 2026 (Reporting boundaries tab)	
2-3 Reporting period, frequency and contact point	The reporting period is 1 July 2025 to 30 June 2026, with financial and sustainability reporting periods aligned. Publication dates are announced via our exchange releases. Queries relating to our Annual Reporting Suite can be directed to South32ESG@South32.net.	
2-4 Restatements of information	Where relevant, restatements are disclosed in footnotes across the Annual Reporting Suite.	
2-5 External assurance	– Independent Assurance Report to the Directors of South32 Limited (page 113).	
2-6 Activities, value chain and other business relationships	– Our purpose-led approach (page 2) – Where we operate and what we produce (page 8) – Our business model (page 10) – Our stakeholders (page 12) – Financial and operational performance summary (page 21) – Modern Slavery Statement 2026 – Sustainability Databook 2026 (Reporting boundaries tab) – Industry Associations and Memberships	
2-7 Employees	– Sustainability Databook 2026 (Workforce and diversity tab)	
2-8 Workers who are not employees	– Sustainability Databook 2026 (Safety and health tab)	
2-9 Governance structure and composition	– Sustainability governance (page 60) – Corporate Governance Statement (page 117) – Sustainability Committee Terms of Reference	
2-10 Nomination and selection of the highest governance body 2-11 Chair of the highest governance body	– Corporate Governance Statement (page 117) – Board Charter	
2-12 Role of the highest governance body in overseeing the management of impacts 2-13 Delegation of responsibility for managing impacts 2-14 Role of the highest governance body in sustainability reporting	– Sustainability governance (page 60) – Corporate Governance Statement (page 117) – Board Charter and Committees Terms of Reference	
2-15 Conflicts of interest	– Corporate Governance Statement (page 117) – Our Board members (page 122) – Financial Report - Note 28. Related party transactions (page 225) – Board Charter and Code of Business Conduct (and Speak Up Policy)	
2-16 Communication of critical concerns	– People and culture (page 63) – Ethics and business integrity (page 69) – Corporate ethical standards (page 140)	**Confidentiality constraints:** Total number and nature of material business conduct cases reported to our highest governance body.
2-17 Collective knowledge of the highest governance body 2-18 Evaluation of the performance of the highest governance body	– Corporate Governance Statement (page 117)	
2-19 Remuneration policies 2-20 Process to determine remuneration	– Remuneration report (page 150) – 2025 Annual General Meeting 23 October 2025 results of meeting	
2-21 Annual total compensation ratio	– Remuneration report (page 150) – Sustainability Databook 2026 (Workforce and diversity tab)	
2-22 Statement on sustainable development strategy	– From the Chair (page 6) – From the CEO (page 7)	

Disclosure title	Annual Report 2026 (or other) reference location:	Omissions
2-23 Policy commitments 2-24 Embedding policy commitments	Details of our policy commitments and the governance, due diligence and management processes that support their implementation are provided throughout our Annual Report 2026 and supporting documents available on our website.	
2-25 Processes to remediate negative impacts 2-26 Mechanisms for seeking advice and raising concerns	– Ethics and business integrity (page 69) – Corporate Governance Statement (page 117) – Code of Business Conduct and Speak Up Policy – 'Our Approach' documents	
2-27 Compliance with laws and regulations	– Sustainability Databook 2026 (Ethics and business integrity tab) – Directors' Report (page 146)	
2-28 Membership associations	– Our sustainability approach (page 58) – Industry Associations and Memberships	
2-29 Approach to stakeholder engagement	– Our stakeholders (page 12)	
2-30 Collective bargaining agreements	– Sustainability Databook 2026 (Attracting, developing and retaining talent tab)	

GRI 2: Material Topics 2021

Disclosure title	Annual Report 2026 (or other) reference location:
3-1 Process to determine material topics	– Material sustainability topics (page 59)
3-2 List of material topics	– Our sustainability approach (page 58) – Material sustainability topics (page 59) – Sustainability Databook 2026 - Disclosure references tab
3-3 Management of material topics	– Sustainability (from page 57) – 'Our Approach' documents available at www.south32.net

GRI 14: Mining Sector 2024

Disclosure	GRI 14 reference	Annual Report 2026 (or other) reference location:	Omissions
Safety and Health			
3-3 Management of material topics	14.16.1	– Our sustainability approach (page 58) – Safety and health (page 61) – Risk management (page 51) – Sustainability Databook 2026 (Safety and health tab) – Our Code of Business Conduct (and Speak Up Policy)	
GRI 403: Occupational Health and Safety 2018			
403-1 Occupational health and safety management system	14.16.2	– Safety and health (page 61) – Sustainability Databook 2026 (Safety and health tab) – Health and Safety webpage – Our Code of Business Conduct (and Speak Up Policy) – Supplier Minimum Requirements Our internal health and safety standards apply to all South32 employees, contractors and visitors, across our operations, functions, projects and exploration activities where we have operational control.	
403-2 Hazard identification, risk assessment, and incident investigation	14.6.3		
403-3 Occupational health services	14.6.4		
403-4 Worker participation, consultation and communication on occupational health and safety	14.6.5		
403-5 Worker training on occupational health and safety	14.6.6		
403-6 Promotion of worker health	14.6.7		
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	14.6.7		
403-8 Workers covered by an occupational health and safety management system	14.6.9		
403-9 Work-related injuries	14.6.10		
403-10 Work-related ill health	14.6.11		
GRI 14 - Additional sector disclosures: Emergency preparedness and response plans	14.15.4	– Sustainability Databook 2026 (Safety and health tab)	

