

21 October 2022

NOTICE OF ANNUAL GENERAL MEETING

In accordance with Listing Rule 3.17, please find attached a copy of the Notice of Annual General Meeting and proxy form in relation to the upcoming Annual General Meeting to be held on Tuesday, 22 November 2022 at 10.00am AWST.

The above-mentioned documents can be found, along with Fortescue's FY22 Annual Report, at www.fmgl.com.au in the "Investors" tab.

Authorised by
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Company Secretary

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FY22

NOTICE OF MEETING

ABN 57 002 594 872

We are Fortescue

OUR VALUES

SAFETY

FAMILY

EMPOWERMENT

FRUGALITY

STRETCH TARGETS

INTEGRITY

ENTHUSIASM

**COURAGE AND
DETERMINATION**

GENERATING IDEAS

HUMILITY

Fortescue's unique Values drive our performance in a way that sets us apart from others

Culture

Fortescue is a values-based business with a strong, differentiated culture. We believe that by leveraging the unique culture of our greatest asset, our people, we will achieve our stretch targets



EXECUTIVE CHAIRMAN'S MESSAGE



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

Dr Andrew Forrest AO

Dear valued Shareholders,

It is my pleasure to invite you to Fortescue's 2022 Annual General Meeting (**AGM or Meeting**) on Tuesday, 22 November at 10:00am (AWST) in the Grand Ballroom at the Hyatt Regency Perth, 99 Adelaide Terrace, East Perth, Western Australia. Attached is the Notice of Meeting that sets out the business of the AGM.

During FY22, Fortescue delivered another year of outstanding operational performance. We shipped a record 189 million tonnes of iron ore, despite COVID-19 and rising inflation. This year, we aim to break further records with guidance for shipments of 187 to 192 million tonnes. We have growing options in other metals, and a very large iron ore opportunity in Gabon. This has given your Fortescue, driven by its Values, its deserved and excellent corporate and operating reputation.

We remain committed to ensuring balance sheet strength and flexibility and investing in the long-term sustainability of our core business, while pursuing growth and development opportunities through Fortescue Future Industries (**FFI**) to deliver returns to our Shareholders.

As you know, the energy sector is undergoing the largest disruption since the industrial revolution. Ignoring deep financial and systemic risks presented by climate change, changing regulatory systems and international unrest amongst the global youth is, I believe, a dereliction of our duties as Directors.

Fortescue and FFI must now work together, urgently, to establish the building blocks of a new, global renewable energy value chain, spanning technology, manufacturing, green energy generation and distribution.

One Fortescue. One combined mission – to commercially destroy global warming while creating an even stronger global business environment without the pollution.

On 20 September, 2022, I announced at a United Nations CEO Roundtable hosted by the Secretary General, that Fortescue would lead the heavy industry to eliminate fossil fuels by 2030 and achieve real zero emissions (Scope 1 and 2) across our iron ore operations by 2030, and in the process save an estimated US\$3 billion by 2030, with US\$818 million per year thereafter (refer to 20 September 2022 ASX announcement for further details). This is before taking into account the impact of a carbon tax or other geopolitical and financial impacts this strategy inoculates us from. Our roadmap outlines the technology, timetable, strategy and costings required to become our own massive, extremely cost competitive, independent, pollution free energy producer.

The positive reaction to our announcement was particularly strong from global leadership. From now on, every industrial company in the world will be asked by their investors, customers and employees: "If they can do it profitably, why can't you?"

Underpinned by our unique culture and Values, Fortescue is leading the green energy revolution, and once again set record-breaking industry benchmarks in everything we do.

At the same time, we remain committed to building thriving communities, delivering on our sustainability commitments to create social, environmental and economic benefits wherever we operate. In fact, as of this year, our pioneering Billion Opportunities program has awarded A\$4 billion in contracts to Aboriginal businesses and joint ventures since it was

established in 2011. This has created countless sustainable business opportunities for First Nations people across Australia.

