

10 December 2024

---

## **FORTESCUE PUBLISHES FY24 MODERN SLAVERY STATEMENT**

Fortescue Ltd (Fortescue, ASX: FMG) advises that it has published the Company's annual Modern Slavery Statement, reaffirming Fortescue's ongoing commitment to respect human rights and address modern slavery.

A testament to Fortescue's commitment to transparency and accountability while managing modern slavery risks, this latest report is the Company's seventh statement and the fifth required under the Australian *Modern Slavery Act 2018*. The statement is also published on behalf of Fortescue Zero Limited (UK) to meet the requirements of the UK *Modern Slavery Act 2015*.

Key actions undertaken during FY24 included:

- Conducted worker welfare assessments at nine facilities of three renewable technology suppliers (solar, wind and batteries) and completed one traceability audit
- Completed forensic traceability pilot testing of cotton source origin for select products in collaboration with three suppliers
- Launched a new global Speak Up service
- Reviewed and updated internal grievance procedures
- Conducted online human rights and modern slavery training and completed two Director Education Sessions.

Fortescue Executive Chairman, Dr Andrew Forrest AO, said "Modern slavery exists in every country. Every day, without realising the hidden human cost, we buy the products or use the services that millions of people have been forced to make or offer. In the capitalistic drive to deliver products cheaper and faster than ever before, it is critical we do not turn a blind eye.

"Protecting human rights should be at the heart of every company's strategy – not an afterthought. Supply chains free of forced labor – where businesses and workers thrive equitably – are essential for delivering open, stable and resilient global supply chains and a healthier global economy.

"At Fortescue, we know we must be vigilant and proactive in looking at our own operations and deep into our supply chain to identify and address modern slavery.

"This statement is not just a compliance document, it reaffirms our dedication to transparency and accountability as we work toward a world where every individual is free from exploitation."

For further information, please refer to the complete Modern Slavery Statement, available on Fortescue's website at [fortescue.com](https://fortescue.com).

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

**Media contact:**

Fortescue Media

E: [media@fortescue.com](mailto:media@fortescue.com)

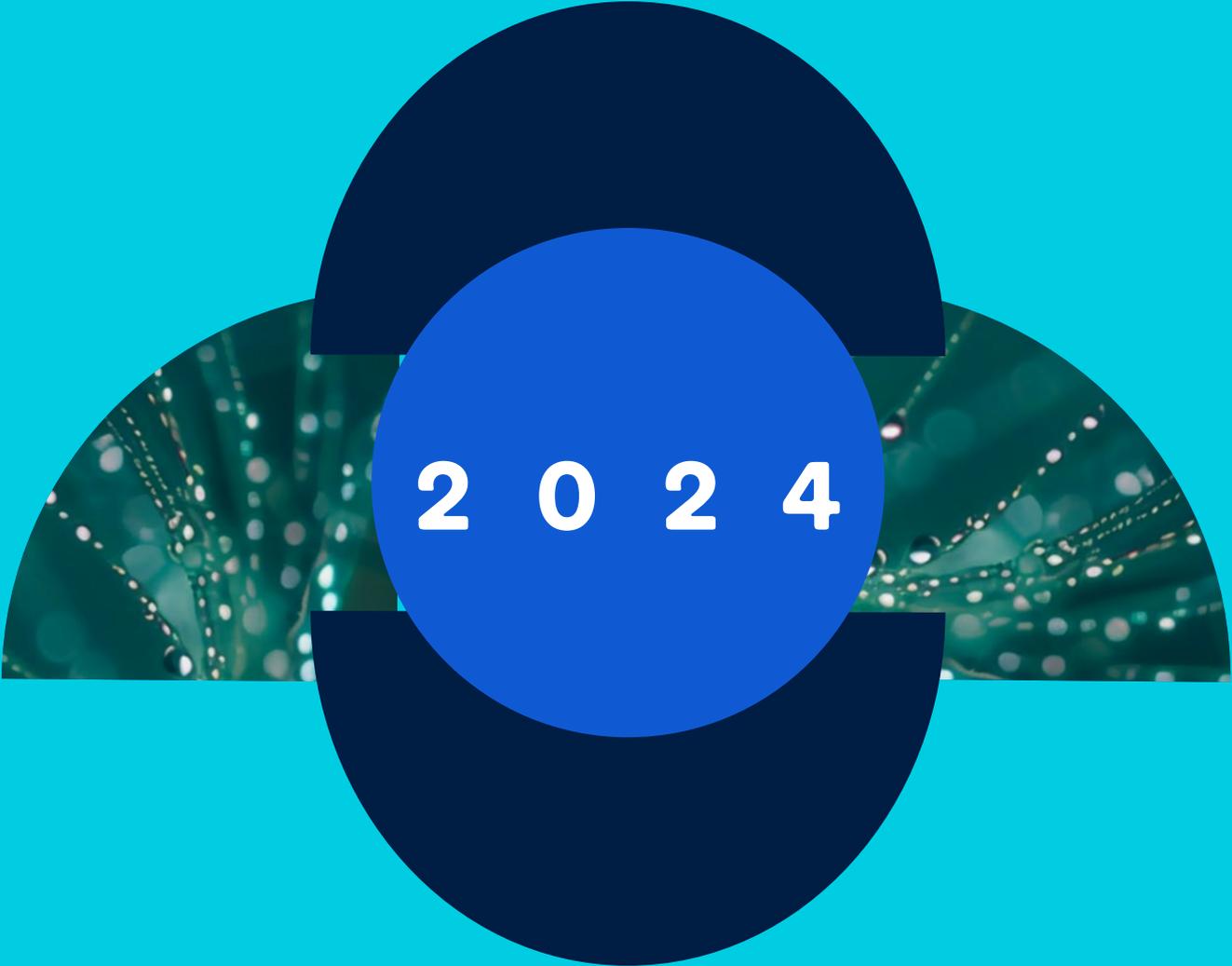
P: 1800 134 442

**Investor Relations contact:**

Grant Moriarty

E: [investors@fortescue.com](mailto:investors@fortescue.com)

P: +61 8 9230 1647

A large graphic in the center of the page. It features a dark blue circle with a white outline, containing a smaller, solid blue circle. Inside the smaller blue circle, the year "2024" is written in white, bold, sans-serif font. The background of the larger circle is a dark green bokeh effect with light streaks.

**2 0 2 4**

# **MODERN SLAVERY STATEMENT**

# WHAT WE DO

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

## OUR VALUES

---

**Family**

---

**Enthusiasm**

---

**Empowerment**

---

**Safety**

---

**Frugality**

---

**Courage and  
Determination**

---

**Stretch Targets**

---

**Generating  
Ideas**

---

**Integrity**

---

**Humility**

# CONTENTS

<b>01</b>	<b>About this statement</b>	<b>2</b>
<b>02</b>	<b>About Fortescue</b>	<b>5</b>
<b>03</b>	<b>Identifying our modern slavery risks</b>	<b>17</b>
<b>04</b>	<b>Addressing our modern slavery risks</b>	<b>22</b>
<b>05</b>	<b>Assessing our effectiveness</b>	<b>40</b>
<b>06</b>	<b>Looking ahead</b>	<b>45</b>
<b>07</b>	<b>Appendices</b>	<b>46</b>

## **Important note**

This report should be read in its entirety, together with the Forward Looking Statement Disclaimer at the back of this report.

## **Acknowledgement of Country**

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

# ABOUT THIS STATEMENT

Fortescue Ltd has prepared this statement to meet the requirements of the Australian Modern Slavery Act 2018 (Cth) (the Aus Act) and United Kingdom Modern Slavery Act 2015 (UK) (the UK Act) for the financial year 1 July 2023 to 30 June 2024.

This is a joint statement under section 14 of the Aus Act on behalf of Fortescue Ltd (ABN 57 002 594 872), its subsidiary reporting entities set out in Table 8 of Appendix 2 and its other owned and controlled entities. This statement is also made on behalf of Fortescue Zero Limited (UK) (formerly WAE Technologies Limited), a subsidiary of Fortescue Ltd, which is a reporting entity under section 52 of the UK Act.

This statement details the actions taken by the reporting entities, and their owned and/or controlled entities to identify, assess and address modern slavery risks in their operations and supply chains. The information provided in this statement applies to all reporting entities unless otherwise stated. During the reporting period, Fortescue Zero Limited (UK) maintained separate supply chain management and due diligence processes. As such Fortescue Zero Limited (UK) is not included in Fortescue's supply chain data on pages 6 and 16, or the annual modern slavery supply chain risks assessment described on pages 19 - 21. Additional information about Fortescue Zero Limited (UK) supply chain, identification of modern slavery risks in its supply chain, and its actions to address these risks are set out on page 33.

Unless stated otherwise, references to 'our', 'we', 'us', the Company, Group, or Fortescue refer to Fortescue Ltd and its subsidiaries, including reporting entities.

All references to 'year' are to the financial year ending 30 June 2024 unless otherwise stated. All monetary values are listed in Australian dollars (A\$) unless otherwise stated.

The definition of modern slavery in the Aus Act is adopted in our statement, which includes slavery, servitude, forced labour, debt bondage, forced marriage, trafficking of persons, deceptive recruitment practices for labour and/or services, and the worst forms of child labour.

This statement forms part of our annual reporting suite which includes our FY24 Annual Report, FY24 Climate Transition Plan, FY24 Sustainability Report and our FY24 Corporate Governance Statement, available on our website at [fortescue.com](https://www.fortescue.com).

## CONSULTATION

Fortescue's actions to identify, assess and address risks of modern slavery in our operations and supply chains require a cross functional approach across a range of teams in our business. These teams work collaboratively throughout the reporting period to implement our actions.

The preparation of this statement was led by Fortescue's Sustainability team which is responsible for Fortescue's human rights and modern slavery work programs, with cross functional contributions from Contracts and Procurement (C&P); Global Governance and Compliance; Marketing and Shipping; Global Corporate Communications; People; Legal; Company Secretariat; Risk and Assurance; and Treasury teams. These teams are responsible for delivering the day to day operational and supply chain shared services for Fortescue, its reporting entities, and owned and controlled entities. Input was also sought from teams at Fortescue Zero Limited (UK).

This statement was prepared in consultation with the Executive Leadership team of Fortescue comprising the Chief Executive Officers for Metals and Energy, the Group Chief Financial Officer and the Chief Operating Officer of Fortescue, and executive directors who have functional responsibility and oversight of the activities of Fortescue, its reporting entities, and owned and controlled entities.

The directors of each reporting entity (listed in Table 8, of Appendix 2) were consulted during the preparation of this statement. They were provided with an advance copy of the statement and an opportunity to provide comments and input before the statement was finalised for approval.

## APPROVAL AND SIGNATURE

For the purposes of the Aus Act and the UK Act, this statement was approved by Fortescue Ltd's Board of Directors on 3 December 2024 and signed by Fortescue Ltd's Executive Chairman (page 3), on behalf of all Aus Act and UK Act reporting entities in the Fortescue Group.

## ASSURANCE

In addition to our internal verification processes, Management has sought independent, third-party verification of material metrics in this statement, including key supply chain data, training data, vessel inspections, grievance data and data reported against Fortescue's Key Performance Indicators (KPIs).

## FEEDBACK

We value all feedback. Please forward any comments on this statement or request for additional information to [sustainability@fortescue.com](mailto:sustainability@fortescue.com).



# EXECUTIVE CHAIRMAN MESSAGE

Modern slavery is one of the gravest human rights issues of our time.

It is inconceivable that someone could deny another person their basic human rights, yet on any given day, Walk Free estimates around 50 million people are living in modern slavery around the world.

Modern slavery is inextricably linked to a range of global challenges, such as the growing climate crisis, political instability and conflict. The most vulnerable - women, children and migrants - are disproportionately affected.

Modern slavery exists in every country. Every day, without realising the hidden human cost, we buy the products or use the services that millions of people have been forced to make or offer. In the capitalistic drive to deliver products cheaper and faster than ever before, it is critical we do not turn a blind eye.

Protecting human rights should be at the heart of every company's strategy - not an afterthought. It is not only a moral responsibility but an economic imperative. Supply chains free of forced labor - where businesses and workers thrive equitably - are essential for delivering open, stable and resilient global supply chains and a healthier global economy.

At Fortescue, we know we must be vigilant and proactive in looking at our own operations and deep into our supply chain to identify and address modern slavery.

As we grow globally and pursue green energy opportunities, we are aware that the modern slavery risks in our operations and supply chain will change.

While green energy is crucial to tackling the climate crisis, this is not without human rights risks. We recognise documented modern slavery and forced labour risks in the supply chains of renewable technologies such as solar panels, batteries and wind infrastructure.

To help identify and address these risks, Fortescue conducts enhanced modern slavery due diligence for high-risk sourcing activities, including renewable technologies.

This year, we conducted worker welfare assessments at nine facilities operated by three Tier 1 renewable technology suppliers. This marks a significant step forward in our ongoing efforts to collaborate with our suppliers.

We also launched a new global 'Speak Up' service, empowering employees, supply chain workers and community members to report concerns related to human rights and modern slavery.

This statement reaffirms our commitment to be transparent about the ways in which we have made progress in FY24 and open about the areas where we can continuously improve.

While legislation like Australia's Modern Slavery Act has elevated modern slavery to boardrooms around Australia and promoted greater transparency about modern slavery risks in businesses operations and supply chains, much more must still be done to tackle modern slavery globally.

Business can't address modern slavery alone.

If we are to make meaningful progress, there must be collective and collaborative action across individuals, businesses, civil society and governments worldwide.

While we are proud of our progress, we recognise that the fight against modern slavery requires action and commitment to continuous improvement.

This statement is not just a compliance document, it reaffirms our dedication to transparency and accountability as we work toward a world where every individual is free from exploitation.

**Dr Andrew Forrest AO**  
Executive Chairman  
Fortescue

# KEY ACTIONS

**COMPLETED FORENSIC TRACEABILITY PILOT TESTING COTTON SOURCE OF ORIGIN FOR SELECT PRODUCTS IN COLLABORATION WITH THREE SUPPLIERS**

## **WORKER WELFARE ASSESSMENTS**

Conducted worker welfare assessments at nine facilities of three renewable technology suppliers (solar, wind and batteries) and completed one traceability audit.

## **4,808 EMPLOYEES**

completed online human rights and modern slavery training.

## **592 EMPLOYEES**

completed face to face human rights training; delivered two Director Education Sessions.

**LAUNCHED NEW GLOBAL SPEAK UP SERVICE**

**REFRESHED HUMAN RIGHTS STEERING GROUP TO FACILITATE OUR MULTI-FUNCTIONAL HUMAN RIGHTS APPROACH AND PROMOTE COLLABORATION**

**REVIEWED AND UPDATED INTERNAL GRIEVANCE PROCEDURE**

# ABOUT FORTESCUE

## OUR STRUCTURE AND OPERATIONS

We are the technology, energy and metals group accelerating the commercial decarbonisation of industry, rapidly, profitably and globally.

Fortescue Ltd, the Group's parent company, is headquartered in Perth, Australia and listed on the Australian Securities Exchange. It holds a number of owned and controlled entities, including its Australian and United Kingdom reporting entities (Appendix 2, Table 8) and other key owned and controlled entities (Appendix 2, Table 9).

Our Metals business comprises our iron ore operations in the Pilbara as well as a global pipeline of exploration projects including in Gabon, Latin America and Australia. Our three Pilbara mining hubs are connected by 760 kilometres (km) of rail to Herb Elliot Port and the Judith Street Harbour towage infrastructure in Port Hedland. We are now shipping at an annual rate of over 190 million tonnes (Mt) with more than two billion tonnes of iron ore shipped since 2008.

By 2030, our aim is to have our Australian Iron Ore operations running on green energy and achieve Real Zero Scope 1 and 2 terrestrial emissions. Separately, we have a net zero Scope 3 emission target by 2040, addressing emissions across our value chain.

Our Energy business is building a global portfolio of renewable green hydrogen and green ammonia projects as well as developing green technology solutions through Fortescue Zero. To support funding for our projects, we have established a green energy investment accelerator platform, Fortescue Capital, which is headquartered in New York.



### METALS

OPERATIONS

EXPLORATION



PROJECTS



### ENERGY

HYDROGEN SYSTEMS

POWER SYSTEMS

CAPITAL



ABOUT FORTESCUE



# OUR OPERATIONS AND SUPPLY CHAIN

## GLOBAL SUPPLY CHAIN

**4,579** SUPPLIERS

**59** SOURCE COUNTRIES

**\$10.1** BILLION IN CONTESTABLE SPEND

### TOP 8 SOURCE COUNTRIES

	1	2	3	4	5	6	7	8
	Australia	Gabon	Argentina	China	United States	Netherlands	Singapore	Brazil
Number of suppliers	2,910	44	507	507	273	16	52	112
Percentage of spend	94%	1.2%	0.91%	0.84%	0.73%	0.38%	0.25%	0.23%

Excluding Fortescue Zero Ltd (UK)



### GLOBAL SLAVERY INDEX PREVALENCE OF MODERN SLAVERY



LOW HIGH

Estimated prevalence of modern slavery per 1,000 (Walk Free Global Slavery Index 2023).