Standards and frameworks alignment continued

Disclosure	GRI 14 reference	Annual Report 2026 (or other) reference location:	Omissions
People and culture			
3-3 Management of material topics	14.17.1	– People and culture (page 63) – Risk management (page 55) – Our Code of Business Conduct (and Speak Up Policy) – Our Approach to People and Culture	
GRI 202: Market Presence 2016			
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	14.17.2	– Sustainability Databook 2026 (Workforce and diversity tab) – Our Code of Business Conduct (and Speak Up Policy)	
202-2 Proportion of senior management hired from the local community	14.21.2	– Inclusion and Diversity Policy – Sustainability Databook 2026 (Workforce and diversity tab) Where practicable, we employ local people in the areas in which we operate. We aim to maintain a workforce that is reflective of the communities in which we operate. We have local employment commitments that form part of our People and Culture performance Measures. Our strategic	**Information unavailable / incomplete:** All metrics omitted
GRI 401: Employment 2016			
401-1 New employee hires and employee turnover	14.17.3	– Sustainability Databook 2026 (Attracting, developing and retaining talent tab)	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	14.17.4		
401-3 Parental leave	14.17.5		
GRI 402: Labour Management Relations 2016			
402-1 Minimum notice periods regarding operational changes	14.17.6	Our approach to communicating significant operational changes, including closures, is tailored to the timing, scale and nature of the change. This typically includes leadership briefings, formal announcements, consultation and consideration of employee feedback. We provide support such as employee assistance programs, career coaching, CV and LinkedIn support, networking and interview preparation. We comply with applicable legal requirements and aim to engage impacted employees as early as practicable.	
GRI 404: Training and Education 2016			
404-1 Average hours of training per year per employee	14.17.7	– Sustainability Databook 2026 (Attracting, developing and retaining talent tab)	
404-2 Programs for upgrading employee skills and transition assistance programs	14.17.8	– Our Approach to People and Culture – People and Culture webpage	
404-3 Percentage of employees receiving regular performance and career development reviews		– Sustainability Databook 2026 (Attracting, developing and retaining talent tab)	
GRI 405: Diversity and Equal Opportunity 2016			
405-1 Diversity of governance bodies and employees	14.21.5	– Sustainability Databook 2026 (Workforce and diversity tab)	
405-2 Ratio of basic salary and remuneration of women to men	14.21.6	– Sustainability Databook 2026 (Workforce and diversity tab)	
GRI 406: Non-discrimination 2016			
406-1 Incidents of discrimination and corrective actions taken	14.21.7		**Confidentiality constraints:** All metrics omitted.
Economic contributions			
3-3 Management of material topics	14.9.1	– Community relationships (page 65) – Risk management (page 55) – Our Code of Business Conduct (and Speak Up Policy) – Our Approach to Partnering with Communities – Tax Transparency and Payments to Governments Report 2026	

Disclosure	GRI 14 reference	Annual Report 2026 (or other) reference location:	Omissions
GRI 201: Economic Performance 2016			
201-1 Direct economic value	14.9.2	– Financial report (from page 173) – Sustainability Databook 2026 (Our economic contributions tab)	
201-4 Financial assistance received from government	14.23.3	– Tax Transparency and Payments to Governments Report 2026	
GRI 203: Indirect Economic Impacts 2016			
203-1 Infrastructure investments and services supported	14.9.3	– Community relationships (page 65) – Sustainability case studies webpage	
203-2 Significant indirect economic impacts	14.9.4	– Sustainability Databook 2026 (Our economic contributions tab)	
GRI 207: Tax 2019			
207-1 Approach to tax	14.23.4	– Tax Transparency and Payments to Governments Report 2026	
207-2 Tax governance, control, and risk management	14.23.5		
207-3 Stakeholder engagement and management of concerns related to tax	14.23.6		
207-4 Country-by-country reporting	14.23.7		
Community relationships			
3-3 Management of material topics	14.11.1	– Community relationships (page 65) – Risk management (page 55) – Our Code of Business Conduct (and Speak Up Policy) – Our Approach to Partnering with Communities – Our Approach to Cultural Heritage – Our Approach to Engagement with Indigenous, Traditional and Tribal Peoples	
GRI 411: Rights of Indigenous Peoples 2016			
411-1 Incidents of violations involving rights of indigenous peoples	14.11.2	There were no identified incidents of human rights violations in FY26.	
GRI 413: Local Communities 2016			
413-1 Operations with local community engagement, impact assessments, and development programs	14.10.2	– Community relationships (page 65) – Sustainability Databook 2026 (Community relationships tab)	
413-2 Operations with significant actual and potential negative impacts on local communities	14.10.3		
GRI 14 Additional Sector Disclosures: Local community grievances	14.10.4	– Sustainability Databook 2026 (Community relationships tab)	
Human rights			
3-3 Management of material topics	14.20.1	– Human rights (page 68) – Risk management (page 55) – Our Code of Business Conduct (and Speak Up Policy) – Our Approach to Human Rights	
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	14.20.2	– Human Rights (page 68) – Modern Slavery Statement 2026 – Human Rights webpage – Supplier Minimum Requirements – Our Code of Business Conduct (and Speak Up Policy) – Our Approach to Human Rights	**Confidentiality constraints:** Measures intended to support rights to exercise freedom of association and collective bargaining.
GRI 408: Child Labour 2016			
408-1 Operations and suppliers at significant risk for incidents of child labour	14.18.2	– Human Rights (page 68) – Sustainability Databook 2026 (Human rights tab) – Modern Slavery Statement 2026	