At this year's Meeting, we will be seeking Shareholder approval for:

- The re-appointment of Ms Elizabeth Gaines as a Non-Executive Director;
- The appointment of Ms Li Yifei; as a Non-Executive Director
- An increase in the Non-Executive Director fee cap from A\$3,000,000 to A\$4,500,000; and
- The adoption of a new constitution in order to reflect the latest market practice, developments in law and corporate governance principles.

Dr Ya-Qin Zhang has advised that he will not be seeking re-election as a Director and will therefore resign from the Board with effect from the close of the Meeting. We thank him for his work and dedicated contribution to Fortescue.

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

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

On behalf of the Board and Fortescue's Leadership team, I want to thank the entire Fortescue family for their courage, determination, integrity and commitment to our great Company.

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

Yours sincerely



Dr Andrew Forrest AO
Executive Chairman
Fortescue Metals Group Ltd



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Fortescue Metals Group Ltd (ABN 57 002 594 872) (the Company or Fortescue) will be held in the Grand Ballroom at the Hyatt Regency Perth, 99 Adelaide Terrace, East Perth, Western Australia on Tuesday, 22 November 2022 at 10.00 am (AWST).

If you are unable to attend the Meeting in person, you are encouraged to complete and return the proxy form that has been sent to you. The completed proxy form must be received at the office of Fortescue's share registry, Link Market Services Limited, by no later than 10.00 am (AWST) on Sunday 20 November 2022. Details of how to submit your proxy form are listed below.

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

- All Shareholder questions should be stated clearly and should be relevant to the business of the Meeting, including matters arising from the financial report, the reports of the Directors (including the Remuneration Report) and the report of the auditors of the Company and its controlled entities for the year ended 30 June 2022 as well as general questions about the performance, business or management of the Company.
- If a Shareholder has more than one question on an item of business, all questions should be asked at the one time.
- Shareholders should not ask questions at the Meeting relating to any matters that are personal to the Shareholder or commercial in confidence.



TUESDAY, 22 NOVEMBER 2022
10.00 AM (AWST)
GRAND BALLROOM
AT THE HYATT REGENCY PERTH,
99 ADELAIDE TERRACE, EAST PERTH,
WESTERN AUSTRALIA

VOTING INFORMATION

Date for determining voting eligibility

The Directors have determined that for the purposes of Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)*, the persons eligible to vote at the Meeting will be those persons who are registered Shareholders at 10.00 am (AWST) on Sunday, 20 November 2022. Accordingly, transfers of shares registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

All resolutions will be by poll

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

Voting by proxy

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

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

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

Chairman acting as proxy

If the Chairman is to act as your proxy in relation to Resolution 1 (Adoption of Remuneration Report) and Resolution 4 (Approval of increase in fees paid to Non-Executive Directors) (whether by appointment or by default) and you have not given directions on how to vote by marking the appropriate box in the Voting Directions section of the proxy form, then you will be expressly directing and authorising the Chairman to exercise your proxy and cast your vote 'for' Resolutions 1 and 4 (as applicable), even though each of these resolutions are connected, directly or indirectly, with the remuneration of the Company's key management personnel (**KMP**) (including the Directors). This express authorisation is included because without it the Chairman would be precluded from casting your votes on the basis that these resolutions are connected with the remuneration of the KMP.

Subject to the above requirements being met, the Chairman intends to vote all undirected proxies in respect of Resolutions 1 to 5 **in favour** of the relevant Resolution.

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

Submitting your proxy form prior to the Meeting

The proxy form that has been sent to Shareholders must be completed and received at the office of Link Market Services Limited, as detailed below, by 10.00 am (AWST) on Sunday, 20 November 2022.

Mail:

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

Delivery:

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

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

Facsimile:

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

Online: www.linkmarketservices.com.au

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

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

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

Corporate representatives

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

- A letter or certificate executed in accordance with the *Corporations Act 2001 (Cth)* authorising that person to act as the corporate Shareholder's representative at the Meeting; or
- A copy of the resolution appointing that person as the corporate Shareholder's representative at the Meeting, certified by a secretary or director of the corporate Shareholder.