- Fortescue Head Office and marketing
- Fortescue Metals
- Fortescue Energy



## GLOBAL WORKFORCE

# 15,672

### PEOPLE EMPLOYED GLOBALLY

Oceania	14,073
Asia	90
Africa	178
North America	126
South America	180
Europe	992
Other	33

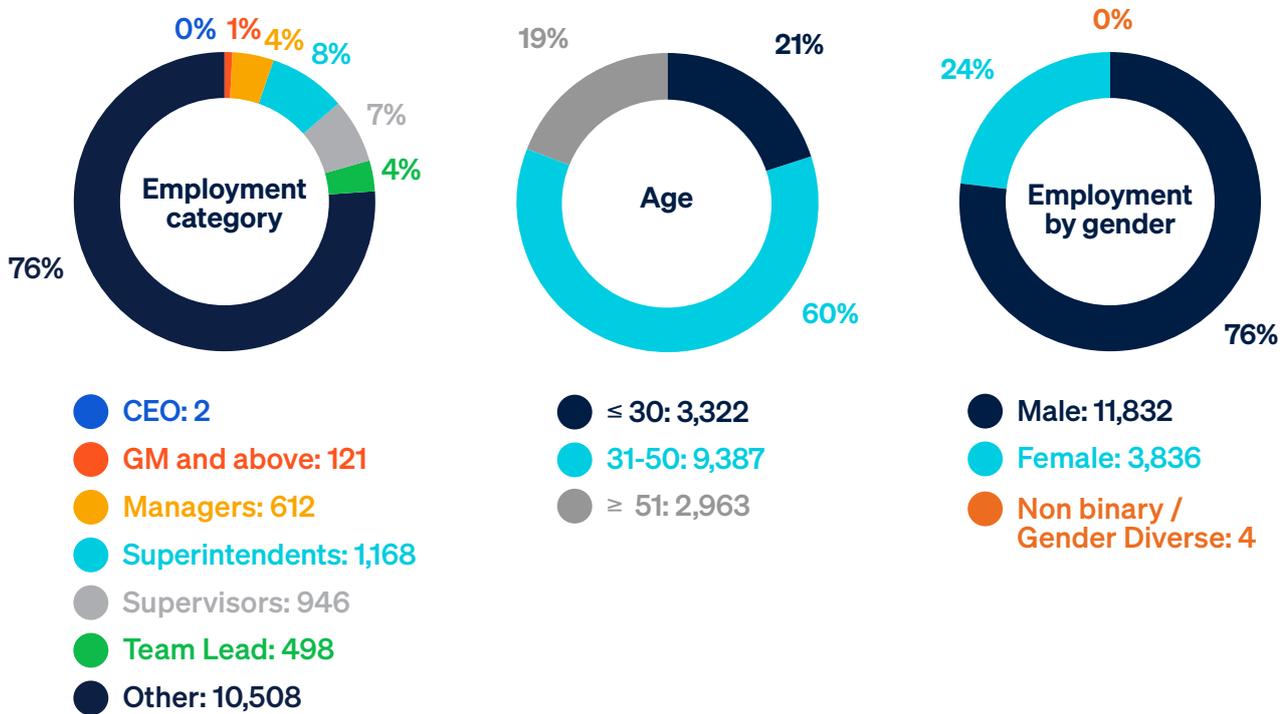


## OUR WORKFORCE

We employ 15,672 people across our organisation, comprising 13,257 people in our Metals business and 2,415 in our Energy business. Of our employees, 13,065 work in full time permanent roles, 333 in part time roles, 426 in fixed term roles, 31 in casual roles and 1,817 under labour hire contracts. Most of our employees are based in Australia (14,066 people) with the remainder working in more than 35 countries including the United Kingdom, Argentina, the United States of America (USA) and China. In Australia, 44 per cent of our employees are covered by enterprise agreements.



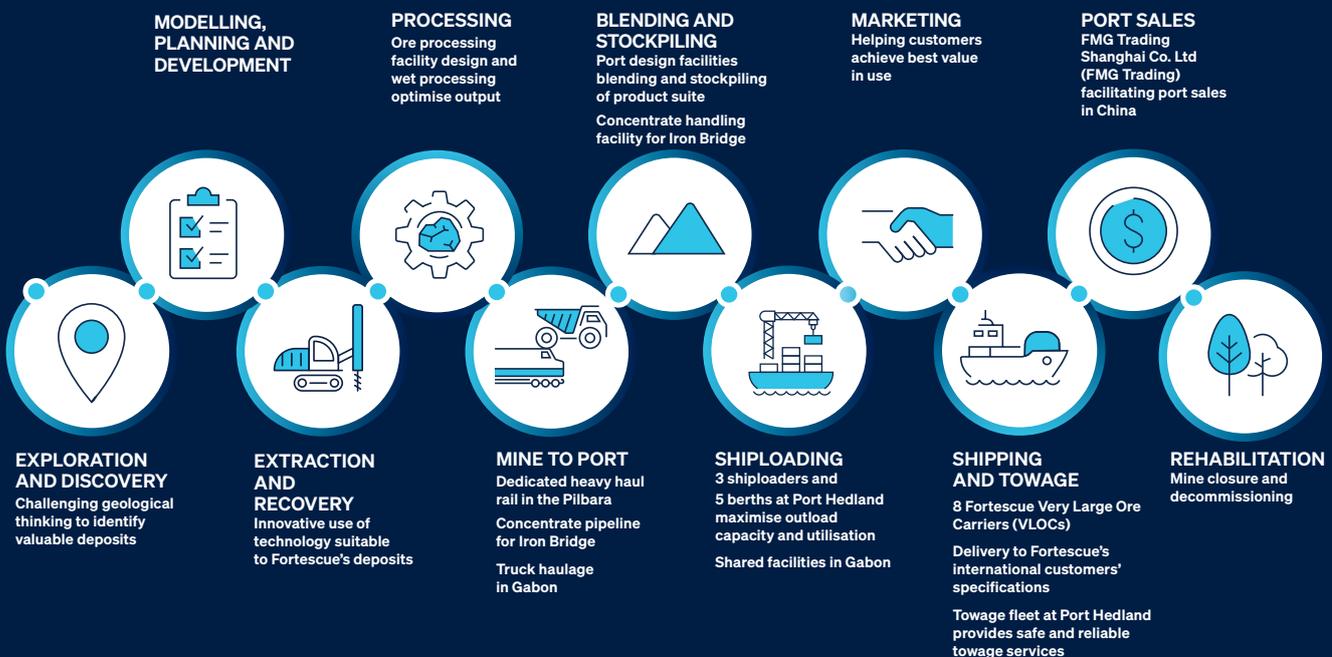
For more information about our workforce, see Fortescue's FY24 ESG Databook available on our website at [fortescue.com/en/sustainability](https://fortescue.com/en/sustainability)



# METALS

ONE OF THE  
WORLD'S LARGEST  
PRODUCERS  
OF IRON ORE.

## IRON ORE VALUE CHAIN





## METALS

Established in 2003, Fortescue was founded as a metals company. Since our first iron ore was produced at Cloudbreak in 2008, we have expanded our Pilbara mining operations, delivering hematite and magnetite products to international markets.

### PILBARA MINING AND HEDLAND OPERATIONS

Our Pilbara mine and ore processing facilities (OPFs) include the Chichester Hub, Western Hub and Iron Bridge.

The Chichester Hub, located in the Chichester Ranges, includes two mines (Cloudbreak and Christmas Creek) with an annual production capacity of around 100 million tonnes per annum (mtpa) from three OPFs. A 60 megawatt (MW) solar farm contributes power to daytime operations at the Chichester Hub.

Our Western Hub, located near the Hamersley Ranges, includes two mines (Solomon and Eliwana) and an OPF with a combined production capacity of around 100mtpa.

Iron Bridge, located 145km south of Port Hedland, is Fortescue's first magnetite operation and is an unincorporated joint venture between FMG Magnetite Pty Ltd (69 per cent) and Formosa Steel IB Pty Ltd (31 per cent). Unlike Fortescue's hematite operations, Iron Bridge produces a wet concentrate product which is transported to Port Hedland through a 135km slurry pipe.

Fortescue wholly owns and operates purpose-built rail and port facilities, including 760km of rail that connects our mining hubs to our port facilities in Port Hedland. Our Herb Elliot Port at Port Hedland includes five operating berths with current approvals to export up to 210mtpa of iron ore. Our fleet includes 10 tugs based at Judith Street Harbour towage facility and eight 260,000t capacity Fortescue ore carriers. Each year we load more than 970 carriers of iron ore from Herb Elliot Port.

### INTEGRATED OPERATIONS CENTRE

Our Fortescue Hive, commissioned in 2020, is a purpose-built Integrated Operations Centre in Perth. It operates 24 hours a day, seven days a week using advanced mining technology to remotely and safely control fixed plan and autonomous mining equipment as well as our port and rail facilities across our Pilbara operations. It includes four specialist departments – Mine Control and Systems (autonomous drills and haul trucks), Port and OPF Control, Instrumentation and Process Control, and Energy Operations.

### GREEN METAL PROJECT

Located at Christmas Creek, our Green Metal Project will use renewable energy and green hydrogen reduction technology together with an electrical smelting furnace to produce high-purity green metal that will be suitable for any steel plant globally. Using hydrogen produced at our existing hydrogen facility at Christmas Creek, initial production is expected to be more than 1,500 tonne (t) per annum, with first production anticipated in 2025.



## RENEWABLE POWER AT OUR MINING OPERATIONS

Through our Pilbara Energy Connect (PEC) project, we have integrated our stationary energy requirements in the Pilbara into one efficient network. The initial phase included construction of a 100MW solar farm at North Star Junction, and 500km of transmission lines and associated substations. As we continue to decarbonise our operations, we are expecting our PEC infrastructure to provide an integrated transmission network to enable renewable electricity generated at any Fortescue site to move between our operations.

To date, we have commenced the following decarbonisation projects:

1. Construction of approximately 140km of 220 kilovolt (kV) transmission lines and associated substations to supply both Eliwana and Flying Fish mining hubs.
2. Early design and procurement of approximately 110km of 220kv transmission lines and associated substations to supply the Cloudbreak and Chichester mines.
3. Design and construction of the Cloudbreak 130MW solar farm.
4. Installation of the 50MW/250MWh Battery Energy Storage System (BESS) to support North Star Junction solar plant, and provide renewable energy at night.
5. Design and construction of 20MW/120MWh BESS to support the Eliwana and Flying Fish mining hubs and provide renewable energy at night.

## BELINGA IRON ORE PROJECT, GABON

The Belinga Project in north-east Gabon is operated by Ivindo Iron SA with Fortescue holding a 72 per cent direct interest. It is potentially one of the largest undeveloped high grade hematite deposits in the world. Fortescue began exploration in 2022 with activities focused on diamond and exploration drilling to support a feasibility study. First ore was shipped as part of the pilot production phase in FY24 and the current focus is on exploration and studies.

## CRITICAL MINERALS AND IRON ORE EXPLORATION

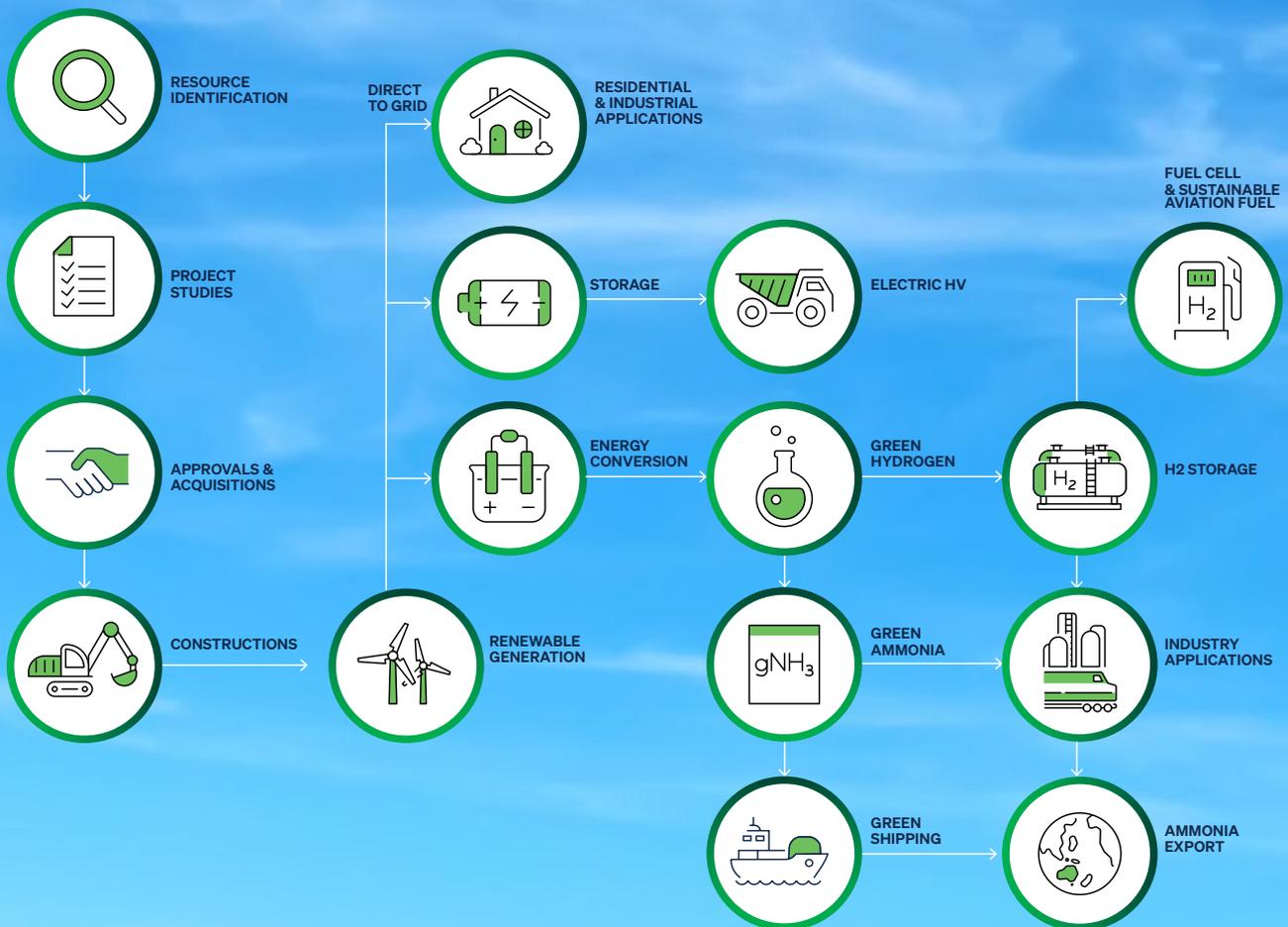
Fortescue continues exploration activities in the Pilbara. In FY24, activities focused on advanced exploration at Mindy South, Wyloo North and White Knight and continued near-mine exploration at both Solomon and the Chichester Hub.

Fortescue's critical mineral exploration activities focus on copper, lithium and rare earths with activities in Argentina, Chile, Brazil, Peru and Australia. Other exploration activities continue across the broader Latin American portfolio and in Australia, Canada and Portugal.

# ENERGY

## DEVELOPING GREEN ENERGY PROJECTS TO HELP THE WORLD STEP BEYOND FOSSIL FUELS.

### GREEN ENERGY VALUE CHAIN



We are working hard developing our decarbonisation program and trialling new technologies and products to decarbonise our iron ore value chain. Read more about our progress in our Sustainability Report and Climate Transition Report available on our website at [fortescue.com](https://www.fortescue.com).



## ENERGY

Fortescue Energy is our global green energy business that is focused on developing profitable green energy projects and the green technologies needed to accelerate global decarbonisation. Fortescue's Energy business comprises the integrated segments of Green Energy, Fortescue Zero and Fortescue Capital.

### GREEN ENERGY

Fortescue is committed to green hydrogen and its derivatives, maintaining a portfolio of projects which show significant potential for decarbonisation and economic growth. These projects will progress as power prices fall sufficiently to bring them to economic viability and the global demand for green hydrogen increases.

As we lead the world in industrial decarbonisation, we will focus initially on four green hydrogen projects across Australia, the USA, Norway and Brazil. Fortescue also has prospective projects in Morocco, Oman, Egypt and Jordan under consideration.

### ARIZONA HYDROGEN USA

Located in Buckeye, Arizona, the Arizona Hydrogen project is Fortescue's first venture into liquid green hydrogen production in the USA.

### GLADSTONE PEM50 PROJECT, QUEENSLAND AUSTRALIA

The Gladstone PEM50 Project is a two-stage 50MW green hydrogen project which will operate alongside Fortescue's Gladstone Electrolyser Manufacturing (GEM) Centre. PEM50 will use Fortescue's own Proton Exchange Membrane (PEM) technology to produce up to 22t of green hydrogen per day when operational. Construction of the US\$150 million facility commenced in 2024.

### HOLMANESET PROJECT, NORWAY

The Holmaneset Project is currently in the feasibility phase and moving toward final investment decision on a 300MW green ammonia facility. Renewable energy has been secured via a long-term conditional Power Purchase Agreement with Statkraft.