Standards and frameworks alignment continued

Disclosure	GRI 14 reference	Annual Report 2026 (or other) reference location:	Omissions
GRI 409: Forced or Compulsory Labour 2016			
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	14.19.2	– Human Rights (page 68) – Sustainability Databook 2026 (Human rights tab) – Modern Slavery Statement 2026	
GRI 410: Security Practices 2016			
410-1 Security personnel trained in human rights policies or procedures	14.14.2	– Sustainability Databook 2026 (Human rights tab)	
Ethics and business integrity			
3-3 Management of material topics	14.22.1	– Ethics and business integrity (page 69) – Risk management (page 56) – Our Code of Business Conduct (and Speak Up Policy) – Anti-Bribery and Corruption Policy	
GRI 205: Anti-corruption 2016			
205-1 Operations assessed for risks related to corruption	14.22.2	– Ethics and business integrity (page 69) – Anti-Bribery and Corruption Policy	
205-2 Communication and training about anti-corruption policies and procedures	14.22.3	Executive Lead Team and Lead Team members complete Code of Business Conduct and Anti-Bribery and Corruption (ABC) training in line with internal training plans. All new employees complete Code of Business Conduct training, with additional ABC training and refresher training provided to higher-risk employees. The Business Integrity team also delivers targeted ABC awareness sessions. Our Code of Business Conduct is communicated and available to all suppliers. Additional minimum supplier standards are publicly available on our website.	
205-3 Confirmed incidents of corruption and actions taken	14.22.4	– Sustainability Databook 2026 (Ethics and cybersecurity tab) – Directors' Report (page 146)	**Confidentiality constraints:** Confirmed corruption incidents, related employee disciplinary actions, and contract terminations/non-
GRI 206: Anti-competitive Behaviour 2016			
206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices		– Sustainability Databook 2026 (Ethics and cybersecurity tab) – Directors' Report (page 146)	
GRI 415: Public Policy 2016			
415-1 Political contributions	14.24.2	– Directors' Report (page 146)	
Responsible value chain			
3-3 Management of material topics	14.9.1	– Ethics and business integrity (page 69) – Risk management (page 56) – Our Code of Business Conduct (and Speak Up Policy) – Our Approach to Value Chain Management – Supplier Minimum Requirements – Modern Slavery Statement 2026	
GRI 204: Procurement Practices 2016			
204-1 Proportion of spending on local suppliers	14.9.5	– Sustainability Databook 2026 (Economic contribution tab)	
308-1 New suppliers that were screened using environmental criteria 308-2 Negative environmental impacts in the supply chain and actions taken		– Our Code of Business Conduct (and Speak Up Policy) – Supplier Minimum Requirements	**Information unavailable / incomplete:** All metrics omitted.
GRI 414: Supplier Social Assessment 2016			
414-1 New suppliers that were screened using social criteria	14.17.9	– Sustainability Databook 2026 (Modern slavery tab) – Modern Slavery Statement 2026	
414-2 Negative social impacts in the supply chain and actions taken	14.17.10		

Disclosure	GRI 14 reference	Annual Report 2026 (or other) reference location:	Omissions
Closure			
3-3 Management of material topics	14.8.1	– Closure (page 70) – Risk management (page 49) – Our Code of Business Conduct (and Speak Up Policy) – Our Approach to Closure	
GRI 14 Additional sector disclosures: Closure planning status by operation	14.8.4, 14.8.5	– Sustainability Databook 2026 (Closure tab)	
Biodiversity			
3-3 Management of material topics	14.4.1	– Nature (page 71) – Biodiversity (page 72) – Risk management (page 52) – Our Code of Business Conduct (and Speak Up Policy) – Our Approach to Biodiversity – Our Approach to Water	
GRI 101: Biodiversity 2024			
101-1 Policies to halt and reverse biodiversity loss	14.4.2	Nature (page 69) Biodiversity (page 70) Our Approach to Biodiversity We aim to achieve no net loss or a net gain of biodiversity by completion of closure. A No Net Loss plan is currently in place for the Eastern Leases at Australia Manganese. Learn more on page 70.	**Information unavailable / incomplete:** Biodiversity management actions used to evaluate progress, avoid and minimise negative impacts, and maximise positive outcomes.
101-2 Management of biodiversity impacts	14.4.3		
101-4 Identification of biodiversity impacts	14.4.4		
101-5 Locations with biodiversity impacts	14.4.5; 14.0.1	– Sustainability Databook 2026 (Landholdings; Biodiversity tabs)	**Information unavailable / incomplete:** Information on the products and services in our supply chain with the most significant impacts on
101-6 Direct drivers of biodiversity loss	14.4.6	– Nature (page 71) – Biodiversity (page 72) – Our Approach to Biodiversity	
101-7 Changes to the state of biodiversity	14.4.7		**Information unavailable / incomplete:** All metrics omitted.
101-8 Ecosystem services	14.4.8		
Water			
3-3 Management of material topics	14.7.1	– Water (page 73) – Risk management (page 52) – Our Code of Business Conduct (and Speak Up Policy) – Our Approach to Water	
GRI 303: Water and Effluents 2018			
303-1 Interactions with water as a shared resource	14.7.2	– Water (page 73) – Sustainability Databook 2026 (Water tab) – Our Approach to Water	
303-2 Management of water discharge-related impacts	14.7.3	– Water (page 73) – Sustainability Databook 2026 (Water tab) – Our Approach to Water	
303-3 Water withdrawal	14.7.4	– Water (page 73) – Sustainability Databook 2026 (Water tab)	
303-4 Water discharge	14.7.5		
303-5 Water consumption	14.7.6		
Pollution			
3-3 Management of material topics	14.3.1; 14.5.1	– Pollution (page 75) – Risk management (page 52) – Our Code of Business Conduct (and Speak Up Policy)	
GRI 305: Emissions 2016			
305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	14.3.2	– Sustainability Databook 2026 (Pollution and tailings tab)	**Information unavailable / incomplete:** Emissions from Persistent organic pollutants (POP), volatile organic compounds (VOC), hazardous air pollutants (HAP) and particulate matter (PM).