Alternatively, Shareholders can download and fill out the 'Appointment of Corporate Representation' form from Link Market Services Limited's website – www.linkmarketservices.com.au. Hover over 'Resources' and click on 'Forms' and then select 'Holding Management'.

Meeting documents

Recent legislative changes to the *Corporations Act 2001 (Cth)* mean there are new options available to Shareholders as to how you receive communications from Fortescue.

Fortescue will no longer be sending physical meeting documents unless you request a copy to be posted.

Fortescue encourages all Shareholders to provide an email address so we can communicate with you electronically when Shareholder notices become available online, for items such as meeting documents and annual reports.

Shareholders can still elect to receive some or all of their communications in physical or electronic form, or elect not to receive certain documents such as annual reports. To review your communications preferences, or sign up to receive your Shareholder communications via email, please update your details at www.linkmarketservices.com.au then click on Investor Login and complete your holder details.

If you are a Shareholder and would like a physical copy of a communication, need further information about the options available to you or have questions about your holding, visit www.linkmarketservices.com.au or contact the Registry:

Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235
Telephone (within Australia): 1300 733 136
Telephone (outside Australia): 1300 733 136
Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au



CONDUCT OF THE MEETING

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

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

KEY DATES

Deadline for lodgement of proxy forms
10.00am (AWST) on Sunday, 20 November 2022

Determination of voting eligibility

10.00am (AWST) on Sunday, 20 November 2022

Annual General Meeting

10.00am (AWST) on Tuesday, 22 November 2022

QUERIES

If you have any queries regarding the matters contained in the Meeting documents, please contact Cameron Wilson, Company Secretary on +61 8 6218 8888.



AGENDA

1. Executive Chairman's Address

2. Financial Reports

To receive and consider the financial report, the reports of the Directors and the auditors of the Company and its controlled entities for the financial year ended 30 June 2022.

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

3. Ordinary Business

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That the Remuneration Report for the Company and its controlled entities for the financial year ended 30 June 2022 be approved and adopted.”

Note: This resolution is advisory only and does not bind the Company or the Board.

Voting Exclusion Statement

A vote must not be cast on Resolution 1:

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

However, a vote may be cast on Resolution 1 by a member of the KMP as a proxy, or a closely related party of a member of the KMP (each as referred to above) as a proxy, if the vote is not cast on behalf of a member of the KMP or a closely related party of a member of the KMP, and either:

- the proxy appointment is in writing and specifies the way the proxy is to vote on Resolution 1; or
- the proxy is the Chairman and the proxy appointment:
 - does not specify the way the proxy is to vote on Resolution 1; and
 - expressly authorises the Chairman to exercise the proxy even though Resolution 1 is connected, directly or indirectly, with the remuneration of a member of the KMP.

RESOLUTION 2 – RE-ELECTION OF MS ELIZABETH GAINES

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

“That Ms Elizabeth Gaines, who retires in accordance with rule 11.7(a) of the Company’s constitution, be re-elected as a Non-Executive Director of the Company”.

RESOLUTION 3 – ELECTION OF MS LI YIFEI

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

“That Ms Li Yifei be elected as a Non-Executive Director of the Company”.

RESOLUTION 4 – APPROVAL OF INCREASE IN FEES PAID TO NON-EXECUTIVE DIRECTORS

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

“That for the purposes of ASX Listing Rule 10.17, rule 11.9 of the Company’s constitution and for all other purposes, the maximum aggregate annual remuneration that may be paid by the Company as remuneration for the services of the Company’s Non-Executive Directors be increased by A\$1,500,000 from A\$3,000,000 to A\$4,500,000 per annum.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 4 by, or on behalf of, a Director of the Company or any of their associates.

However, the Company need not disregard a vote on Resolution 4 if:

- it is cast by a Director of the Company or any associate of the Director of the Company as proxy or attorney for a person who is entitled to vote, in accordance with the directions on the Proxy Form;
- it is cast by the Chairman as proxy or attorney for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides; or
- it is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and
 - the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

A vote must not be cast on Resolution 4:

- by, or on behalf of, any member of the KMP, details of whose remuneration are affected by Resolution 4 or a closely related party of any such member of the KMP (including spouses, dependents and controlled companies) (regardless of the capacity in which it is cast); or
- by any member of the KMP as at the date of the Meeting or their closely related parties, as a proxy for another Shareholder.