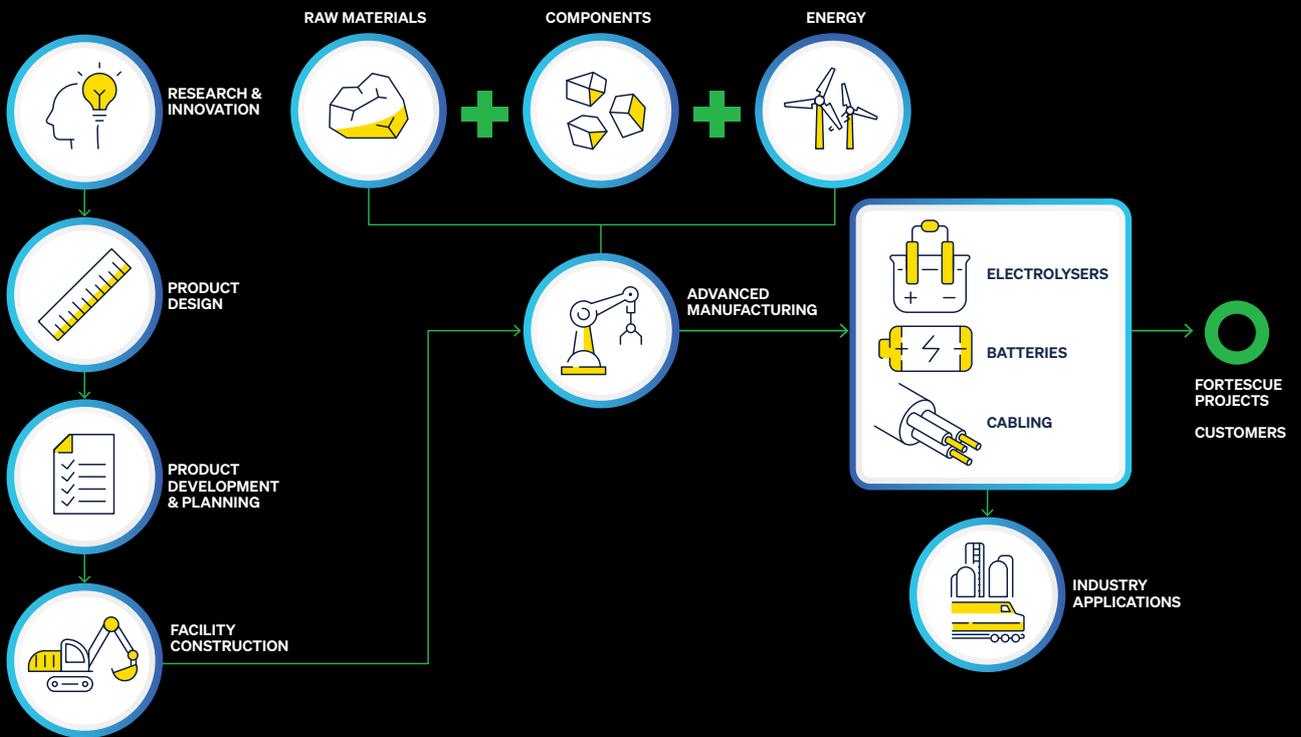
### PECÉM PROJECT, BRAZIL

Pecém is a green hydrogen project which will be based at the Industrial and Port Complex of Pecém, Ceará. Pecém will have an estimated production capacity of 837t of green hydrogen per day.



# TECHNOLOGIES THAT LEAVE FOSSIL FUELS BEHIND.

## GREEN TECHNOLOGY VALUE CHAIN





## FORTESCUE ZERO

Fortescue Zero is a green technology and engineering services business, creating the solutions required to enable a zero emissions future. It operates across a range of sectors from automotive and motorsport, aerospace and defence, rail, off highway and energy, focusing on mobility, energy storage, sustainability and efficiency.

### POWER SYSTEMS

We have facilities in the UK, USA and Australia where we are developing new technologies that will not only power the decarbonisation of our own mining operations but also provide decarbonisation solutions for other heavy emitters.

During the year, our 240t battery electric haul truck prototype was successfully tested and deployed, running on a bespoke battery system and powertrain designed in-house. Our hydrogen powered battery electric haul truck prototype is undergoing site-based testing at our Christmas Creek site.

The learnings from this are informing our future fleet of zero emission trucks that we are delivering with Liebherr. Our partnership with Liebherr also includes work to develop a fully integrated Autonomous Haulage Solution.

The *Green Pioneer*, Fortescue's dual-fuelled ammonia-powered marine vessel, was successfully trialled and certified in the Port of Singapore, winning a World Hydrogen Award this year.

Fortescue Zero's product portfolio includes high performance batteries, High Voltage DCDC Convertors and Fast Chargers which can be made available for a wide range of applications outside heavy industry and mining.

Battery Intelligence is also a key future market for Fortescue Zero. Fortescue has signed a multi-year deal with Jaguar Land Rover to use our battery intelligence software, Elysia.

### HYDROGEN SYSTEMS

Our Hydrogen Systems business will offer a diverse array of electrolyser products, systems and services, encompassing multiple, cutting-edge technology types and membrane developments. In FY24, Fortescue officially opened the 2GW GEM Centre, which is Australia's first fully automated electrolyser manufacturing facility. Hydrogen Systems has also signed contracts for the sale of our first electrolysers, produced from this manufacturing facility.

### FORTESCUE CAPITAL

Fortescue Capital is Fortescue's green energy investment accelerator platform headquartered in New York. The platform is integral to Fortescue's commitment to deliver green energy projects, technology investments and decarbonisation initiatives.

Established as a green asset management business, Fortescue Capital aims to raise third-party capital for projects and companies that are originated by Fortescue Energy. These potential capital partners include sovereign wealth funds, pension funds, endowments, insurance companies and ultra-high net worth family offices.

## OUR SUPPLY CHAIN<sup>1</sup>

Fortescue's supply chain is complex. Our purchases range from one-off transactions through to multi-year, large value fixed term contracts, and we source globally.

This year, we spent \$10.1 billion<sup>2</sup> with 2,910 Australian and 1,669 international Tier 1 (direct) suppliers to support our green technology, energy and mining operations.<sup>3</sup> Most of our total spend (93.8 per cent) was with Australian suppliers, including 67.4 per cent with Western Australian suppliers and 2.4 per cent with local Pilbara suppliers. International suppliers accounted for 6.2 per cent of our total spend across 58 countries. Our top eight source countries are set out in the map on page 6 and our top 10 source categories are set out in the table below.

We understand that our most significant areas of modern slavery risk exist beyond Tier 1 of our supply chain. We are working to improve our understanding of our supply chain beyond Tier 1, with a current focus on higher risk categories such as renewable energy technologies.

We use a range of mechanisms such as supply chain mapping tools and traceability audits (see page 29) to help improve our understanding.

This year, Fortescue merged its Metals and Energy procurement teams into a single Contracts and Procurement (C&P) team. This new team includes a Sustainable Supply Chain team to support sustainable procurement (including modern slavery due diligence) across our supply chain.

**Table 1 Fortescue's top ten procurement categories**

CATEGORY	DESCRIPTION	PERCENTAGE OF TOTAL CONTESTABLE SPEND
Energy and explosives	Bulk fuels, explosives, gas, lubricants, electricity, energy and power services	16.9%
Heavy Mobile Equipment (HME) fleet, including parts	Mobile equipment, light vehicles, wet/dry hire, components/spare parts, HMR fabrication	13.3%
Mining services	Civil works, drilling, off site analytics (labs)	10.8%
Processing equipment	Chutes, pumps and valves, rotatable spares, conveyors, crushers, crushing equipment	8.8%
Construction products (goods and services)	Execution of major projects and capital infrastructure	8.2%
Maintenance services	Shutdown services, access and scaffolding, mobile cranes, electrical services	7.5%
Labour hire	White collar (professional services) and blue collar (trades) for site works	4.9%
Cleaning and catering services	Facilities management, village management, infrastructure	3.4%
Mining equipment and infrastructure	Equipment hire, tyres, property	3.2%
Information technology	Telecommunications, autonomy, ICT infrastructure, condition monitoring, enterprise applications, cybersecurity, cloud	3.1%
Other	Rail rolling stock, electronics and electrical equipment, chartered vessels and supply shipping, logistics and transport, commodities including personal protective equipment, stationary, medical supplies, security services	19.9%

<sup>1</sup>This supply chain data excludes Fortescue Zero Limited (UK). Additional information about Fortescue Zero Limited (UK) supply chain is provided at page 33.

<sup>2</sup>Total spend means the spend (including VAT/GST) which is subject to Fortescue's procurement processes and managed in accordance with Fortescue's Procurement Policy. It excludes ore shipping costs, government costs or charges (including royalties), donations, subscriptions and memberships, Native Title Group payments (other than payments made for the provision of direct goods and services), property leasing, related to Fortescue's entities and legal fees.

<sup>3</sup>All procurement figures represent our spend with Tier 1 suppliers and may not represent the original source country of the goods or services.

# IDENTIFYING AND ASSESSING OUR MODERN SLAVERY RISKS

We understand modern slavery is a global issue, varying in form and prevalence depending on a range of factors and social, economic and political contexts. We recognise modern slavery has the potential to exist in our operations and supply chains, and that our risk profile will change with our business as we pursue green energy opportunities, decarbonise our operations and grow globally.

Fortescue applies the United Nations Guiding Principles on Business and Human Rights (UNGPs) to identify and assess where we may cause, contribute or be directly linked to human rights impacts, including modern slavery, in our operations and business relationships including suppliers. We understand that a business may:

- **cause** modern slavery through its own actions or omissions (e.g. if it exploits its own workers)
- **contribute** to modern slavery if its actions or omissions contribute to another party (or parties) causing modern slavery, for example, by incentivising or turning a blind eye to the harm (e.g. if it puts significant pressure on a supplier to reduce costs where those expectations can only be met by using exploited labour)
- **directly linked** to modern slavery through its operations, products or services via a business relationship (e.g. if it purchases a product that was produced using forced labour).

Identifying, assessing and managing our modern slavery risks forms part of Fortescue's Human Rights Framework. Our due diligence approach is an ongoing and iterative process considering both actual and potential adverse human rights impacts through our operations, supply chain and business partnerships. Our modern slavery due diligence process includes:

- identification and assessment
- implementation of actions
- tracking and monitoring
- communication and awareness.

## Risk Management Framework

We identify and assess potential human rights and modern slavery risks across our operations and supply chain through our company wide Risk Management Framework. The framework helps to ensure consideration of risks by senior management and the Board Safety and Sustainability Committee. Human rights risks, including modern slavery risks, are captured in our corporate risk register, with mitigation action items assigned to relevant senior team members.

## Salient Human Rights Risk Assessment

We have undertaken a salient human rights risks assessment to identify the areas of most severe human rights risk across our value chain (including our operations, supply chain and downstream business relationships). To determine the severity of risks, the assessment considered the scale, scope and remediability. Labour rights and working conditions of our employees, contractors and workers in our value chain, including modern slavery risks, were identified as a salient human rights risk for our business.<sup>4</sup>



Learn more about Fortescue's Salient Human Rights Risk Assessment in our FY24 Sustainability Report on our website [fortescue.com](https://www.fortescue.com)

## OUR SALIENT HUMAN RIGHTS RISKS



### Monitoring

We monitor modern slavery and broader human rights risks in our operations and supply chain in multiple ways. Our in-house Global Insights team provides updates, analysis and research on changing environments, industries and product trends relevant to modern slavery to help ensure our understanding of our modern slavery risks remains current. We engage third party providers to provide further screening, analysis and ongoing monitoring of country, supplier and business partner risks. For example, our ESG Country Risk Platform that enables us to monitor ESG risks (including human rights and modern slavery risks) at a country level, and our supplier compliance screening platforms enable monitoring of adverse media related to our suppliers and business partners. We also seek additional guidance as required from relevant stakeholders including specialist consultants, leading non-government organisations and civil society where we identify a need for specific advice or expertise to help improve our understanding of modern slavery risk relevant to particular countries, categories or suppliers, and help inform our approach. For example, we sought guidance from civil society stakeholders to better understand the modern slavery risks and challenges in the cotton industry and help inform our approach and actions to address these risks (see Focus Area: Forensic Traceability Pilot on page 32).

### MODERN SLAVERY RISKS IN OUR OPERATIONS

The extractive and energy industries are considered higher risk for modern slavery, particularly in countries that have a higher prevalence and vulnerability to modern slavery. We understand that without proper controls, we could cause or contribute to modern slavery if, for example, employees or contractors were engaged in exploitative situations, or if our workforce, in their personal capacity, engaged in exploitation in the local community. These risks are greater in countries that have a higher prevalence of modern slavery, and weaker government responses and protections for workers and other people who are at risk of exploitation.

We conduct country risk assessments for our activities considering various factors, including modern slavery and broader human rights risks. Fortescue's Risk Management Global Growth Standard outlines the requirements for these assessments for business activities outside Australia.<sup>5</sup> The outcomes are recorded in Fortescue's Corporate Risk Register and inform our mitigation actions and decisions.

For the purposes of this Modern Slavery Statement, we undertook a desktop modern slavery risk assessment of Fortescue's operations, exploration and energy projects applying data from Walk Free's Global Slavery Index 2023 (GSI) and external ESG Country Risk Monitor (ESG Country Monitor). We considered the nature of Fortescue's activities in each country and other factors such as the number of employees and the type of activities. We also considered our control or ability to influence mitigation actions, acknowledging that this does not impact on the level of risk but does inform our response.

<sup>4</sup> See Fortescue's FY24 Sustainability Report for more information on our salient human rights risks and management approach.

In FY24, most of our operating mines and employees (14,066 people) were based in Australia, which has a lower prevalence and vulnerability to modern slavery and a stronger government response compared to most other countries.<sup>6</sup> Further, most of our workforce are engaged in permanent full-time roles (13,065 people). The risks of Fortescue causing or contributing to modern slavery within our Australian operations were assessed as low, considering Australia's strong regulatory environment, and Fortescue's control over its own operations including its approach to managing its workforce, and the implementation of its policies and processes.

Likewise, we have assessed our activities in the USA, UK, Norway, Argentina, Chile, Canada and Portugal as low risk of causing or contributing to modern slavery due to the lower prevalence, and stronger government response to modern slavery than in other countries. We have control of our activities in these countries, including managing our work force and implementing policies and processes. However, we acknowledge that no country is free from modern slavery and robust policies and processes are critical even in lower-risk geographies.

Our activities in Gabon, Brazil and Peru were assessed as risk for causing or contributing to modern slavery due to the higher prevalence of modern slavery and lower government responses identified in the GSI. While our activities in Gabon are conducted through a joint venture entity, Ivindo Iron SA, Fortescue is the majority shareholder in the venture and influences the implementation of policies and processes to help mitigate modern slavery risks. Our activities in Brazil and Peru are majority owned and operated by Fortescue. We control our activities and the implementation of policies and processes to ensure a robust approach to addressing modern slavery risks.

Kazakhstan is identified as a higher risk country for modern slavery risks in the GSI with risks linked to worker exploitation in sectors such as cotton.<sup>7</sup> However, we control our activities in Kazakhstan which is focused on exploration with small numbers of employees, helping to reduce the risks of Fortescue causing or contributing to modern slavery risks here. We acknowledge that this risk profile may change as our activities evolve.

Our approach to addressing our operational modern slavery risks is outlined on page 25.

## MODERN SLAVERY RISKS IN OUR SUPPLY CHAIN

Fortescue recognises modern slavery risks exist in our supply chain, particularly beyond Tiers 1 and 2, where visibility and transparency of worker conditions becomes challenging. Fortescue also recognises the risks of modern slavery in our supply chain vary depending on the category of goods and/or services, and the country of origin of the goods (or of inputs/components) or country of delivery of services. We understand that we could be directly linked to modern slavery if a good we purchase was produced by (or any inputs into the good used was produced by) workers in conditions of modern slavery. We also acknowledge that, without appropriate due diligence, there may be situations in which we could contribute or be directly linked to modern slavery in our supply chain.

Fortescue undertakes ongoing supplier due diligence to identify, assess and address modern slavery risks in our supply chain (see pages 26-32).

We also conduct an annual desktop risk assessment of Tier 1 suppliers using our Modern Slavery Risk Assessment Tool (MSRAT). The MSRAT assesses modern slavery risks of suppliers considering four criteria: country risk; industry/product risk; entity type, and spend. Each criterion is assigned a weighting to produce the indicative modern slavery score, which determines whether a supplier is considered low, medium or high risk.

Based on our FY24 annual assessment, we identified 184 suppliers to be high risk, representing \$737 million (7.3 per cent of Fortescue's total contestable spend).

Source countries assessed as higher risk for modern slavery in our supply chain using our MSRAT include, in alphabetical order, Azerbaijan, China, Democratic Republic of Congo, Djibouti, Ethiopia, Kazakhstan, Papua New Guinea, and Thailand (See page 20).

Industries, products and services in our supply chain identified as high risk are set out in Table 2.

<sup>5</sup> Excluding sales, supply chain, employee travel and minority interest investments or acquisitions.

<sup>6</sup> Walk Free, Global Slavery Index 2023.

<sup>7</sup> Walk Free, Global Slavery Index 2023.