Standards and frameworks alignment continued

Disclosure	GRI 14 reference	Annual Report 2026 (or other) reference location:	Omissions
GRI 306: Waste 2020			
306-1 Waste generation and significant waste-related impacts	14.5.2	– Pollution (page 75) – Sustainability Databook 2026 (Pollution and tailings tab) We have not identified any significant spills in FY26	**Information unavailable / incomplete:** Management of waste managed by a third party.
306-2 Management of significant waste-related impacts	14.5.3		
306-3 Significant spills	-		
306-3 Waste generated	14.5.4		
306-4 Waste diverted from disposal	14.5.5		
306-5 Waste directed to disposal	14.5.6		
Tailings management			
3-3 Management of material topics	14.6.1	– Tailings management (page 76) – Risk management (page 49) – Our Approach to Tailings Management	
GRI 14 Additional sector disclosures: Tailings facilities and disposal methods	14.6.2; 14.6.3	– Tailings management (page 76) – Our Approach to Tailings Management – 2026 Tailings Storage Facilities Directory	
Climate change			
3-3 Management of material topics	14.1.1; 14.2.1	– Climate change (page 77) – Risk management (page 52) – Climate-related Reporting Methodology 2026 – Climate Change Action Plan 2025 – Our Code of Business Conduct (and Speak Up Policy)	
GRI 201: Economic Performance 2016			
201-2 Financial implications and other risks and opportunities from climate change	14.2.2	– Climate change (page 77) – Risk management (page 52) – Climate Change Action Plan 2025	
GRI 302: Energy 2016			
302-1 Energy consumption within the organisation	14.1.2	– Sustainability Databook 2026 (Energy tab)	**Information unavailable / Incomplete:** Heating, cooling and steam consumption/sold, and electricity sold.
302-2 Energy consumption outside of the organisation	14.1.3		**Information unavailable / Incomplete:** All metrics
302-3 Energy intensity	14.1.4	– Sustainability Databook 2026 (Energy tab) – Climate change (page 77)	
302-4 Reduction of energy consumption	-		
302-5 Reductions in energy requirements of products and services	-		**Information unavailable / Incomplete:** All metrics omitted.
GRI 305: Emissions 2016			
305-1 Direct (Scope 1) GHG emissions	14.1.5	– Climate change (page 81) – Sustainability Databook 2026 (GHG emissions tab) – Climate-related Reporting Methodology 2026	
305-2 Energy indirect (Scope 2) GHG emissions	14.1.6		
305-3 Other indirect (Scope 3) GHG emissions	14.1.7	– Climate change (page 85) – Sustainability Databook 2026 (GHG emissions tab) – Climate-related Reporting Methodology 2026	
305-4 GHG emissions intensity	14.1.8	– Sustainability Databook 2026 (GHG emissions tab)	
305-5 Reduction of GHG emissions	14.1.9	– Climate change (page 77) – Sustainability Databook 2026 (GHG emissions tab) – Climate-related Reporting Methodology 2026 – Climate Change Action Plan 2025	

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

This table summarises our alignment with the SASB Metals and Mining Sustainability Accounting Standard (version as at December 2023).

Our material topic	SASB metric	Metric description	Annual Report 2026 (or other) reference location:	Omission
Safety and health	EM-MM-320a.1.	(1) All-incidence rate, (2) fatality rate, (3) near miss frequency rate (NMFR) and (4) average hours of health, safety, and emergency response training for (a) full-time employees and (b) contract employees	– Sustainability Databook 2026 (Safety and health tab)	**Information unavailable / Incomplete:** All incidence rate.
People and culture	EM-MM-310a.1.	Percentage of active workforce covered under collective bargaining agreements.	– Sustainability Databook 2026 (Attracting and retaining talent tab)	
	EM-MM-310a.2.	(1) Number and (2) duration of strikes and lockouts		
	EM-MM-000.B	Total number of employees, percentage contractors	– Sustainability Databook 2026 (Safety and health; Workforce and diversity tabs)	
Community relationships	EM-MM-210a.2	Percentage of (1) proved and (2) probable reserves in or near indigenous land	– Resources and reserves (from page 238) 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.	**Not applicable:** All requirements omitted.
	EM-MM-210b.1.	Discussion of process to manage risks and opportunities associated with community rights and interests	– Community relationships (page 65) – Human rights (page 68) – Our Approach to Human Rights; Indigenous, Traditional and Tribal Peoples Engagement; Partnering with Communities; and Cultural Heritage	
	EM-MM-210b.2.	Number and duration of non-technical delays	– Sustainability Databook 2026 (Community relationships tab)	
Ethics and business integrity	EM-MM-510a.1	Description of the management system for prevention of corruption and bribery throughout the value chain.	– Human rights (page 68) – Ethics and business integrity (page 69) – Code of Business Conduct (and Speak Up Policy) – Supplier Minimum Requirements	
	EM-MM-510a.2.	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	– Sustainability Databook 2026 (Ethics and cybersecurity tab)	
Human rights	EM-MM-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	– Resources and reserves (from page 238) 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.	**Not applicable:** All requirements omitted.
	EM-MM-210a.3.	Discussion of engagement processes and due diligence practices with respect to human rights, Indigenous rights, and operation in areas of conflict	– Community relationships (page 65) – Human rights (page 68) – Our Approach to Human Rights; Indigenous, Traditional and Tribal Peoples Engagement; Partnering with Communities; and Cultural Heritage – Modern Slavery Statement 2026	
Responsible value chain	EM-MM-000.A	Production of (1) metal ores and (2) finished metal products	– Financial and operational performance summary (from page 21)	
Water	EM-MM-140a.1.	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	– Sustainability Databook 2026 (Water tab)	
	EM-MM-140a.2.	Number of incidents of non-compliance associated with water quality permits, standards, and regulations		