## MODERN SLAVERY RISK ASSESSMENT TOOL

### Country Risk

While modern slavery is a global issue, the prevalence of modern slavery varies between countries depending on a range of factors such as political, social and economic conditions, protections for workers and vulnerable groups, corruption, rates of crime and violence, instability, prevalence or vulnerability to conflict, legal frameworks and environmental factors such as occurrence of natural disaster or impacts of climate change. The MSRAT country risk criterion is informed by sources that consider these and other factors such as Walk Free's Global Slavery Index, external ESG Country Risk Monitor and other sources. We prefer to apply the source country information where goods are produced or services delivered rather than the supplier headquarter country, where available, to better indicate the risks of that sourcing event.

### Industry/Product Risk

Just like country risks, modern slavery risks vary across industries and products influenced by a range of factors. Those industries that generally rely on 'dirty, difficult and dangerous' jobs to deliver goods and services; or work forces that comprise high proportions or rely on low-skilled labour, migrant or vulnerable workers; have seasonal or short production cycles, are low margin/highly competitive industries with low barriers to entry; outsource manufacturing offshore; outsource recruitment or have long, complex or opaque supply chains are generally characterised as being at high risk for modern slavery.<sup>8</sup>

We seek to better understand, identify and monitor industry/product risks in a number of ways such as undertaking our own internal research, including seeking reports from our Global Insights team (formerly Global Monitoring Centre); referring to publicly available sources such as media articles, reports published by civil society and non-government organisation such as Walk Free's Global Slavery Index, independent research institutes; and commissioning independent research and reports from third party consultants.

### Entity Risk

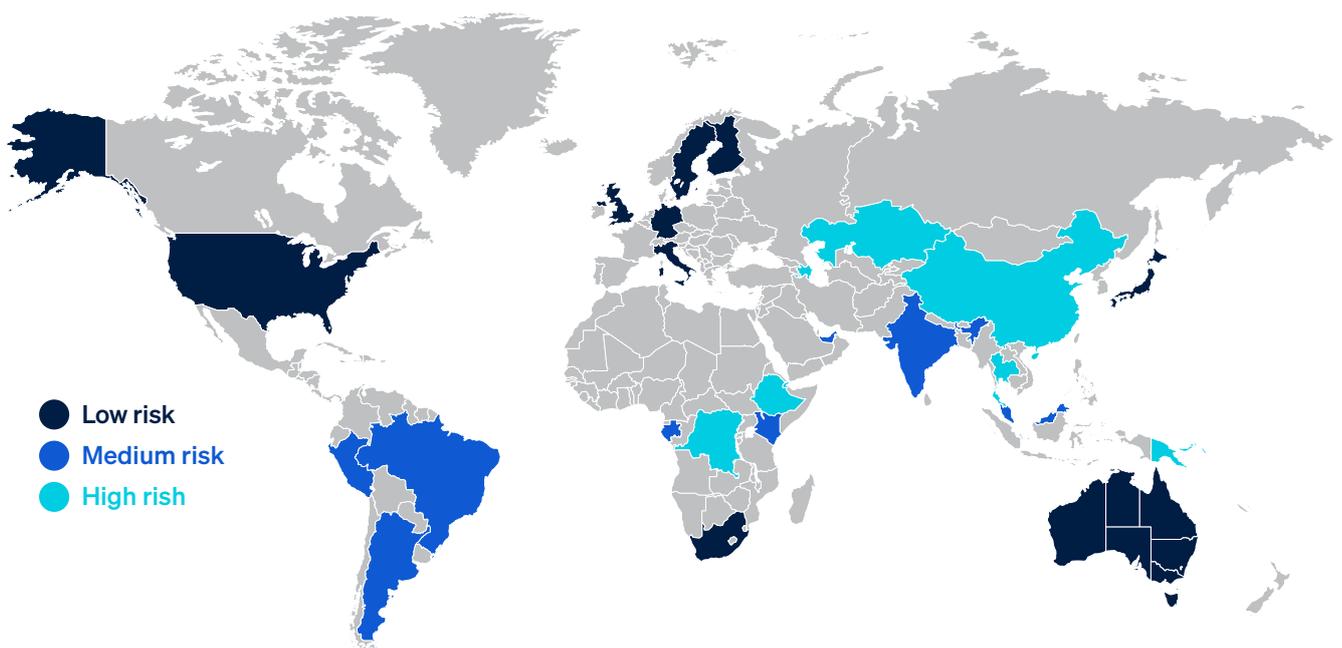
The entity criterion assesses the ownership structure of suppliers to provide an indicator of transparency, level of public disclosure and the extent to which suppliers may be motivated to address modern slavery risks by stakeholders' human rights expectations.

### Spend

Spend is not an indicator of modern slavery risk. However, we use spend to guide our assessments and inform our actions, including to focus on larger strategic sourcing activities where we may have greater influence and leverage to address modern slavery risks.

Our MSRAT will be reviewed and updated in FY25 to expand beyond modern slavery risk identification and include broader human rights and sustainability criteria to align with our global approach to sustainable supply chains.

## FY24 SUPPLY CHAIN RISK MAP



<sup>8</sup> Responsible Sourcing Tool ([www.responsiblesourcingttool.org](http://www.responsiblesourcingttool.org))

## Table 2 FY24 High Risk Procurement Categories

The following procurement categories have been identified as high risk for modern slavery in our supply chain.

CATEGORY	COMMENTARY
Renewable Energy Technologies/Fuels	<p>Renewable technologies, such as solar panels, batteries and wind technologies are critical to the decarbonisation of our terrestrial Australian iron ore operations and the development of our energy business. However, the manufacturing of these technologies have been linked to modern slavery and the mining and processing of critical mineral inputs such as cobalt, copper, lithium, manganese, nickel, zinc, quartz and silicon have been linked to human rights abuses.<sup>9</sup> Workers in these industries are vulnerable to forced and child labour, unpaid and underpayment of wages, wage theft, hazardous work conditions, illegal overtime, exploitative hiring practices and other forms of exploitation.<sup>10</sup> Supply chains are often opaque, extending to higher-risk countries where governance is poor and transparency limited.<sup>11</sup> Fortescue continues to implement and refine our enhanced due diligence approach for renewables, including undertaking worker welfare assessments with three renewable suppliers (see page 30).</p> <p>Renewable fuels, such as lubricants or biofuels comprising palm oil, are also associated with higher human rights risks due to poor labour conditions in production.</p>
Electronics	<p>Fortescue sources a range of electronics, such as computers, mobile phones and electrical equipment such as cables. Walk Free's Global Slavery Index has identified electronics as the highest value at risk import for modern slavery for most G20 countries, such as Australia.<sup>12</sup> Manufacturing often occurs in locations with minimal regulation and oversight, and is often undertaken by lower skilled workers. There are also risks that products are manufactured using raw material inputs produced by workers in conditions of modern slavery.</p>
Rubber	<p>Fortescue purchases a range of rubber products including tyres, conveyor belts and gloves, which are manufactured using rubber sourced through third party suppliers over whose activities we have limited visibility. Rubber is linked to higher risks of modern slavery, including child and forced labour, in the countries in which it is farmed and produced.</p>
Construction	<p>The construction industry commonly involves long supply chains and generally a higher reliance on lower skilled, lower paid manual work and migrant labour creating greater risks of modern slavery. Raw materials and goods used are often sourced from, or manufactured by, suppliers beyond Tier 1 in higher risk countries. To date, our on-the-ground construction activities have largely occurred in Australia where modern slavery risks are considered lower, with smaller activities in Gabon. As we expand our metals and energy activities globally, we acknowledge the modern slavery risks associated with construction works will vary depending on the country of operation.</p>
Shipping	<p>Fortescue operates eight vessels and charters others to ship our product to customers. We acknowledge the shipping industry has been linked to modern slavery indicators such as the withholding of wages, pay below a living wage, poor living and working conditions and lack of accessible grievance mechanisms. We implement ship vetting processes to help address these risks (see page 34).</p>
Rail Rolling Stock	<p>We procure rail equipment, locomotives, rail ore cars and rail steel which is largely manufactured outside Australia. Some manufacturers are located in higher-risk countries where there is limited visibility of worker conditions. We continue to monitor these risks.</p>
Offshore fabrication	<p>We source large items of equipment used in mining and processing from manufacturers outside Australia. The equipment is often fabricated in factories that use migrant or low skilled labour. We continue to monitor these risks.</p>
Labour Hire	<p>Temporary work carries higher risks of modern slavery due to its transitory nature, a higher rate of migrant workers and strong competition causing pressure to minimise costs. These factors can incentivise exploitation and increase the risk of modern slavery.</p>
Cleaning, catering and security services	<p>We procure cleaning, catering and security services for our mines and cleaning and security services at our offices. These services are linked to higher modern slavery risks, including in Australia, due to the low skilled, low paid, manual work and the prevalence of short-term, seasonal and migrant workers and subcontractors. To help mitigate and reduce these risks, Fortescue manages some of these risks in-house. In FY24, Fortescue became a full member of the Voluntary Principles on Security and Human Rights and we have work planned for FY25 to enhance due diligence actions when procuring security services.</p>

<sup>9</sup> Walk Free, Global Slavery Index 2023.

<sup>10</sup> Walk Free, Global Slavery Index 2023.

<sup>11</sup> Walk Free, Beyond Compliance in Renewable Energy Sector 2023.

<sup>12</sup> Walk Free, Global Slavery Index 2023.

# ADDRESSING OUR MODERN SLAVERY RISKS

Fortescue is committed to respecting human rights and rejects all forms of modern slavery in our operations and supply chain. Modern slavery risks in our operations and supply chain are managed as part of Fortescue's Human Rights Framework and we work to continuously improve our actions.

## GOVERNANCE AND MANAGEMENT

Fortescue's Board of Directors is responsible for the oversight of human rights and modern slavery matters at Fortescue. It receives updates through its quarterly Safety and Sustainability Committee (SSC) (formerly Audit, Risk Management and Sustainability Committee) meetings.

Collectively, the directors have a diverse and relevant range of skills, experiences and knowledge to help ensure effective governance of our business, including oversight of human rights and modern slavery matters. Board members such as Penny Bingham-Hall and Dr Jean Baderschneider have specific experience in the management of human rights issues including modern slavery in supply chains. Dr Baderschneider is the Chair of the SSC and has over 17-years experience working on anti-trafficking efforts globally. She is also a founding member and Chair of the Global Fund to End Modern Slavery, is on the Board of Directors of the McCain Institute, and is a Commissioner to the United Nations and Liechtenstein Financial Sector Commission on Modern Slavery.

Fortescue's Sustainability team, which includes a human rights specialist, is responsible for the day-to-day management of Fortescue's human rights and modern slavery approach. This work is done in collaboration with multi-business functions across Fortescue. The Sustainability team reports human rights and modern slavery matters through Fortescue's executive Sustainability Committee to the SSC. This year, the Sustainability team's updates included outcomes of supplier worker welfare assessments, outcomes of our forensic traceability pilot (see page 32), updates to Fortescue's Grievance Procedure, and the development of Fortescue's Human Rights Standard.

This year, we refreshed our former Human Rights Working Group to create a Human Rights Steering Group to help ensure collaborative, multi-functional actions to implement Fortescue's human rights and modern slavery approaches, facilitate shared learning and support continuous improvement. The Steering Group is sponsored by Fortescue's Chief Operating Officer, facilitated by the Sustainability team and includes members from key business functions including C&P; Communities and First Nations teams; Health and Safety; Legal; Security; Governance and Compliance; Risk and Assurance; and People teams. The Steering Group provides opportunities for members to share updates and trends on human rights and modern slavery related topics; progress of initiatives in their respective functions to support Fortescue's human rights and modern slavery approach; discuss challenges and workshop solutions; and identify opportunities for collaboration across functions.



Learn more about Fortescue's Board and Corporate Governance approach on our website [fortescue.com/en/about-fortescue/corporate-governance](https://fortescue.com/en/about-fortescue/corporate-governance)

# HUMAN RIGHTS GOVERNANCE



## POLICIES, STANDARDS AND PROCEDURES

Fortescue's Human Rights Policy and Code of Conduct and Integrity form the foundation of our approach to managing modern slavery risks in our business.

These, and the other policies, standards and procedures outlined in the following table, guide our actions in identifying, assessing and addressing modern slavery risks. These apply to all Fortescue reporting, owned and controlled entities.

Other policies that help us implement our broader human rights approach include our Health and Safety Policy, Diversity Policy, Equal Opportunity, Discrimination and Workplace Bullying Policy, Communities and Social Performance Standard and Anti-Bribery and Corruption Policy.

**Table 3 Fortescue Policies, Standards and Procedures**

POLICY, STANDARD, PROCEDURE	PURPOSE	APPLICATION AND COMMUNICATION
<p><b>Code of Conduct and Integrity</b> (available in multiple languages)</p>	<p>Sets out the essential standards of conduct and expectations of our employees, suppliers, contractors and those who Fortescue does business with, including respect for human rights and rejection of modern slavery.</p>	<p>The Code of Conduct and Integrity applies to all of Fortescue's activities. Compliance with the Code of Conduct is a condition of working for and with Fortescue and is provided to all employees during recruitment and suppliers during onboarding. The Code of Conduct is also covered in Fortescue's induction modules and incorporated in our Human Rights Training.</p>
<p><b>Human Rights Policy</b> (available in multiple languages)</p>	<p>Sets out our commitments to respecting human rights, rejection of modern slavery and strategy for achieving our commitments.  The Policy was last updated in FY23 and is reviewed biennially.</p>	<p>The Policy applies to all of Fortescue's activities. All Fortescue employees, suppliers, contractors, consultants and business partners are expected to read and adhere to the Policy.  It also forms part of our supplier Vendor Documentation.  The Policy is covered in our Human Rights Training (see page 35).</p>
<p><b>Procurement and Logistics Policy</b></p>	<p>Outlines our approach to ensuring sourcing practices meet the highest standards of business ethics and integrity, including respecting human rights. It includes commitments to conduct procurement and logistics activities responsibly and sustainably and work to ensure that our suppliers conduct business in a manner consistent with human rights standards and address the risk of modern slavery in their supply chains.</p>	<p>The Policy applies to all of Fortescue's procurement and logistics activities. It forms part of Fortescue's supplier Vendor Documentation.</p>
<p><b>Sustainable Procurement Standard</b></p>	<p>Sets out our minimum standards and expectations of Fortescue suppliers including: respect for human rights; compliance with the Act; implementation of due diligence processes to investigate, assess and address modern slavery in their operations and supply chain; remediation programs; prohibition of child, forced, prison and compulsory labour; and prohibition of recruitment fees charged to candidates.</p>	<p>The Standard applies to all of Fortescue's suppliers and forms part of our supplier Vendor Documentation.  A commitment to comply with this standard is taken into consideration during the contract award process and during the contract term.</p>
<p><b>Modern Slavery Procurement Procedure (MSPP)</b> (Internal)</p>	<p>Sets out our modern slavery due diligence approach for sourcing goods and services. See page 26.</p>	<p>The MSPP is implemented by Fortescue's C&amp;P team. It is covered in our Human Rights Training (see page 35).</p>
<p><b>Whistleblower Policy</b></p>	<p>Outlines how we support whistleblowers to safely and confidentially raise concerns, including human rights and modern slavery concerns, with us. Fortescue's new global Speak Up service was launched in FY24 and is available to all people including employees, business partners and third parties such as community members, suppliers and workers, to raise concerns. For more information see page 36.</p>	<p>The Policy applies to all of Fortescue's activities. Fortescue's Speak Up service is communicated to employees during training and through internal communication channels.  It is communicated to suppliers through our Sustainable Procurement Standard and Supplier Human Rights Information Pack and is available for all stakeholders on our website.</p>
<p><b>Grievance Procedure</b> (Internal)</p>	<p>Sets out the minimum requirements for external operational and local grievance mechanisms at Fortescue to help ensure communities and external stakeholders can access locally appropriate mechanisms to raise grievances, including modern slavery concerns. It was reviewed and updated in FY24.</p>	<p>Fortescue's Communities team implement the requirements of the Procedure when designing Fortescue's operational and local level grievance mechanisms. The requirements of the Procedure is covered in our Human Rights Training (see page 35).</p>

## ADDRESSING OPERATIONAL RISKS

### Our Workforce

At Fortescue, we are committed to respecting the human rights of our employees and reject modern slavery. We respect the International Labour Organization's Declaration on the Fundamental Principles and Rights at Work, including the rights to freedom of association and collective bargaining, respect to just and favourable working conditions including a fair and living wage, and the right to be treated without discrimination.

We take actions to mitigate modern slavery and labour exploitation risks in our workforce, including:

- providing all employees with a written contract setting out the terms of their employment including remuneration, working hours, leave and other benefits
- offering remuneration packages that are competitive, above minimum wage and reviewed annually to help ensure our employees are being paid appropriately for their work
- conducting fair and ethical recruitment practices, free from coercion and discrimination
- implementing processes to verify the identity and age of candidates, to confirm working rights, and to check qualifications to help ensure employees can safely and competently fulfil their roles
- not retaining original personal identity documents of employees, such as passports
- complying with applicable laws.

This year, Fortescue commenced work on internal Recruitment Guidelines for Australian and international recruitment activities. The Guidelines will outline the direct recruitment process and incorporate actions to manage modern slavery and labour exploitation risks. We will finalise and implement the Guidelines in FY25.