Standards and frameworks alignment continued

Our material topic	SASB metric	Metric description	Annual Report 2026 (or other) reference location:	Omission
Biodiversity	EM-MM-160a.1.	Description of environmental management policies and practices for active sites	– Nature (page 71) – Biodiversity (page 72) – Water (page 73) – Air emissions (page 75) – Pollution (page 76) – Our Approach to Biodiversity; Water	
	EM-MM-160a.2	Percentage of mine sites where acid rock drainage is: (1) predicted to occur, (2) actively mitigated, and (3) under treatment or remediation	– Pollution (page 76) – Sustainability Databook 2026 (Pollution and tailings tab)	
	EM-MM-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	– Resources and reserves (from page 238) – Sustainability Databook 2026 (Biodiversity tab)	**Not applicable:** All requirements omitted.
Waste and contamination	EM-MM-150a.4	Total weight of non-mineral waste generated	– Sustainability Databook 2026 (Pollution and tailings tab)	
	EM-MM-150a.5	Total weight of tailings produced		
	EM-MM-150a.6	Total weight of waste rock generated		
	EM-MM-150a.7	Total weight of hazardous waste generated		
	EM-MM-150a.8	Total weight of hazardous waste recycled		
	EM-MM-150a.9	Number of significant incidents associated with hazardous materials and waste management	– Sustainability Databook 2026 (Safety and health tab)	
	EM-MM-150a.10	Description of waste and hazardous materials management policies and procedures for active and inactive operations	– Pollution (page 76) – Sustainability Databook 2026 (Pollution and tailings tab)	
Air emissions	EM-MM-120a.1.	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N2O), (3) SOx, (4) particulate matter (PM10), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	– Sustainability Databook 2026 (Pollution and tailings tab)	**Information unavailable / incomplete:** Reporting of CO, PM10, Pb and VOCs.
Tailings	EM-MM-540a.1	Tailings storage facility inventory table: (1) facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current amount of tailings stored, (8) consequence classification, (9) date of most recent independent technical review, (10) material findings, (11) mitigation measures, (12) site-specific EPRP	– Tailings management (page 76) – Tailings Storage Facilities webpage	
	EM-MM-540a.2	Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailings storage facilities		
	EM-MM-540a.3	Approach to development of Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities		
Addressing climate change	EM-MM-110a.1.	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	– Sustainability Databook 2026 (GHG emissions tab) – Climate-related Reporting Methodology 2026	
	EM-MM-110a.2.	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	– Our climate change action plan at a glance (page 78) – Reducing operational emissions (##) – Targets and metrics (page 104) – Climate-related Reporting Methodology 2026	
	EM-MM-130a.1.	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	– Sustainability Databook 2026 (Energy tab)	

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES INDEX

In accordance with the UK Listing Rules as set by the UK Financial Conduct Authority, we consider our climate-related financial disclosures to be consistent with the four recommendations and 11 recommended disclosures of the Task Force on Climate-related Financial Disclosures (TCFD). Our TCFD disclosures are presented throughout the Annual Report 2026 (primarily within the Sustainability section) and the Climate-related Reporting Methodology 2026, both of which are available on our website *www.south32.net*.

This TCFD index outlines each of the TCFD's recommended disclosures and indicates where they are addressed across these publications.

Supporting recommended disclosures	Annual Report 2026 reference location	Other reports reference location
Governance - The organisation's governance around climate-related risks and opportunities.		
Describe the board's oversight of climate-related risks and opportunities.	– Board composition (page 121) – Board focus areas and key decisions (page 127) – Board skills, knowledge and experience (page 131) – Board and committee meetings (page 134) – Nomination and governance committee (page 136) – Remuneration committee (page 137) – Risk and audit committee (page 138) – Sustainability Committee (page 139) – Board Charter and Committee Terms of Reference – Sustainability governance (page 59) – Climate governance (page 78)	
Describe management's role in assessing and managing climate-related risks and opportunities.	– Risk management: Climate change and environment (page 52) – Sustainability governance (page 59) – Climate governance (page 78) – Climate-related risk management (page 103) – Sustainability Committee (page 139)	
Strategy - The actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.		
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	– Risk management: Climate change and environment (page 52) – Climate-related risks and opportunities (pages 78, 90, 94 - 102) – Climate-related risk management (page 103) – Notes to the Financial Statements: Note 2(c) (page 180 - 183)	
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	– Climate-related risks and opportunities (pages 78, 90, 94 - 102) – Notes to the Financial Statements: Notes 2, 6, 11, 13, 15 (from page 180)	
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	– Strengthening present-day resilience (page 88) – Strengthening future resilience capabilities (page 88) – Climate resilience and scenario analysis (page 90) – Assessing resilience to transition risks (page 91)	
Risk Management- The processes used by the organisation to identify, assess, and manage climate-related risks.		
Describe the organisation's processes for identifying and assessing climate-related risks.	– Climate-related risk management (page 103) – Identifying and assessing risks and opportunities (page 90) – Climate resilience and scenario analysis (page 90) – Climate-related risks and opportunities (pages 78, 90, 94 - 102) – Managing risks to achieve our purpose (page 49) – Risk management: Climate change and environment (page 52) – Notes to the Financial Statements: Note 2(c) (page 180 - 183)	

Standards and frameworks alignment continued

Supporting recommended disclosures	Annual Report 2026 reference location	Other reports reference location
Describe the organisation's processes for managing climate-related risks.	– Risk management: Climate change and environment (page 52) – Climate-related risks and opportunities (pages 78, 90, 94 - 102) – Climate-related risk management (page 103)	
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	– Risk management: Climate change and environment (page 52) – Climate-related risk management (page 103) – Notes to the Financial Statements: Note 2(c) (page 180 - 183)	
Metrics and Targets - The metrics and targets used to assess and manage relevant climate-related risks and opportunities.		
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	– Climate-related risks and opportunities (pages 78, 90, 94 - 102) – Climate-related risk management (page 103) – Remuneration Report: Long-term incentive (page 164) – Climate-related targets (page 104) – Cross-industry metrics (page 106)	– Sustainability Databook 2026: ◦ Addressing climate change tabs: Portfolio, GHG emissions, Emissions Limiting Regulations, Energy – Climate-related Reporting Methodology 2026: ◦ Climate-related metrics and targets (page 5-6)
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	– Reducing operational emissions (page 81) – Supporting emissions reduction across the value chain (page 85) – Climate-related targets (page 104)	– Sustainability Databook 2026: ◦ Addressing climate change tabs: Portfolio, GHG emissions, Emissions Limiting Regulations, Energy – Climate-related Reporting Methodology 2026: ◦ Climate-related metrics and targets (page 5-6)
Describe the targets used by the organisation to manage climate-related risks and opportunities, and performance against targets.	– Climate-related risks and opportunities (pages 78, 90, 94 - 102) – Climate-related risk management (page 103) – Reducing operational emissions (page 81) – Risk management: Climate change and environment (page 52) – Remuneration Report: Long-term incentive (page 164) – Sustainability governance: Remuneration (page 59)	– Climate-related Reporting Methodology 2026: ◦ Climate-related metrics and targets (page 5-6)