Where Fortescue engages workers through third party labour hire or recruitment agencies, our supplier due diligence process applies to the engagement of these services (see pages 26-32). Suppliers, including recruitment agencies and labour hire agencies, are expected to: reject modern slavery; take practical steps to ensure compliance with all laws and regulations on working conditions; provide wages and benefits that meet or exceed national legal standards; and comply with all laws applicable to freedom of association and collective bargaining. Suppliers are also prohibited from charging recruitment fees to workers.

### Our operations and business partnerships

We undertake due diligence of our operations and partnerships to identify, assess and address human rights risks, including modern slavery. We communicate our human rights and modern slavery expectations to our business partners through our engagements and written agreements (such as setting expectations in memorandums of understanding, joint venture and investment agreements with business partners).

This year we developed an internal Human Rights Standard and supporting tools to help further embed the Human Rights Policy in the business, to further align our approach with the UNGPs, and to set minimum standards of due diligence for our activities and business partnerships. The Standard and supporting tools will be implemented in FY25. We have also integrated human rights and modern slavery due diligence requirements for each stage of project development into Fortescue's Project Investment Framework for the development of Energy projects. These requirements are designed to assist in the identification and mitigation of human rights risks, including modern slavery risks, throughout the project development phases from initial concept through to final investment decision (FID), construction and operation.

## ADDRESSING SUPPLY CHAIN RISKS

We implement a number of processes to identify, assess and address modern slavery risks in our supply chain, and are focused on open and transparent communication with suppliers about our human rights, expectations, including modern slavery.

### Supplier Screening

All suppliers are screened using third party compliance platforms during onboarding and monitored throughout the contract term. These platforms assess suppliers against specific criteria across international databases to identify human rights concerns, including modern slavery, child labour, forced labour and human trafficking. These databases draw on sources such as adverse media, court proceedings, investigations and other sources.

Modern slavery and broader human rights concerns identified during this screening are referred to the Sustainability team and C&P team for investigation. This may include verification of source information, clarifications with the supplier and implementation of mitigating actions as set out in Fortescue's Modern Slavery Procurement Procedure (MSPP).

### Modern Slavery Procurement Procedure

Our MSPP is designed to support our C&P team in the identification and management of modern slavery risks in our supply chain. It requires the MSRAT be completed, in addition to supplier screening, for the following procurement activities:

- all new requests to market for tender, proposal and information (collectively referred to as RFX Events)
- all variation or extensions to contracts where the MSRAT was previously completed
- material change to existing supplier information
- adverse media reports or new information that may impact an existing supplier's modern slavery risk assessment.

Where a high-risk rating is identified for a supplier either through the MSRAT or supplier screening, the MSPP requires enhanced due diligence actions to investigate and better understand the risk. Actions include completion of our Supplier Self-Assessment Questionnaire (SAQ) (see page 27); Supply Chain Mapping Tool (see page 29) and Sustainability Risk Questions and may further include specialised reports from independent subject matter experts or internally

through our Global Insights team (see page 29), further supplier engagement and requests for additional information, site visits and/or verification activities such as worker welfare assessments.

The outcomes of our enhanced due diligence inform the development and implementation of targeted mitigation actions to address the specific risks identified. To assist the C&P team in assessing information obtained as a result of enhanced due diligence actions, we developed our Modern Slavery Performance Matrix. Mitigation actions may include enhanced contract terms and conditions, chain of custody requirements, supply chain traceability audits, worker welfare assessments, requesting a supplier cease an action and/or providing appropriate remedy. Mitigation actions are developed in collaboration with suppliers and documented and monitored through a risk management plan (RMP) (see page 31 for further information).

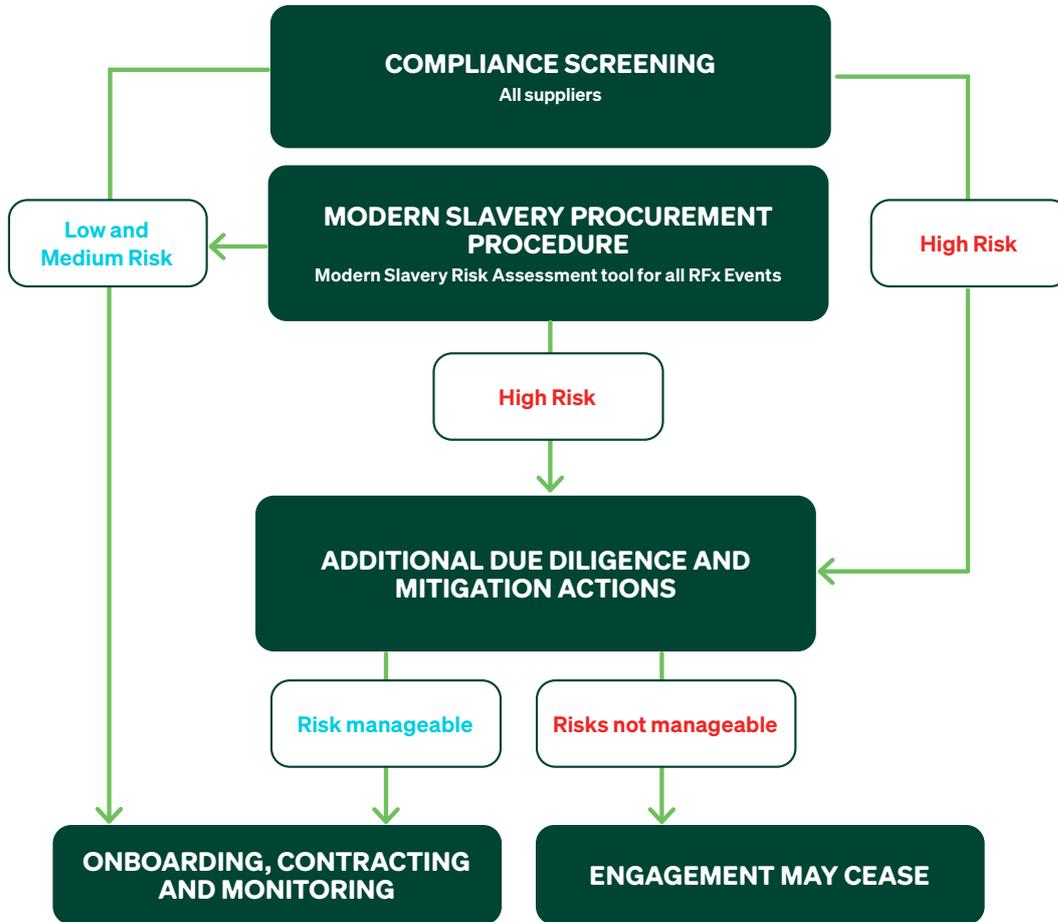
Where risks cannot be appropriately managed or mitigated with a supplier, Fortescue may not engage or may discontinue its engagement with a supplier.

In our FY23 Modern Slavery Statement, we committed to identifying and implementing a screening solution to close a gap identified in our MSPP that arose when we transitioned to a new source to contract system which did not incorporate screening of suppliers using the MSRAT at vendor onboarding. To address this commitment, this year we piloted a new platform to assess our supply chain partners for a broad spectrum of ESG risks and historical incidents, including human rights violations and modern slavery. We have matched and screened over 4,000 of our active suppliers and add newly onboarded suppliers monthly. This is in addition to the above described supplier compliance screening. The platform provides email risk event alerts to supplement our ongoing monitoring and enables engagement in real time with our suppliers where issues are identified.

We are investigating how we can embed supplier risk profiles into our due diligence approach and have been piloting approaches within RFX sourcing events identified as high risk using the MSRAT. In addition to our Tier 1 suppliers, we are using the platform to monitor beyond Tier 1 where we have supply chain mapping data available (such as for batteries and solar suppliers).

The MSPP will be reviewed and updated in FY25.

## OVERVIEW OF SUPPLY CHAIN DUE DILIGENCE APPROACH



### Supplier Self-Assessment Questionnaire (SAQ)

Our supplier SAQ is used to understand not only the modern slavery risks with our Tier 1 suppliers, but also the risks within their supply chains and their approach to managing these risks. The SAQ requires information be provided about the suppliers human rights and modern slavery due diligence and governance approach for their operations and supply chain; workforce conditions and recruitment practices; availability of grievance mechanisms; supply chain due diligence and management approaches; and verification actions.

The SAQ is used as an enhanced due diligence tool for sourcing events or suppliers identified as high risk by our MSRAT. Our C&P team review suppliers responses and seek clarification where further information and/or documentation is required to better understand the suppliers approach.

Last year, we committed to investigating new electronic formats to improve SAQ tracking in our business. However, we are yet to identify a solution that meets our needs. We continue to track supplier SAQ responses manually and look for better solutions to systemise our approach.

## FOCUS AREA

### RENEWABLE ENERGY TECHNOLOGY SUPPLY CHAIN

Renewable technologies such as solar, wind and battery storage solutions are integral to delivering our commitments to decarbonise our terrestrial Australian iron ore operations by 2030 and pursuing green energy opportunities globally (see our FY24 Climate Transition Plan). However, we acknowledge the well documented modern slavery risks within the supply chains for these technologies, including evidence of forced and child labour in the extraction of raw materials and manufacturing supply chains (see page 21).

#### Key actions in FY24 included:

- commissioned an independent battery supply chain mapping report
- continued supply chain mapping with solar, wind infrastructure and battery storage suppliers to understand key inputs and identify raw material sources (where possible) to inform contractual chain of custody requirements
- completed worker welfare assessments of nine facilities of three renewable technology suppliers (see page 30), findings presented to the Fortescue's Executive Sustainability Committee and Fortescue's Human Rights Steering Group
- completed one traceability audit with a Tier 1 renewable technology supplier and worked with them to undertake an audit of our Tier 2 supplier
- engaged a third party subject matter expert to deliver a Responsible Sourcing Workshop with a battery supplier including international and domestic standards, Fortescue's expectations and examples for supply chain implementation, and
- delivered a Director Education Training session on the intersection of human rights, climate change and green energy transition, including a discussion of modern slavery supply chain risks.

#### Overview of our enhanced due diligence approach:

In FY22, we completed an intensive assessment process for sourcing of solar panels (see our FY22 Modern Slavery Statement) and used our learnings to develop an enhanced due diligence approach. Last year, we updated our MSPP to mandate enhanced due diligence for all high risk sourcing activities, including renewable technologies requiring the following actions:

- suppliers completing a self-assessment questionnaire completed by suppliers (SAQ) (see page 27)
- supply chain mapping be undertaken (see page 29), and
- using our Modern Slavery Performance Matrix to assess suppliers' approaches, willingness to collaborate on modern slavery issues, traceability capabilities and maturity in identifying and managing modern slavery risks (see page 26).

Additional actions may include:

- in depth industry/supply chain reports (see page 29)
- site visits to suppliers (see page 29) and
- audits (see page 29).

We implement a range of mitigation actions that are designed to address identified risks, such as:

- developing and agreeing risk management plans with suppliers to address identified risks, for example, delivering joint supplier training sessions (see our FY23 Modern Slavery Statement), human rights policy development and conducting worker welfare assessments (see page 30)
- agreeing approved sub-supplier lists (screened by us using our third-party compliance platforms and our own desktop due diligence) and contractual chain of custody requirements, with rights to conduct traceability audits to verify chain of custody in our supply chain
- enhancing human rights and modern slavery contract terms and conditions (see page 31 for standard human rights and modern slavery contract terms and conditions).

Our enhanced due diligence and supplier engagement is led by the C&P team, with support from the C&P Sustainable Supply Chain team and Fortescue's Sustainability team.

We invest significant time into developing collaborative and transparent relationships with our renewable technology suppliers through consistent engagement to guide them through requirements and navigate challenges. While we strive for greater transparency, we acknowledge modern slavery risks may likely exist deeper in these supply chains where we lack visibility and leverage.

#### Collaboration

We believe collaboration internally and externally with suppliers, peers, civil society and other stakeholders is key to addressing modern slavery risks in renewable technology supply chains. Key actions this year include:

- establishing an internal battery working group to support the information sharing of sustainability risks including modern slavery in battery supply chains and due diligence approaches across global C&P teams and
- collaborating with the Human Rights Resource and Energy Collaborative (HRREC) on renewable energy technology human rights due diligence knowledge sessions and helping to facilitate a roundtable session with the New South Wales Anti-Slavery Commissioner, on the challenges in the sector and proposed Code of Practice to manage modern slavery risks in renewable supply chains (see page 39).

## In-depth Industry Risk and Supply Chain Reports

We are committed to deepening our understanding of our suppliers and their supply chains, acknowledging that modern slavery risks are greater beyond Tiers 1 and 2 of the supply chain. We use in-depth industry risk/supply chain reports from independent consultants and our internal Global Insights team to assist us to better understand the modern slavery risks in specific supply changes and help enhance our due diligence approach. This year, 40 specialised supply chain reports were completed by our Global Insights team and we commissioned one external battery supply chain mapping report. The findings of these reports, in conjunction with other due diligence actions, help us to identify and better understand modern slavery risks in particular industries/supply chains, and guide the development and implementation of mitigation actions.

## Supply Chain Mapping

We continue to undertake supply chain mapping to gain greater visibility of our supply chain beyond Tier 1 for goods-related sourcing events identified as high risk using the MSRAT. Our supply chain mapping tool is completed by suppliers to gather information about key sourcing materials, product composition and country of origin of raw materials and manufacturing locations. Traceability schedules are included in our standard tender documents with category and risk specific questions to guide supplier responses. This process enables us to work collaboratively with suppliers to identify and communicate early indicators of modern slavery and human rights risks. To date, we have used outcomes of supply chain mapping to inform chain of custody requirements in our contracts with renewable technology suppliers.

## Site Visit Checklist

We continue to use our site visit checklists to empower our personnel to independently identify observable labour risks and modern slavery indicators. The checklist includes health and safety observations such as fire exits and access to personal protective equipment; freedom of workers to move around and leave the workplace; worker demeanour and appearance; working environment; communications; and availability of worker grievance/feedback mechanisms.

In FY24, we simplified the checklist and included additional considerations based on feedback from Fortescue team members using the checklist. The checklist forms part of the Global Strategic Procurement team's debrief materials following an overseas site visit.

## Audits

Fortescue recognises that audits and similar assessments can be valuable actions to support ongoing supplier due diligence and verification. While we acknowledge there are some limitations and sensitivities with audits, we are committed to working with our suppliers to create a transparent and robust process that provides mutual benefit.

When our due diligence or monitoring indicates a high risk of modern slavery or labour risks, or lack of transparency in our supply chain, we may undertake an audit to investigate the risks.

We use different types of audits depending on the relevant risk and objective. For example, we may use traceability audits to verify a supply chain or chain of custody, or we may use worker welfare assessments to check labour and worker conditions at specific supplier facilities at a point in time. We may also use audits pre-contract award as a due diligence action or post-contract award as a verification action. Audits are undertaken by independent third-party agencies that have the required expertise and an established presence in the country where the audit or assessment will be undertaken. Where issues are identified, specific and time bound corrective actions are agreed with suppliers and completion is monitored by the C&P team.

During the reporting period, we applied a risk-based approach and worked with strategic suppliers to conduct traceability audits and worker welfare assessments. We directly completed one traceability audit with a Tier 1 renewable technology supplier and worked with them to undertake their own audit in our shared supply chain. This year, we have committed to developing an internal audit protocol to standardise our approach to worker welfare assessments and traceability audits globally. We have identified key categories to target for verification activities in FY25.

We also completed worker welfare assessments at nine supplier facilities across three renewable technology suppliers (see page 30).

We record and monitor actions to address identified issues arising from traceability audits and worker welfare assessments in our corporate risk management platform. This improves our ability to track and report progress against actions and identify trends across the audits and worker welfare assessments.

To support our C&P team in implementing our audit programs, we developed an internal audit toolkit. This toolkit includes a quick reference guide on social labour audits, a pre-audit questionnaire to be completed by suppliers, and communication templates.

Independent audits are also used to assess Fortescue's own operations and subsidiaries (see Fortescue's FY23 Modern Slavery Statement for information about our labour audit of Fortescue Zero as part of our acquisition due diligence process).

## FOCUS AREA

### WORKER WELFARE ASSESSMENTS IN OUR RENEWABLE TECHNOLOGY SUPPLY CHAIN

Fortescue continues to implement an enhanced due diligence approach for the sourcing of renewable technologies.

This year, we engaged third-party auditors to conduct worker welfare assessments across nine facilities of three Tier 1 renewable technology suppliers including solar, wind and batteries. We appointed auditors based on their regional experience, language capability to align with our supplier's workforce, and knowledge of local labour laws and standards. The assessment focused on compliance with applicable labour laws, including worker conditions, remuneration and benefits, and health and safety.

The process was managed collaboratively with our suppliers. Assessments included an initial briefing with our third-party auditors before they attended the supplier's facilities, document review and interviews with management and workers. Worker interviews conducted by the auditors were confidential and anonymous. After the assessments were completed, debrief meetings were held with onsite management at each facility to clarify any observations, discuss findings and recommend corrective actions.

We did not identify any instances of modern slavery at the facilities however, key themes identified across all assessments included working hours exceeding legal overtime limits, insufficient rest time, wage deductions relating to absenteeism and leave inconsistent with worker entitlements. Across the nine facilities, we identified 236 high priority actions and 245 other actions (noting the number of identified actions does not correspond to the number of issues identified, as multiple actions may be required to address a particular issue). We worked with our suppliers to agree corrective action plans including timelines for implementing actions to address findings. Corrective actions included changes to policies and processes, improved health and safety practices, and improved or additional training. During the reporting period, 204 corrective actions were closed.

During this process we learnt that some corrective actions are more easily addressed than others. For example, improving health and safety signage, unblocking of emergency doors, and improving chemical labelling and management are quick to implement, whereas issues that require multiple actions, such as changing internal processes and systems, take longer to complete. Our C&P team continue to work with our suppliers to close out the actions into FY25. We have also observed that we have greater leverage with suppliers to address issues through contractual mechanisms where worker welfare assessments are conducted as part of pre-contract award due diligence.

To enable better monitoring of implementation of corrective actions, provide greater visibility of supply chain modern slavery risks, and improve internal reporting capability of assessments to the Sustainability Committee and SSC, we have systemised the recording of audit findings into our group risk management system. We will continue to monitor and work with suppliers to close out remaining actions, and review if any assessed facilities should be reassessed to verify closed actions.

We acknowledge that worker welfare assessments are reflective of a point in time and place at which the assessment is conducted, and need to be part of a broader human rights due diligence approach. Worker conditions beyond our direct suppliers facilities were not in scope of these assessments, nor was verification of sourcing of raw materials or components beyond our direct suppliers operations. Our due diligence approach also includes using traceability audits to verify chain of custody in supply chains (see page 29).

## Risk Management Plans

We use RMPs to record and monitor mitigating actions with suppliers. An RMP may be initiated where risks are identified through adverse media reporting, screening, enhanced due diligence, monitoring and verification activities. Our C&P team works with suppliers to address concerns and monitor actions. If suppliers do not demonstrate improvements over time, we may discontinue their engagement.

In FY24, 16 suppliers had active RMPs compared with one supplier in FY23. This increase in RMPs is due to, among other things, improvements in identifying risks through our enhanced due diligence process and improved tracking of RMPs. This year, we systemised our RMPs that were previously managed offline by loading them into CGR. We published an internal guidance document for using the system and provided training to all C&P teams currently managing RMPs. The C&P team will continue work with suppliers to address concerns and monitor actions outlined in RMPs.

In FY25, we will build our capability to routinely report all mitigating actions relating to human rights in our supply chain by supplier, category and issue to raise awareness and analyse trends in our supplier base. We are also investigating how we can curate training content to continue to empower our C&P team to identify human rights risks and prepare appropriate mitigating actions for suppliers.

## Supplier onboarding and contracting

We communicate our human rights and modern slavery expectations to suppliers through our Code of Conduct and Integrity, Human Rights Policy, Procurement Policy, Sustainable Procurement Standard and other documents. Before onboarding, suppliers are required to agree to and comply with these policies.

Our tender schedules set out Fortescue's minimum expectations for suppliers, including that they must be able to demonstrate that they have the necessary processes and procedures in place to investigate, assess and address modern slavery risks in their operations and supply chain including due diligence and remediation programs. In FY25, our tender schedules will be reviewed to consider broader modern slavery and human rights due diligence requirements impacting our global supply chains and operations. Our minimum expectations for suppliers will be updated to align with international standards, ethical recruitment and 'know your supply chain' considerations.

Our Standard Terms and Conditions include human rights and modern slavery provisions requiring our suppliers to:

- not engage in conduct inconsistent with human rights (including those internationally recognised human rights laws and standards such as the International Bill of Human Rights, the UNGPs and the International Labour Organization Declaration on Fundamental Principles and Rights at Work), nor engage in modern slavery
- to take actions to investigate, assess and address modern slavery risks in their operations and supply chain, including implementing due diligence and remediation programs, and having the necessary process and procedures to undertake these actions
- notify Fortescue of instances of modern slavery in their operations or supply chains and actions taken to remedy the issue
- permit Fortescue to undertake verification activities
- include equivalent commitments in contracts with their suppliers.

To support suppliers to comply with these expectations, the provisions provide the option for suppliers to seek reasonable assistance from Fortescue.

During engagements with suppliers, it is not uncommon for some suppliers to ask questions about our human rights and modern slavery provisions and seek amendments to those provisions. To support our C&P team in their engagements with suppliers on our standard human rights and modern slavery provisions, we updated our internal quick reference guide which provides an overview of the purpose and objectives of the provisions and our expectations of suppliers.

Adopting a continuous improvement approach, we continue to review and update our Standard Terms and Conditions.



Learn more about our Standard Terms and Conditions and Vendor Documentation on Fortescue's website  
[suppliers.fortescue.com/en](https://suppliers.fortescue.com/en)

## Supplier Engagement and Monitoring

Supplier engagement is key to supporting our actions to identify, assess and address modern slavery risks in our supply chain. Our approach focuses on building collaborative relationships, knowledge sharing and awareness raising, recognising influence and seeking feedback. To support supplier engagement, in FY24 we published our Supplier Information Pack: Foundation Human Rights to help suppliers understand our human rights and modern slavery approach and expectations. This Information Pack is scheduled to be reviewed and updated in FY25.

Our C&P team regularly engage with our suppliers, predominantly on a one-on-one basis, through enhanced due diligence, vendor onboarding, contract negotiations and throughout the life of the contract. The C&P team is

responsible for maintaining regular contact with suppliers, including on modern slavery issues. Supplier engagements are supported by the Sustainability team as required.

We continue to monitor our suppliers through our compliance screening platform and ongoing supplier engagement. We also monitor external factors to better understand trends and changing conditions to understand how these may influence modern slavery risks in our supply chain. Where modern slavery risks are identified, whether these relate to specific suppliers, industries or products, we raise these issues directly with our suppliers to better understand the situation and implement additional mitigation actions if required.



Read our Supplier Information Pack on Fortescue's website

[suppliers.fortescue.com/en/supplier-documentation](https://suppliers.fortescue.com/en/supplier-documentation)

## FOCUS AREA

### FORENSIC TRACEABILITY PILOT UPDATE

At Fortescue, we are always looking for better ways to do things. This includes exploring innovative solutions to advance our approach to sustainable supply chains.

Last year, we partnered with a third party to test organic trace elements of goods we purchased using forensic technology. This enabled us to determine the source origin of products against the third party's global sample database. This forensic method has proved effective at identifying the geographic origin of a product's trace elements, even if the packaging and/or labelling has been removed.

For our pilot, we collaborated with three suppliers to test cotton fibres across our workwear category. All suppliers shared the source of origin data for the raw cotton used in their products.

The testing verified that some raw materials were correctly matched to the identified source. However, some samples returned a significant match for other geographical markers that our suppliers and their sub-suppliers were not aware of in their supply chains, including some areas documented to be higher risk of modern slavery.

All three suppliers investigated their supply chains to verify the results. The pilot encouraged comprehensive discussions about transparency challenges in the cotton supply chain and reliance on desktop verification such as certifications beyond Tier 2. All three suppliers reported that they experienced low engagement with their suppliers beyond Tier 1 due to lack of market

power in relation to the scale of the cotton industry. We also consulted with civil society groups focused on labour challenges in the cotton industry to build our understanding and seek recommendations for mitigation actions.

As a result, we developed Responsible Sourcing Principles specifically for cotton and related products which will be used to assess suppliers when sourcing cotton products. This includes expectations that these suppliers be committed to sustainable sourcing including in relation to human rights issues. We also developed internal guidelines and a sourcing checklist to support implementation of the Responsible Sourcing Principles within the C&P team.

To share our learnings, Fortescue delivered a joint presentation at the Human Rights Resources and Energy Collaborative with one of the suppliers from the pilot to demonstrate how the technology had changed their due diligence and verification process. A key message was the connection between knowing your supply chain and identifying potential human rights risks due to lack of transparency or presence of unknown high-risk jurisdictions.

We are continuing to work with all three suppliers to understand more about challenges in the cotton industry and to discuss alternative commercial options to achieve better traceability.

This pilot has provided Fortescue with another verification method to supplement our approach to traceability in our supply chain and we will consider its application in other procurement categories in the future.



Read Fortescue's Responsible Sourcing Principles - Cotton and Related Products on Fortescue's website

[suppliers.fortescue.com/en/supplier-documentation](https://suppliers.fortescue.com/en/supplier-documentation)

## FORTESCUE ZERO LIMITED (UK) SUPPLY CHAIN

Fortescue Zero Limited (UK) is a wholly owned subsidiary of Fortescue Limited. It forms part of our Fortescue Zero Power Systems business, providing green technology and engineering services, creating solutions required to enable a zero emissions future (see pages 14-15 for a description of activities).

During the reporting period, Fortescue Zero Limited (UK) maintained separate systems and processes for managing its supply chain and supply chain due diligence approach. In FY24, Fortescue Zero (UK) total contestable spend on goods and services was £155 million with 1,440 Tier 1 suppliers across 28 countries. The main categories of spend included:

- facilities – including building and facilities costs
- information technology and electronic equipment
- manufacturing equipment
- consultancy services
- research and development
- battery cells
- metallic machinery

Approximately 83 per cent of its total contestable spend was with suppliers in the United Kingdom (representing 84 per cent of all Tier 1 suppliers). Fortescue Zero (UK) top 5 sourcing countries are set out in the table below, and represent 98 per cent of Fortescue Zero's (UK) total spend.

**Table 4 Fortescue Zero Limited (UK) Supply Chain**

	COUNTRY	NUMBER OF SUPPLIERS	FY24 SPEND (£M)
1	UK	1,205	128.5
2	USA	63	8.9
3	Germany	60	7.2
4	France	13	6.1
5	China	10	1.3
	<b>Sum of Top 5</b>	<b>1,351</b>	<b>152</b>

Fortescue Zero (UK) recognises that modern slavery risks in its supply chain vary depending on the category of goods and/or services and the country of origin of the goods, its components, inputs or raw materials. Fortescue Zero (UK) adopts a risk based approach to supply chain due diligence, considering country and category risks, and considering spend as an indicator of leverage to help guide its due diligence efforts (recognising that spend is not an indicator of modern slavery risk).

Electronic equipment and battery cell sourcing have been identified as higher risk categories for modern slavery in Fortescue Zero's (UK) supply chain. Supply chains for renewable technologies, such as batteries, are complex and global. Supply chain transparency and visibility of worker conditions is challenging, and supply chains extend into countries with higher prevalence of modern slavery reported in Walk Free's Global Slavery Index. Documented modern slavery risks in battery supply chains include evidence of forced and child labour in the extraction of critical minerals such as cobalt, copper, lithium, manganese, nickel and zinc, and labour exploitation in processing and manufacturing.<sup>13</sup>

Fortescue Zero Limited participates in Fortescue's internal battery working group to share human rights due diligence approaches and mitigation strategies to address modern slavery risks in the battery supply chains.

During onboarding, suppliers to Fortescue Zero (UK) are screened using third party compliance platforms and are required to complete a supplier questionnaire. This year, Fortescue Limited developed a new platform for collecting and accessing supplier due diligence questionnaires covering business integrity subjects including human rights.

Where modern slavery risks are identified during the supplier screening, these are assessed and appropriate mitigations actions are implemented to address the risk.

When onboarded our suppliers are subject to continuous monitoring, periodic reviews, and where appropriate audits. During FY24 we completed 30 Supplier Quality Audits and conducted seven supplier site visits, completing Fortescue's site visit checklist for each of the 11 facilities visited.

All suppliers are required to comply with Fortescue Zero Limited standard purchasing terms and conditions outlining modern slavery obligations and expectations.

Fortescue's Group policies, Code of Conduct and Integrity and values apply to Fortescue Limited (UK) activities. Employees are required to complete Fortescue human rights training (see page 35). Fortescue Zero Limited (UK) implements Fortescue's Global Speak Up Program (see page 36).

<sup>13</sup> Walk Free, Global Slavery Index 2023.

## SHIPPING

Fortescue directly operates eight vessels and charters others to transport our iron ore to our customers. We acknowledge that the international shipping industry is high-risk for modern slavery and other human rights issues and we implement actions to help mitigate these risks.

### Ship vetting

**Questionnaires and screening:** We vet all vessels nominated to Fortescue's terminal using specific criteria and our Vessel Nomination Questionnaire (VNQ). The VNQ was developed internally by our Ship Vetting and Quality team in FY21 to help improve our due diligence approach and understanding of seafarer conditions on the vessels. The VNQ is sent to a vessel at the time of nomination prior to its arrival and includes a Maritime Labor Convention (MLC) risk management tool and questions relevant to the MLC.

Better evaluations outcomes are achieved when multiple data sources are used. Accordingly, our ship vetting process also incorporates data obtained from RightShip, publicly available databases such as Equasis, and previous performance records held by Fortescue.

**Contracts and warranties:** The owners of vessels engaged by Fortescue must warrant certain conditions and standards are met and in line with terms defined in the International Labor Organization's Conventions. These include, for example, seafarer terms and conditions of employment compliant with the International Transport Workers Federation standards or equivalent, prohibitions against forced labour and modern slavery, and assurances that vessel owners thoroughly investigate their labour practices to ensure no instances of modern slavery or forced labour occur in their business.

Vessels chartered by Fortescue must comply with the MLC, including Regulation 5.15 which requires that vessels have an onboard complaints procedure and grievance mechanism. Vessels must also have a valid Maritime Labour Certificate and Declaration of Maritime Labour Compliance issued by the Flag State or Recognised Organisation of the vessel.

**Vessel inspections:** Fortescue's internal Ship Vetting and Quality team conducts vessel inspections at Fortescue's terminal. While these inspections are mainly focused on vessel safety and quality, seafarer welfare and labour are also assessed, including quantity and quality of food provisions, operation of air conditioning and temperature within the accommodation, cleanliness of food handling and serving areas, and access to shore leave. In FY24, we conducted 46 vessel inspections. Where issues are identified, specific corrective actions are requested and monitored by Fortescue's Ship Vetting and Quality team.

### Fortescue vessels

Fortescue vessels are managed through third-party ship management companies. Our contracts with our ship managers include requirements that they thoroughly investigate their labour practices, and those of their direct suppliers, to ensure there is no forced labour or other forms of modern slavery anywhere in their businesses. They must also take all necessary actions and investigations to prevent these issues.

The management companies implement initiatives to monitor and support crew wellbeing and welfare on our vessels. Wellbeing initiatives include, for example, onboard engagement and entertainment such as wellness apps, yoga sessions, cultural events and internet access; mental and physical health support services; and seafarer satisfaction and engagement surveys. Multiple mechanisms are available for crew to raise concerns including through forums, grievance mechanisms and third-party whistleblower platforms. We receive updates on crew wellbeing and welfare quarterly. We also receive notifications of crew grievances or concerns, and monitor resolutions and implementation.

\* Vessel Nomination: The process by which a performing vessel is nominated to Fortescue in line with contractual terms.

## TRAINING AND AWARENESS

Every Fortescue employee has a role to play in helping Fortescue address modern slavery risks. To promote awareness and improve understanding of human rights including modern slavery, our responsibilities and approach, we deliver mandatory human rights training to all employees and periodic capacity and awareness sessions on specific human rights topics.

During FY24, we continued to rollout our online training module, An Introduction to Human Rights and Modern Slavery, available in English, French, Spanish and Portuguese. This includes an introductory overview of modern slavery, Fortescue’s rejection of modern slavery and relevant commitments, our actions to identify, assess and address modern slavery, and how to report concerns and seek support in the business.

An updated, advanced face to face Human Rights and Modern Slavery training module continues to be delivered to employees identified as working in high risk areas including C&P, Security, Communities and regional teams. This training provides more detailed discussion of modern slavery, operational and supply chain risks, case study discussions and our actions to identify, assess and address modern slavery risks.

This year, two human rights Director Education Training Sessions were delivered to our Board. The first session focused on the intersection of human rights, climate change and the green energy transition, including a discussion of modern slavery risks. The second session, delivered by the Australian Red Cross, focused on international humanitarian law, security and conflict, and included discussions around the intersection between conflict and modern slavery risks.

This year, we also delivered two targeted capacity building and awareness programs: one for our C&P Global Strategic Sourcing team led by our C&P Sustainable Supply Chain team, and the second on grievance mechanisms and remediation for our Communities and Sustainability teams.

The Sustainability team’s dedicated human rights and modern slavery intranet hub page provides a centralised location for employees to access information about Fortescue’s actions to address modern slavery including policies, standards, due diligence procedures, tools and educational resources. To assist in fostering continued awareness of modern slavery issues in our business, the Sustainability team periodically shares news, updates on Fortescue’s actions to address modern slavery and educational resources with employees through Fortescue’s internal social media platforms.

To mark the 75th Anniversary of the Universal Declaration of Human Rights, Fortescue released a ‘Respecting Human Rights at Fortescue’ video featuring our Fortescue Family sharing why respecting human rights is important at Fortescue. This video was released publicly on our social media channels to coincide with international Human Rights Day and has run internally on Fortescue TV at our offices and sites for over six months.



Watch our ‘Respecting Human Rights at Fortescue’ video on our website at [fortescue.com/en/sustainability/human-rights](https://fortescue.com/en/sustainability/human-rights)



**4,808**

employees completed online training



**592**

employees completed face to face training



**2**

Director Education Sessions delivered



**2**

Targeted capacity building and awareness activities

## FOCUS AREA

### GLOBAL STRATEGIC SOURCING TRAINING

The C&P Sustainable Supply Chain team delivered face to face multi-day human rights program with our Global Strategic Sourcing teams. The content was curated using SAQ data from key international suppliers and case studies from Fortescue's own worker welfare assessment outcomes.