Australian Accounting Standards Board (AASB) S2 Climate-related Disclosures

This index identifies where information relevant to the disclosure requirements of AASB S2 Climate-related Disclosures is reported within our 2026 Annual Reporting Suite and supporting publications.

AASB S2 Pillar	Reference / Disclosure title summary	Annual Report 2026 (or other) reference location:
Governance	**6(a)(i)-(v) - Governance Oversight of Climate-Related Risks and Opportunities** – 6(a)(i) - Responsibilities in Governance Terms and Policies – 6(a)(ii) - Skills and Competencies for Climate Oversight – 6(a)(iii) - Frequency and Methods of Informing Oversight Bodies – 6(a)(iv) - Integration of Climate-Related Risks and Opportunities in Strategy and Risk Management – 6(a)(v) - Oversight of Targets and Performance Metrics	– Sustainability governance (pages 59 - 60) – Sustainability governance: Remuneration (page 59) – Climate governance (page 78) – 2026 Board skills matrix as at 30 June 2026: Environment and Climate change (page 133) – Sustainability Committee (page 139) – Board Charter and Committee Terms of Reference
	6(b)(i)-(ii) - Management's Role in Governance of Climate-Related Risks and Opportunities	– Sustainability governance (page 60) – Climate change steering committee (page 60) – Climate governance (page 78) – Climate-related risk management: Monitoring and reporting (page 103) – Sustainability Committee (page 139)
Risk management	**25(a)(i)-(vi) - Climate-Related Risk Processes**	– Climate-related risk management (page 103) – Identifying and assessing risks and opportunities (page 90) – Climate resilience and scenario analysis (page 90)
	25(b) - Climate-Related Opportunity Processes	– Climate-related risk management (page 103) – Identifying and assessing risks and opportunities (page 90)
	25(c) - Integration of Processes into Overall Risk Management Processes	– Climate-related risk management (page 103) – Climate change and environment strategic risk (page 52)
Strategy	**9(a) and 10 - Overview of Climate-Related Risks and Opportunities** – 10(a) - Description of Climate-Related Risks and Opportunities – 10(b) - Classification of Climate-Related Risks – 10(c) - Time Horizons for Climate-Related Risks and Opportunities – 10(d) - Definitions of Time Horizons	– Climate-related risks and opportunities (page 78, 90 - 103)
	9(b) and 13 - Effects of Climate-Related Risks and Opportunities on the Business Model and Value Chain – 13(a) - Current and Anticipated Effects on the Business Model and Value Chain – 13(b) - Concentration of Climate-Related Risks and Opportunities in the Business Model and Value Chain	– Portfolio concentration, Value concentration and Description for each climate-related risk and opportunity (pages 94, 96, 98, 101) – Climate-related risks and opportunities (page 78, 90) – CCAP 2025 progress update (pages 80 - 89) – Our value chain (page 10)
	9(c) and 14 - Effects of Climate-Related Risks and Opportunities on Strategy and Decision-Making – 14(a) - Strategic Responses to Climate-Related Risks and – 14(b) - Resourcing for Climate-Related Activities – 14(c) - Progress on Previously Disclosed Plans	– Description section for each climate-related risk and opportunity (pages 94, 96, 98, 101) – Worsley Alumina: Managing transition risks and opportunities in a hard-to-abate industrial operation (page 100) – CCAP 2025 progress update (pages 80 - 89) – Our Climate change action plan (page 79) – Reducing operational emissions (page 81) – Allocating capital towards Transition Materials (page 80)
	9(d) and15 (a)-(b) - Financial Effects of Climate-Related Risks and Opportunities – 16(a) - Current Financial Effects of Climate-Related Risks and Opportunities – 16(b) - Material Adjustments to Assets and Liabilities – 16(c)(i)-(ii) - Expected Changes to Financial Position – 16(d) - Expected Changes in Financial Performance and Cash Flows – 21(a) - Explanation for Omitted Quantitative Disclosure – 21(b) - Qualitative Disclosure for Omitted Quantitative Disclosure – 21(c) - Combined Quantitative Disclosure for Omitted Quantitative Disclosure	– Climate-related risks and opportunities - Financial effects for each risk and opportunity (pages 94 - 102)

Standards and frameworks alignment continued

AASB S2 Pillar	Reference / Disclosure title summary	Annual Report 2026 (or other) reference location:
Strategy	**9(e) and 22 - Climate Resilience of Strategy and Business Model** – 22(a) - Assessment of Climate Resilience – 22(b) - Execution of Climate-Related Scenario Analysis	– Climate resilience and scenario analysis (page 90) – Assessing resilience to transition risks (page 91) – Climate-related risks and opportunities - Transition risks and opportunities and physical risks (pages 94 - 103) – Climate-related reporting methodology: Physical risk scenarios 2026 (page 15)
Metrics and targets	**28(a) and 29 - Cross-Industry Metric Categories for Disclosure** – 29(a)(i)(1) - Scope 1 Greenhouse Gas Emissions – 29(a)(i)(2) - Scope 2 Greenhouse Gas Emissions – 29(a)(i)(3) - Scope 3 Greenhouse Gas Emissions – 29(a)(iii) - Approach to Measuring Greenhouse Gas Emissions – 29(a)(iv) - Disaggregation of Scope 1 and Scope 2 Emissions – 29(a)(v) - Location-Based Scope 2 Emissions and Contractual Instruments – 29(a)(vi)(1) - Scope 3 Categories and Greenhouse Gas Protocol Alignment – 29(a)(vi)(2) - Additional Disclosure Requirements for Scope 3 Financed Emissions	– Reducing operational emissions (page 81) – Climate-related targets and metrics: Operational emissions (page 105) – Climate-related reporting methodology 2026 (page 3 - 15) – Sustainability Databook 2026: GHG Emissions and Other GHG Emissions tabs
	29(b) - Assets and Activities Vulnerable to Transition Risks **29(c) - Assets and Activities Vulnerable to Physical Risks** **29(d) - Assets and Activities Aligned with Climate Opportunities**	– Targets & metrics: Cross-industry metrics (page 106) – Physical climate vulnerability and adaptation considerations (page 92) – Decarbonisation constraints (Transition risk 1) (page 96) – Emissions-limiting regulations (Transition risk 2) (page 98) – Extreme weather disruption (Physical risk 1) (page 101) – Transition commodity demand growth (Transition opportunity) (page 94)
	29(e) - Capital Deployed Towards Climate-Related Risks and Opportunities	– Allocating capital towards Transition Materials (page 80) – Resourcing climate-related activities (page 87) – Decarbonisation expenditure (page 96) – Transition metal capital expenditure (page 104)
	29(f)(i) - Application of Carbon Pricing in Decision-Making	– Carbon pricing (page 99)
	29(f)(ii) - Carbon Price Used to Assess Emissions Costs	– Key scenario assumptions and inputs (page 91) – Carbon pricing (page 98, 99)
	29(g)(i) - Integration of Climate Considerations in Executive Remuneration **29(g)(ii) - Percentage of Remuneration Linked to Climate Considerations**	– Sustainability governance: Remuneration (page 59) – Remuneration Report (page 150)
	28(c) - Climate-Related Targets	– Climate-related targets (page 104) – Climate-related Reporting Methodology (page 5 - 6)
	33 - Quantitative and Qualitative Climate-Related Targets – 33(a) - Metric Used to Set Targets – 33(b) - Objective of the Target – 33(c) - Target Coverage – 33(d) - Target Period – 33(e) - Base Period for Progress Measurement – 33(f) - Milestones and Interim Targets – 33(g) - Type of Quantitative Target – 33(h) - Alignment with International Climate Agreements	– Climate-related targets (page 104) – Climate-related reporting methodology (page 5 - 6) – Our FY35 operational emissions reduction target (page 82)
	34 - Target Setting and Review Approach – 34(a) - Third-Party Validation of Targets – 34(b) - Processes for Reviewing Targets – 34(c) - Metrics for Monitoring Progress – 34(d) - Revisions to Targets	– Climate-related Reporting Methodology 2026 (page 5 - 6)
	35 - Performance Against Climate-Related Targets	– CCAP 2025 progress update (pages 80 - 89) – Climate-related targets and metrics (pages 104 - 106)

AASB S2 Pillar	Reference / Disclosure title summary	Annual Report 2026 (or other) reference location:
Metrics and targets	**36(a) - Greenhouse Gases Covered by Targets**	– Climate-related Reporting Methodology (page 5 - 6)
	36(b) - Emissions Scopes Covered by Target	– Climate-related targets (page 104) – Climate-related Reporting Methodology (page 5 - 6)
	36(c) - Gross vs. Net Greenhouse Gas Emissions Targets	– Our FY35 operational emissions reduction target (page 82) – Climate-related Reporting Methodology 2026: Climate-related targets (page 5)
	36(d) - Sectoral Decarbonisation Approach for Targets	– Climate-related Reporting Methodology (page 5 - 6)
	36(e) - Planned Use of Carbon Credits for Net Emissions Targets – 36(e)(i) - Reliance on Carbon Credits for Achieving Net Targets – 36(e)(ii) - Verification of Carbon Credits by Third-Party Schemes – 36(e)(iii) - Type of Carbon Credit Used – 36(e)(iv) - Credibility and Integrity of Carbon Credits	– Carbon credits for offsetting emissions (page 82) – Climate-related targets (page 104) – Climate-related Reporting Methodology (page 5 - 6)

Standards and frameworks alignment continued

CA100+ NET ZERO COMPANY BENCHMARK

The table below identifies where disclosures relevant to the sub-indicators and metrics in Version 2.2 of the Climate Action 100+ Net Zero Company Benchmark, published in October 2025, can be found within our 2026 Annual Reporting Suite.