We conducted interviews and a workshop to establish existing understanding of human rights, labour exploitation, challenges, local context and expectations. We used this information to inform the training content and ensure it was fit for purpose for the participants.

Part one of the training provided an overview of Fortescue's human rights responsibilities, local labour laws, international standards and the importance of human rights in business.

Part two focused on how to engage with suppliers on human rights and labour issues during site visits and how to address commonly asked questions. The team also learnt the benefits of prioritising human rights and key indicators for assessing the maturity of a supplier's human rights approach.

The training has resulted in improved collaboration between our Global Strategic Sourcing and Sustainable Supply Chain teams. During the program, the Sustainable Supply Chain team attended supplier site visits and discussed broader sustainability strategy with key suppliers, including the importance of worker welfare.

Following the training, the teams worked together to create region-specific materials with translation to support sustainability discussions during initial engagements, including human rights and labour laws.

In FY25, the team are co-designing an updated site visit checklist based on the learnings from the training. We plan to replicate similar training with our broader C&P teams working with international suppliers.

### GRIEVANCE AND REMEDIATION

Fortescue is committed to providing for and cooperating in remediation in alignment with the UNGPs. Where we identify that we have caused or contributed to an adverse human rights impact, including incidences of modern slavery. We provide a range of mechanisms for employees and external stakeholders such as suppliers and their workers, community members and other stakeholders to raise concerns with us including human rights and modern slavery concerns, suspected illegal activities or breaches of Fortescue's policies or Code of Conduct and Integrity.

#### Grievance Procedure

Our corporate Grievance Procedure sets the minimum standard for the design of local/project level grievance mechanisms at our sites and projects. This year, the Grievance Procedure was reviewed and updated to further enhance alignment with the UNGPs effectiveness criteria for non-judicial grievance mechanisms and to include requirements for quarterly reporting on grievances to the Human Rights Steering Group. Our Communities team refers to the Grievance Procedure and its requirements when designing operational and local level grievance mechanisms at our sites and projects, while the Sustainability team provides strategic support.

#### Speak Up

This year, Fortescue introduced a new global Speak Up service for our employees, suppliers and their workers, members of the public and other people whom Fortescue does business with to raise human rights and modern slavery concerns. This service combines both our past Speak Up and Whistleblower platforms into one platform operated by an independent third party with global experience. It provides a platform for people to safely, confidentially and anonymously report concerns. It is available 24 hours a day, 365 days a year and can be accessed by phone, online or by using a QR code, and is available in multiple languages. Users can return to the Speak Up platform at any stage to check the progress of their concern or to add additional information.

All concerns raised through Speak Up are taken seriously, investigated and reported in accordance with Fortescue's policies and procedures. Human rights and modern slavery concerns are investigated by Fortescue's Sustainability team. The effectiveness of the Speak Up platform is regularly reviewed.

In FY24, 67 potential Code of Conduct breaches were reported. The majority of issues raised were employee relations matters, including concerns of anti-social behaviour such as bullying and harassment. An investigation was completed for each of these cases, with 20 substantiated breaches confirmed. A number of these investigations resulted in corrective actions, including warnings and in some cases, termination.<sup>14</sup>

No modern slavery concerns were reported through Speak Up or our other grievance channels this year. However, during the year we concluded our investigation into a concern raised the previous year in relation to recruitment fees (see the Focus Area below).



Learn more about Fortescue's Speak Up service see our website [fortescue.com/en/sustainability/human-rights](https://fortescue.com/en/sustainability/human-rights)

## Suppliers

We recognise the importance of accessible grievance mechanisms for workers in our supply chain. In addition to Fortescue's external grievance mechanisms, Fortescue's Sustainable Procurement Standard specifies that suppliers should have a mechanism available for employees to raise concerns. Our supplier SAQ asks suppliers to provide information about the availability of these mechanisms in their operations. Our vessel inspections also include assessments of whether relevant dispute resolution procedures are appropriately posted on vessels.

## Remediation Guidelines

In FY24, we developed internal Remediation Guidelines. The purpose of the guidelines is to provide guidance to Fortescue on how to investigate and remediate adverse human rights impacts the business identifies it has caused or contributed to, in alignment with the UNGPs. The guidelines have been designed to supplement existing investigation processes and procedures to further embed Fortescue's human rights approach across the business.

## FOCUS AREAS

### INVESTIGATING A POTENTIAL CASE OF RECRUITMENT FEES CHARGED TO CANDIDATES BY AN AGENCY

This year, we concluded the investigation of a whistleblower disclosure received in FY23 concerning allegations of recruitment fees charged to candidates by a recruitment agency previously engaged by Fortescue in 2019 for the recruitment of migrant workers from the Philippines for positions at our Pilbara sites. This triggered an investigation by the Sustainability team with assistance from our People, C&P and Legal teams. Our investigation included internal document review, review of publicly available information, and consultations with the recruitment agency and third-party industry experts. At the time of the investigation, the recruitment agency was not an active supplier to Fortescue.

Our investigation was unable to substantiate the claim in this case as the placement of the proposed candidates was prevented by the outbreak of COVID-19. As the placements did not occur, Fortescue understands from our consultations with the recruitment agency that the proposed candidates did not incur any fees or charges from the recruitment agency for the failed placements. We were unable to independently verify this with the proposed candidates as we do not have records of the candidates in our People Management System, nor their personal contact information, due to the proposed candidates not being onboarded.

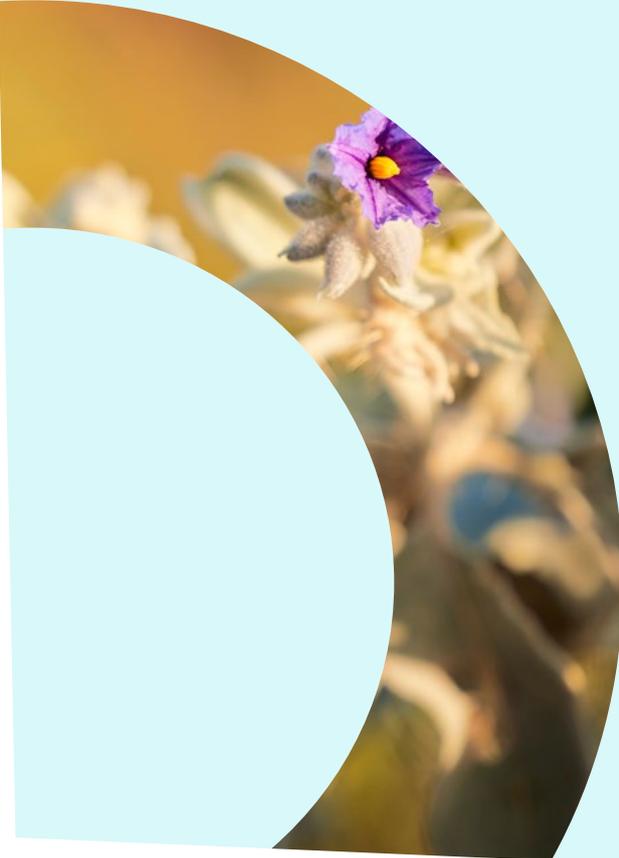
We acknowledge the modern slavery risks associated with engaging recruitment agencies, particularly for the recruitment of migrant labour. While our Sustainable Procurement Standard sets our expectation that suppliers, including recruitment agencies, are to ensure no payment of recruitment fees by workers, this investigation highlighted the need for us to do more to identify and address these specific risks more effectively.

The findings of the investigation and plans to enhance our approach to identifying and addressing modern slavery risks in recruitment practices, including engaging recruitment agencies, were presented to the Human Rights Steering Group.

This year, we initiated work internally to enhance our modern slavery due diligence approach in our direct recruitment activities both in Australia and internationally, as well as in our engagement with recruitment agencies to better identify, assess and address potential modern slavery risks in these activities. Plans include finalising recruitment guidelines for Australian and international recruitment, additional due diligence for recruitment agencies and internal capacity building.

<sup>14</sup> For more information about the Speak Up service and investigation of potential Code of Conduct breaches (not related to human rights or modern slavery) see Fortescue's FY24 Sustainability Report accessible on our website [fortescue.com](https://fortescue.com)

REPORT A CONCERN



**Online**  
fortescue.ethicspoint.com

**Phone**  
(toll free unless otherwise stated)

<b>Argentina:</b>	0800 345 2476
<b>Australia:</b>	1800 841 317
<b>Brazil:</b>	0800 000 2809
<b>Canada:</b>	844 858 4895
<b>Chile:</b>	800914518
<b>China:</b>	400 120 5081
<b>Colombia:</b>	01 800 5189520
<b>Ecuador:</b>	1800 001 242
<b>Gabon:</b>	0800 90 17 70**
<b>Indonesia:</b>	021 5091 8341
<b>Kazakhstan:</b>	871 72973013
<b>Kenya:</b>	0800 211 187
<b>Mexico:</b>	800 639 0176
<b>Norway:</b>	800 62256
<b>Peru:</b>	0800 74891
<b>Portugal:</b>	800815058
<b>Singapore:</b>	800 492 2727
<b>United Kingdom:</b>	0800 066 8879
<b>United States:</b>	844 858 4248

\*\* Gabon line is located in France. Callers will need to add the French International code +33 if calling from Gabon. Call costs incurred for this line.

## STAKEHOLDER ENGAGEMENT AND COLLABORATION

We recognise addressing modern slavery requires collaborative and collective actions across a broad range of stakeholders to drive change to address the root causes of modern slavery, share knowledge and best practices, continuously improve approaches, and protect rightsholders.

We continue to collaborate with a range of stakeholders including peers, multi-stakeholder forums, suppliers, industry organisations, partners and civil societies.

### Communicating our approach with external stakeholders

Together with our modern slavery statement, we communicate our commitments and actions to addressing modern slavery through our broader annual reporting, policies, standards, website, social media platforms and other communication channels (such as our Annual General Meeting). Our website includes a dedicated Human Rights page outlining our commitments and approach, an overview of our actions and links to supporting resources.

ENGAGING WITH STAKEHOLDERS ON HUMAN RIGHTS AND MODERN SLAVERY	
UN Global Compact Network Australia (UNGCNA)	<p>Fortescue is a signatory to the UN Global Compact and actively participates in the UNGC Network Australia (UNGCNA):</p> <p>Key activities in FY24 included:</p> <ul style="list-style-type: none"> <li>• participant in the UNGCNA Modern Slavery Community of Practice</li> <li>• participant in UNGCNA Human Rights Due Diligence Working Group</li> <li>• attendance at the UNGCNA Australian Dialogue on Business and Human Rights in Sydney.</li> </ul>
Human Rights Resource and Energy Collaborative (HRREC)	<p>Fortescue is a founding member of the HRREC and continues to actively support this self-led industry collaborative.</p> <p>Key activities in FY24 included:</p> <ul style="list-style-type: none"> <li>• participating in sessions on renewable technologies and human rights due diligence with HRREC members and helping to facilitate a roundtable session with the New South Wales Anti-Slavery Commissioner, on the challenges and proposed Code of Practice to manage modern slavery risks in renewable supply chains</li> <li>• presenting a knowledge share on our forensic traceability pilot.</li> </ul>
Walk Free	<p>We continue to work closely with Walk Free on actions and shared learnings to address modern slavery. Our Executive Chairman, Dr Andrew Forrest AO, founded Walk Free with his daughter Grace Forrest.</p>
Shipping	<p>We continue to partner with Mission to Seafarers to support the Port Hedland Seafarers Centre including providing funding, supporting the design review for a new building, attending Seafarer Welfare Committee meetings, and providing crew Christmas welfare packs.</p> <p>Fortescue also participates on the Pilbara Port Authority Seafarer Welfare Committee.</p>
Other Civil Society Organisations	<p>We continue our partnership with Red Cross Australia for the delivery of International Humanitarian Law, Security and Conflict Training in our business.</p> <p>We also engage with other civil society organisations on human rights and modern slavery issues to help us better understand challenges for specific topics, sectors and/or regions, and to help continuously improve our actions (see, for example, Forensic Traceability Pilot update at page 32).</p>
Investors	<p>We engage with investors and respond to queries about our human rights approach including modern slavery. Last year, we provided feedback to an investor-led, multi-stakeholder collaborative on the development of metrics to better understand labour exploitation and modern slavery risks in investment portfolios.</p>

# ASSESSING OUR EFFECTIVENESS

We recognise that as our business grows globally and our supply chain evolves to support the decarbonisation of our mining operations and green energy opportunities, our modern slavery risk profile also changes. This requires us to continually evaluate our actions and improve our approach to address new risks. We understand that continuously improving our approach will involve trial and error. Where our actions are not effective, we will change our approach, applying the lessons learnt to help continuously improve our actions.

We consider an effective response to modern slavery to be one that is rightsholder focused, and allows us to identify modern slavery risks in our operations and supply chain through robust due diligence, supported by strong policies and processes. It also involves taking action to address identified risks and using our leverage where possible to drive change across our value chain. Where modern slavery is identified, an effective response should be provided that aligns to the UNGPs, addresses harm to the rightsholders, and includes actions to prevent future harm.

However, there are challenges to assessing the effectiveness of our actions. Modern slavery is often hidden and is more difficult to identify and address where we have less control or leverage to influence outcomes. Further, risks are often greater beyond Tier 1 of our supply chain where visibility is reduced. We also understand root causes of modern slavery may be influenced by economic, social or political factors that are generally outside any individual company's influence and requires broad collaborative action across multiple actors to address.

We evaluate the effectiveness of our actions through a range of formal and informal mechanisms, including:

- regularly reviewing and updating our MSRAT and other human rights risk assessments
- undertaking periodic internal and external reviews of our processes and procedures
- conducting due diligence activities, such as individual supplier assessments and audits, to help us understand risks in greater detail and identify indicators so issues can be addressed early

- collaborating and seeking feedback from peers and civil society to help improve performance and share knowledge
- engaging with our suppliers to understand their approaches and challenges in addressing modern slavery in their operations and supply chains
- tracking our actions via key performance indicators (see page 42) to help track implementation and measure progress
- benchmarking our performance against stakeholders' expectations to identify opportunities for continuous improvements.

For example, this year, the investigation of a whistleblower disclosure concerning allegations of recruitment fees charged to candidates by a recruitment agency previously engaged by us for the placement of migrant workers from the Philippines highlighted the need for us to do more in this space to identify and address modern slavery risk in these activities (see page 30). We also:

- sought feedback and guidance from civil society organisations focused on modern slavery risks in the cotton industry to better understand the challenges and help inform the development of due diligence and mitigation actions during our forensic traceability pilot (see page 32)
- participated in human rights and renewable technologies supply chain due diligence knowledge shares with members of HRREC to share lessons learnt and strengthen modern slavery due diligence approaches (see page 39)
- reviewed our internal Grievance Procedure to improve its alignment with the UNGPs, provide additional resources to help the Communities team design and implement our operational and local level grievance mechanisms, and set reporting requirements to the Human Rights Steering Group to provide greater oversight of the operation of our grievance mechanisms, grievances received, resolutions and reporting.

## FOCUSING ON IMPACT

Last year, we committed to focusing on assessing the impact of our internal human rights training program, as part of our work to mature our approach to assessing effectiveness, by exploring options to evaluate outcomes/impacts of our training rather than just quantitative outputs.

The intended impact of our human rights training program is to equip employees with a greater understanding of our human rights and modern slavery commitments, approach and responsibilities.

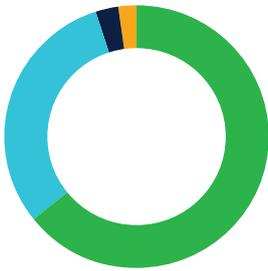
To assess the impact of our face to face training, we surveyed participants after completing the training. We received 296 responses to the survey, representing 36 per cent of those completing the module during the year. The questions and responses are below:

1. How useful have you found this training in improving your understanding of human rights and modern slavery?

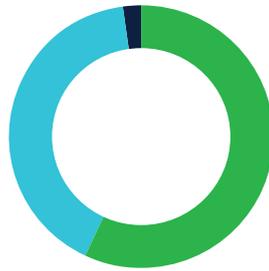
2. The training has improved my understanding of what modern slavery is and I can identify risks, indicators or incidents of modern slavery.

3. Following this training I can confidently recognise high risk countries and product categories.

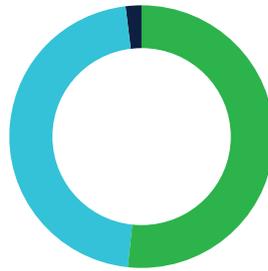
4. Following the training, I know how to report/raise concerns about human rights and modern slavery (including where to go to ask for help).