CA100+ Indicator	Annual Report 2026 (or other) reference location:
Indicator 1: Net zero GHG emissions by 2050 (or sooner) ambition	
1.1 The company has set an ambition to achieve net-zero GHG emissions by 2050 or sooner.	– Our climate change action plan at a glance (page 79) – Reducing operational emissions (page 81) – Supporting emissions reduction across the value chain (page 85) – Targets and metrics (page 104) – Climate-related Reporting Methodology 2026 (page 5 - 6)
Indicator 2: Long-term (2036-2050) GHG emissions reduction targets	
2.1 The company has set a long-term target for reducing its GHG emissions in the period between 2036 and 2050. 2.2 The company's long-term (2036 to 2050) GHG reduction target covers at least 95% of its Scope 1 and 2 emissions and the most relevant Scope 3 emissions (where assessed).	– Our climate change action plan at a glance (page 79) – Reducing operational emissions (page 81) – Supporting emissions reduction across the value chain (page 85) – Targets and metrics (page 104) – Climate-related Reporting Methodology 2026 (page 5 - 6)
2.3 The company’s last disclosed carbon intensity OR its short-term or medium-term targeted carbon intensity OR the company’s expected carbon intensity derived from its long-term GHG reduction target is aligned with or below the relevant sector trajectory needed to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C with low or no overshoot in 2050. This is equivalent to IPCC’s Special Report on the 1.5°C pathway P1 or the IEA’s Net Zero Emissions by 2050 Scenario.	– CA100+ NZCB latest assessment – Transition Pathway Initiative's (TPI) latest assessment
Indicator 3: Medium-term (2029-2035) GHG emissions reduction targets	
3.1 The company has set a medium-term (2029-2035) target to reduce its GHG emissions. 3.2 The company's medium-term (2029 to 2035) GHG reduction target covers at least 95% of its Scope 1 and 2 emissions and the most relevant Scope 3 emissions (where assessed).	– Reducing operational emissions (page 81) – Supporting emissions reduction across the value chain (page 85) – Targets and metrics (page 104) – Climate-related Reporting Methodology 2026 (page 5 - 6)
3.3 The company’s last disclosed carbon intensity OR its short-term targeted carbon intensity target OR the company’s expected carbon intensity derived from its medium-term GHG reduction target is aligned with or below the relevant sector trajectory needed to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C with low or no overshoot in 2035. This is equivalent to IPCC’s Special Report on the 1.5° Celsius pathway P1 or the IEA’s Net Zero Emissions by 2050 Scenario.	– CA100+ NZCB latest assessment – Transition Pathway Initiative's (TPI) latest assessment
3.4 The company already states its medium-term GHG reduction target on an absolute basis OR converts its medium-term GHG intensity target into projected absolute GHG emissions reductions.	– Targets and metrics (page 104) – Climate-related Reporting Methodology 2026 (page 5 -6)
Indicator 4: Short-term (2025-2028) GHG emissions reduction targets	
4.1 The company has set a short-term (2025-2028) target to reduce its GHG emissions. 4.2 The company’s short-term (up to 2028) GHG reduction target covers at least 95% of its Scope 1 and 2 emissions and the most relevant Scope 3 emissions (where assessed). 4.3 The company’s last disclosed carbon intensity OR the company’s expected carbon intensity derived from its short-term GHG reduction target is aligned with or below the trajectory for its respective sector to achieve the Paris Agreement goal of limiting global temperature increase to 1.5°C with low or no overshoot in 2028. This is equivalent to IPCC’s Special Report on the 1.5° Celsius pathway P1 or the IEA’s Net Zero Emissions by 2050 Scenario.	– Targets and metrics (page 104) – Climate-related Reporting Methodology 2026 (page 5 - 6)
Indicator 5: Decarbonisation strategy	
5.1 The company has a decarbonisation strategy that explains how it intends to meet its medium- and long-term GHG reduction targets.	– Our climate change action plan at a glance (page 79) – Reducing operational emissions (page 81) – Supporting emissions reduction across the value chain (page 85) – Targets and metrics (page 104)
5.2 The company’s decarbonisation strategy specifies the role of climate solutions (i.e., technologies and products that will enable the economy to decarbonise).	– Positioning our portfolio for the energy transition (page 80) – Allocating capital towards transition metals (page 80) – Pathways to net zero (page 84)

CA100+ Indicator	Annual Report 2026 (or other) reference location:
Indicator 6: Capital allocation	
6.1 The company is working to decarbonise its capital expenditures. 6.2 The company explains how it intends to invest in climate solutions (i.e., technologies and products that will enable the economy to decarbonise).	– Positioning our portfolio for the energy transition (page 80) – Allocating capital towards transition metals (page 80) – Decarbonisation expenditure (page 87, 96) – Climate-related metrics (page 104)
Indicator 7: Climate policy engagement	
7.1 The company commits to conducting its policy engagement activities in accordance with the goals of the Paris Agreement.	– Climate Change Action Plan 2025: Government engagement (page 27-28) – Our Approach to Industry Associations
Indicator 8: Climate Governance	
8.1 The company's Board has clear oversight of climate change.	– Sustainability governance (page 59 - 60) – Board focus areas and key decisions (page 127) – Board skills, knowledge and experience (page 131) – Board and committee meetings (page 134)
8.2 The company's executive remuneration scheme incorporates climate change performance elements.	– Remuneration Report (from page 150)
8.3 The Board has sufficient capabilities/competencies to assess and manage climate-related risks and opportunities.	– Sustainability governance (page 59 - 60) – Climate-related risk management (page 103) – Board skills, knowledge and experience (page 131)
Indicator 9: Just Transition	
9.1 The company has committed to the principles of a Just Transition.	– Climate Change Action Plan 2025: Supporting a just transition (page 25-26) – Our Approach to Human Rights; Indigenous, Traditional and Tribal Peoples Engagement, and Partnering with Communities
9.2 The company has disclosed how it is planning for and monitoring progress towards a Just Transition	– Climate Change Action Plan 2025: Supporting a just transition (page 25-26)
Indicator 10: Climate-related disclosures	
10.1 The company has publicly committed to implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) or the International Sustainability Standards Board's IFRS S2 Climate-related Disclosures.	– Our climate-related disclosures (page 77) – Sustainability (from page 57)
10.2 The company employs climate-scenario planning to test its strategic and operational resilience.	– Climate resilience and scenario analysis (page 90) – Assessing resilience to transition risks (page 91) – Climate-related risks and opportunities - Transition risks and opportunities and physical risks (pages 94 - 103) – Climate-related Reporting Methodology: Physical risk scenarios 2026 (page 15)
Indicator 11: Historical GHG emissions reductions	
11.1 The company's historical emissions intensity is decreasing. 11.2 The company's absolute historical emissions are decreasing. 11.3 The company discloses the factors that have led to changes in its historical emissions trajectory.	– Reducing operational emissions (page 81) – Supporting emissions reduction across the value chain (page 85) – Targets and metrics (page 104) – Sustainability Databook 2026 (GHG emissions tab)

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