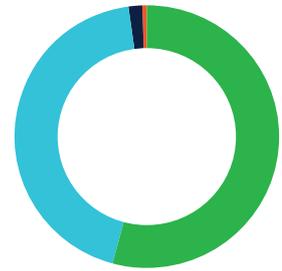
<span style="color: green;">●</span> Very useful	190
<span style="color: cyan;">●</span> Useful	92
<span style="color: darkblue;">●</span> Somewhat useful	8
<span style="color: orange;">●</span> Neutral	6
<span style="color: red;">●</span> Not useful	0



<span style="color: green;">●</span> Strongly agree	168
<span style="color: cyan;">●</span> Agree	121
<span style="color: darkblue;">●</span> Neutral	6
<span style="color: orange;">●</span> Disagree	0
<span style="color: red;">●</span> Strongly disagree	0



<span style="color: green;">●</span> Strongly agree	152
<span style="color: cyan;">●</span> Agree	136
<span style="color: darkblue;">●</span> Neutral	5
<span style="color: orange;">●</span> Disagree	0
<span style="color: red;">●</span> Strongly disagree	0



<span style="color: green;">●</span> Strongly agree	158
<span style="color: cyan;">●</span> Agree	127
<span style="color: darkblue;">●</span> Neutral	5
<span style="color: orange;">●</span> Disagree	0
<span style="color: red;">●</span> Strongly disagree	1

We also asked participants to identify where they can contribute to respecting human rights at Fortescue. Themes emerged from the responses including:

- knowing and following Fortescue's values, policies and procedures
- undertaking due diligence of our supply chain and operations
- not turning a blind eye and speaking up if things don't seem right, asking questions and reporting concerns
- advocating for Fortescue's standard terms and conditions in commercial agreements with partners
- raising awareness and communicating with team members.

The intention of using the free-text response was to prompt participants to think about how they can contribute to respecting human rights and addressing modern slavery risks in their role.

The responses demonstrate that the training is having the desired effect of improving our employees' understanding of modern slavery and what they can do to contribute to addressing modern slavery at Fortescue. We will continue to seek feedback, and adjust our training approach as required to ensure it continues to meet our aims.

## KEY PERFORMANCE INDICATORS

The following table sets out our modern slavery focused key performance indicators (KPIs), including noting where they have been updated for FY24.

Table 5 KPIs

KPI	FY24 TARGET	FY24 RESULT	COMMENTS
<p><b>Updated</b></p> <p>Percentage of active employees (as of 30 June 2024) having completed human rights and modern slavery training in the past two years</p>	100%	76%	<p>Human rights training is mandatory for all Fortescue employees. We deliver the training in two modules: face to face and online. The continued roll out of our online human rights training has improved the delivery of human rights training across our business, enabling us to deliver training more efficiently throughout the business.</p> <p>This year, 95% of respondents to human rights training survey found the training 'very useful' or 'useful' in improving their understanding of human rights and modern slavery.</p>
Percentage of new suppliers screened and monitored via third party platform	100%	100%	See page 26.
<p><b>Updated</b></p> <p>Number of SAQs received from suppliers</p>	—	77	<p>Last year, we disclosed the changes to the use of SAQs set out in the MSPP. The MSPP requires a SAQ to be issued to suppliers for high-risk sourcing events (see page 26). We continue to look for options to better systemise our use of SAQs.</p>
Number of suppliers on RMPs	—	16	<p>This year the number of suppliers on risk management plans have increased from one to 16. This is due to improvements in our enhanced due diligence actions to identify risks. This year we systemised our tracking of risk management plans, which allows us to better monitor supplier actions.</p>
Number of confirmed modern slavery incidences in our operations or supply chain	—	0	<p>This year, we did not identify any confirmed instances of modern slavery in our operations or supply chain. However, we did investigate a number of labour concerns identified during our supplier worker welfare assessments (see page 30) and indicators identified through our traceability pilot (see page 32). See the Focus Areas for a more detailed discussion of our findings, corrective actions and challenges.</p>
Number of human rights (including modern slavery) related grievances received	—	0	<p>While we did not receive any grievances related to modern slavery this reporting period, we did complete the investigation of a whistleblower concern raised in FY23 (see page 36). This year Fortescue launched its new global Speak Up service (see page 36). We also reviewed our Grievance Procedure. We recognise that the fact we have not received any grievances does not mean our activities are free from concerns, and rather this may be an indicator that we need to assess the effectiveness of our grievance mechanisms. We will consider opportunities to assess the effectiveness of our grievance mechanisms.</p>

**Table 6 Our Progress**

Identification and addressing risks		
ACTION	FY24 UPDATE	STATUS
Identify and implement a screening solution to close the gap in our MSPP	We piloted a new platform to assess our supply chain partners for a broad spectrum of ESG risks and historical incidents, including human rights violations and modern slavery (See page 26).	
Improve use, assessment and tracking of supplier SAQs	We use SAQs as enhanced due diligence tools for sourcing events identified as high risk. However, we currently track the SAQs we receive from suppliers manually. Continue to investigate options to improve/systemise our use and tracking of SAQs.	
Complete pilot of forensic traceability technology	See page 32.	
Continue to improve enhanced due diligence approach for renewable technologies	We now conduct enhanced due diligence for all renewable technologies (see page 28). This year we also conducted worker welfare assessments at nine facilities of three renewable technology suppliers (see page 30).	
Refine and improve tender schedules	Scheduled for FY25.	
Update human rights and modern slavery clauses	We continuously review our standard human rights and modern slavery clauses. This year we updated these clauses to reflect our global business. We also updated our internal Quick Reference Guide that contains information to support our team in implementing the clauses. The new clauses will be implemented in a phased approach in FY25. For more information on our clauses (see page 31).	
Investigate worker voice tools to provide additional channels for suppliers to raise issues or concerns	This year, we investigated a number of worker voice options and are looking to identify opportunities to trial worker voice tools in our operations or supply chain.	
Increase vessel inspections	This year, we increased vessel inspections from 17 in FY23 to 46 in FY24 (see page 34).	
AWARENESS AND PREVENTION		
Continuously improve internal training modules	We continuously work to improve our online and face to face human rights training. This year we updated the online human rights training modules for the launch of Fortescue's new global induction program for new employees. As of 1 July 2025, Fortescue's online human rights training module will form part of the mandatory induction training modules for all new Fortescue employees globally.	
Review grievance procedure	See page 36.	
Implement remediation protocol	We have developed internal remediation guidelines (see page 37).	

ABOUT THIS STATEMENT

ABOUT FORTESCUE

IDENTIFYING OUR MODERN SLAVERY RISKS

ADDRESSING OUR MODERN SLAVERY RISKS

ASSESSING OUR EFFECTIVENESS

LOOKING FORWARD

APPENDICES

ENGAGEMENT AND COLLABORATION		
Continue to engage with HRREC and civil society	See page 39.	
ASSESSING EFFECTIVENESS		
Continue to evaluate and refine our modern slavery KPIs with a focus on the intended impacts of our actions and continuous improvement	This year we implemented a new survey to assess the impact of our internal human rights training, which includes indicators in relation to: (a) how useful the training was in improving participants' understanding of human rights and modern slavery and (b) where participants identify they can contribute to respecting human rights at Fortescue (see page 42). We will continue to work to identify other means to measure the impact of our actions.	
HUMAN RIGHTS		
Launch human rights due diligence framework, guidance and tools	We have finalised the development of Fortescue's internal human rights standard, guidance and tools for implementation in FY25 (see page 22).	
Refresh Human Rights Advisory Group	We have reestablished a refreshed Human Rights Steering Group (see page 22).	
OTHER		
Externally assure FY24 Modern Slavery Statement	Key metrics in the FY24 Modern Slavery Statement have been externally assured (see page 2).	

**KEY**

-  Complete
-  In progress/ongoing
-  Needs attention

# LOOKING AHEAD

Adopting a continuous improvement approach, we have priority actions for FY25 to help continue to strengthen our modern slavery approach looking forward. These actions include those identified for continuous improvement and new actions to enhance our approach.

## IDENTIFYING AND ADDRESSING RISKS

- review and update our Modern Slavery Risk Assessment Tool and Modern Slavery Procurement Procedure
- review and update Fortescue's Supplier Self Assessment Questionnaire and continue to investigate options to improve use, assessment and tracking
- continue to improve our enhanced due diligence approach for renewable technologies
- finalise recruitment guidelines and improve due diligence approach for recruitment agencies
- continue roll out of updated standard human rights and modern slavery clauses
- finalise audit protocol and implement program of verification activities for key procurement categories

## AWARENESS

- review and update Supplier Information Pack
- deliver internal capacity building session on ethical recruitment, including modern slavery risks in recruitment

## ENGAGEMENT AND COLLABORATION

- continue to engage with HRREC and civil society to improve our modern slavery due diligence and approach to remediation

## ASSESSING EFFECTIVENESS

- continue to evaluate our modern slavery KPIs with a focus on intended impacts and continuous improvement

## HUMAN RIGHTS

- implement internal human rights standard, due diligence guidance and tools
- implement internal remediation guidelines

# APPENDICES

## APPENDIX 1

### Table 7 Navigational Index

AUSTRALIAN MODERN SLAVERY ACT 2018 (CTH) MANDATORY REPORTING CRITERIA – SECTION 16	UNITED KINGDOM MODERN SLAVERY ACT RECOMMENDED REPORTING CRITERIA SECTION 54	REFERENCE IN THIS STATEMENT
Identify reporting entity		About Fortescue (page 5) About this Statement (page 2)
Describe the reporting entities structure, operations and supply chain	Organisation's structure, its business and its supply chains	About Fortescue (page 5)
Describe the risks of modern slavery practice in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Parts of the organisation's business and supply chains where there is a risk of modern slavery and human trafficking and steps taken to assess and manage that risk	Identifying our Modern Slavery Risks (page 17)
Describe the actions taken by the reporting entity and any entity that the reporting entity own or controls, to assess and address those risks, including due diligence and remediation process	Organisation's policies in relation to slavery and human trafficking; its due diligence processes in relation to slavery and human trafficking in its business and supply chains	Addressing our Modern Slavery Risks (page 22)
Describe how the reporting entity assesses the effectiveness of such actions	The effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate	Assessing our Effectiveness (page 40)
Describe the process of consultations with (i) any entities the reporting entity owns or controls; and (ii) for a reporting entity covered by a joint statement, the entity giving the statement		About this Statement (page 2)
Any other information that the reporting entity, or the entity giving the statement, considers relevant	Training about slavery and human trafficking available to the organisations staff	Training and Awareness (page 35) Stakeholder Engagement and Collaboration (page 39) Looking Ahead (page 45)

## APPENDIX 2

### Table 8 Reporting Entities

JURISDICTION	ENTITY	OWNER	NATURE OF ACTIVITIES	EMPLOYING ENTITY (YES /NO)
Australia	Fortescue Ltd	Ultimate Holding Company	See pages 5 - 15	Yes
Australia	Chichester Metals Pty Ltd	FMG Pilbara Pty Ltd	Goods and services for Christmas Creek and Cloudbreak	No
Australia	FMG Solomon Pty Ltd	FMG Pilbara Pty Ltd	Goods and Services for Solomon and Eliwana	No
Australia	The Pilbara Infrastructure Pty Ltd	International Bulk Ports Pty Ltd	Goods and Services for Yard, Anderson Point Port and associated rail infrastructure	Yes
United Kingdom	Fortescue Zero Limited (UK)	WAE Technology Ltd	Part of the WAE Group that provides technology and engineering services	Yes

### Table 9 Additional entities/subsidiaries with with over \$5 million procurement spend

JURISDICTION	ENTITY	NATURE OF ACTIVITIES	EMPLOYING ENTITY (YES /NO)
Argentina	Argentina Fortescue Future Industries SA	Pursue green energy opportunities in Argentina	Yes
Argentina	Argentina Fortescue SAU	Pursue green energy opportunities in Argentina	Yes
Australia	Iron Bridge Operations Pty Ltd	Goods and services for Iron Bridge	No
Australia	FMG Procurement Services Pty Ltd	Goods and services for Fortescue operations	No
Australia	Australian Fortescue Future Industries Pty Ltd	Holding company for certain Fortescue Energy entities located in Australia	No
Australia	Pilbara Energy (Generation) Pty Ltd	Holder of generation assets	No
Australia	Pilbara Marine Pty Ltd	Goods and services to support towage operations.	No
Australia	Fortescue Hydrogen Systems Australia Pty Ltd	Entity incorporated to hold various hydrogen systems assets in Australia	No
Australia	Fortescue Future Industries International Pty Ltd	Goods and services for Fortescue Energy international activities in jurisdictions without local entities	No
Australia	Pilbara Energy Company Pty Ltd	Holder of transmission line assets	No

ABOUT THIS STATEMENT

ABOUT FORTESCUE

IDENTIFYING OUR MODERN SLAVERY RISKS

ADDRESSING OUR MODERN SLAVERY RISKS

ASSESSING OUR EFFECTIVENESS

LOOKING FORWARD

APPENDICES

**APPENDICES**

JURISDICTION	ENTITY	NATURE OF ACTIVITIES	EMPLOYING ENTITY (YES /NO)
Australia	FMG Autonomy Pty Ltd	Activities relating to the commercialisation of autonomous vehicles	No
Australia	FMG Pilbara Pty Ltd	Tenement holder	No
Australia	Karribi Developments Pty Ltd	Owner of Hamilton Village	No
Australia	Gibson Island H2 Pty Ltd	Holder of content contracts and assets associated with the Gibson Island Green Hydrogen Project.	No
Australia	FMG Resources Pty Ltd	Pursue exploration activities in Australia and overseas	No
Australia	Fortescue Future Industries Pty Ltd	Top holding company for the green energy business	No
Australia	MIH2 Pty Ltd	Holder of technology and intellectual property and hold equity investments in other start up entities.	No
Australia	FMG Air Pty Ltd	Aviation and associated services.	No
Australia	Tasmania H2 Pty Ltd	Project level entity to pursue energy projects in Tasmania.	No
Brazil	Brasil Fortescue Sustainable Industries Limitada	Pursue green energy opportunities in Brazil.	Yes
Gabon	Ivindo Iron SA	Iron ore exploration and mining activities in Gabon	Yes
Norway	Holmaneset H2 AS	Holds assets related to energy projects in Norway.	No
Singapore	PSV Leveque Pte Ltd	Owns and maintains the dual-fuelled ammonia-powered shipping vessel 'The Green Pioneer'.	No
USA	Fortescue Global Asset Management LLC	A US-based investment entity for the purposes of raising third-party capital for Fortescue Energy projects.	Yes
USA	USA Fortescue Future Industries Inc	Goods and services for Fortescue Energy's activities in the USA	Yes
USA	Phoenix Hydrogen Hub LLC	Holds the assets for the Arizona Hydrogen Project	No
USA	MIH2 USA LLC	Used for all activities relating to technology development	No

## DISCLAIMER

Our report contains certain statements which may constitute “forward-looking statements”. Words that may indicate a forward-looking statement include words such as “intend”, “aim”, “ambition”, “commitment”, “aspiration”, “project”, “anticipate”, “likely”, “estimate”, “plan”, “believes”, “expects”, “may”, “should”, “could”, “will”, “forecast”, “target”, “set to” or similar expressions.

Examples of forward-looking statements include: our projected and expected production and performance levels; our plans for major projects including investment decisions; our expectations regarding future demand for certain commodities; the assumptions and conclusions in our climate change related statements and strategies; and our plan to achieve Real Zero as described in this report.

Any forward-looking statements in this report reflect the expectations held at the date of this document. Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual decisions, results, values, achievements or performance to differ materially from those expressed or implied in any forward looking statement. Forward-looking statements are based on assumptions regarding Fortescue’s present and future business strategies and the future conditions in which Fortescue expects to operate. Forward-looking statements are also based on management’s current expectations and reflect judgements, assumptions and information available as at the date of this report. Actual and future events may vary materially from the forward-looking statements made (and the conclusions and assumptions on which the forward looking statements were based) because events and actual circumstances frequently do not occur as forecast and future results are subject to known and unknown risks such as changes in market conditions and regulations.

Some of the various factors that could cause Fortescue’s actual results, achievements or performance to differ from those in forward-looking statements include: geopolitical and political uncertainty; trade tensions between major economies; the impacts of climate change; supply chain availability and shortages; the impacts of technological advancements including but not limited to the viability, availability, scalability and cost-effectiveness of technologies that can be used to decarbonise our business; our ability to profitably produce and transport minerals and/or metals extracted to applicable markets; the availability of skilled personnel to help us decarbonise and grow our businesses; new ore resource levels, including the results of exploration programmes and/or acquisitions; inadequate estimates of ore resources and reserves; our ability to successfully execute and/or realise value from acquisitions and divestments; our ability to raise sufficient funds for capital investment; disruption to strategic partnerships; damage to Fortescue’s relationships with communities and governments; labour unrest; our ability to attract and retain requisite skilled people; declines in commodity prices; adverse exchange rate movements; delays or overruns in projects; change in tax and other regulations; cybersecurity breaches; the impacts of water scarcity; natural disasters; the ongoing impacts of the COVID-19 pandemic, or other epidemic or pandemic; safety incidents and major hazard events; and increasing societal and investor expectations, including those regarding environmental, social and governance considerations.

Accordingly, forward-looking statements must be considered in light of the above factors, and others, and Fortescue cautions against undue reliance on such statements. Recipients should rely on their own independent enquiries, investigations and advice regarding information contained in this report. Fortescue makes no representation, guarantee, warranty or assurance, express or implied, as to the accuracy or likelihood of the forward-looking statements or any outcomes expressed or implied in any forward looking statements contained in this report being achieved or proved to be correct.

Except as required by applicable regulations or by law, Fortescue disclaims any obligation or undertaking to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.



Fortescue™

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