However, a vote may be cast on Resolution 1 by a member of the KMP as a proxy, or a closely related party of a member of the KMP (each as referred to above) as a proxy, if the vote is not cast on behalf of a member of the KMP or a closely related party of a member of the KMP, and either:

- the proxy appointment is in writing and specifies the way the proxy is to vote on Resolution 4; or
- the proxy is the Chairman and the proxy appointment:

- does not specify the way the proxy is to vote on Resolution 4; and
- expressly authorises the Chairman to exercise the proxy even though Resolution 4 is connected, directly or indirectly, with the remuneration of a member of the KMP.

RESOLUTION 5 – SPECIAL RESOLUTION TO ADOPT A NEW CONSTITUTION

To consider and, if thought fit, to pass the following as a special resolution:

“That for the purposes of section 136 of the Corporations Act and all other purposes:

- (a) the constitution of the Company be repealed in its entirety; and*
- (b) the Company adopt a new constitution as tabled at the Meeting and signed by the Chair of the Meeting for identification purposes, in place of the repealed constitution, with effect immediately from the close of the Meeting.”*

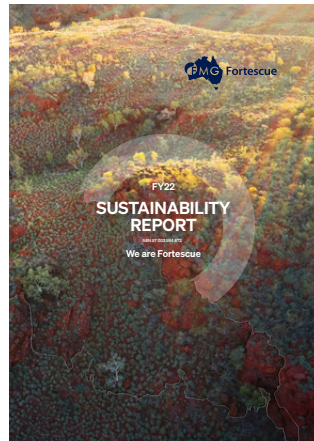
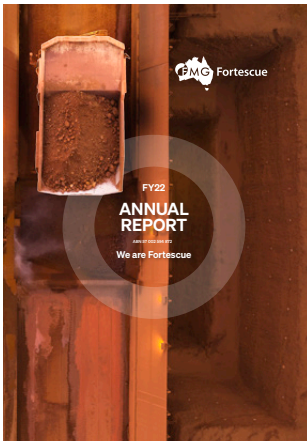
Dated this 21st day of October 2022

By Order of the Board



Cameron Wilson
Company Secretary
Fortescue Metals Group Ltd

EXPLANATORY STATEMENT



This Explanatory Statement has been prepared for the information of Shareholders of Fortescue in connection with the business to be conducted at the Annual General Meeting of Shareholders to be held in the Grand Ballroom at the Hyatt Regency Perth, 99 Adelaide Terrace, East Perth, Western Australia on Tuesday, 22 November 2022 at 10.00 am (AWST).

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

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

Financial Reports

The first item of the Meeting deals with the presentation of the consolidated financial report of the Company for the year ended 30 June 2022, together with the Directors' declaration and report in relation to that financial year, and the auditor's report on those financial statements (**Financial Reports**) as required by the *Corporations Act 2001 (Cth)*.

Copies of the Financial Reports, as contained in the Company's FY22 Annual Report, are available on the Company's website at www.fmgl.com.au under the 'Investors' tab (Announcements and Reports).

While neither the *Corporations Act 2001 (Cth)* nor the Company's constitution requires a resolution in respect of the first item of the Meeting, Shareholders are asked to consider the Financial Reports and raise any matters of interest with the Directors when this item is being considered. Shareholders will be provided with a reasonable opportunity at the Meeting to ask questions about, or make comments on, the Financial Reports. No resolution is required to be moved in respect of this item.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

In accordance with section 250R of the *Corporations Act 2001* (Cth), Shareholders are asked to consider and vote on the adoption of the Remuneration Report as presented in the Annual Report for the year ended 30 June 2022.

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

Resolution 1 – Adoption of Remuneration Report

The Annual Report of the Company for the year ended 30 June 2022 contains a Remuneration Report, which sets out:

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

A copy of the Remuneration Report, as contained in the FY22 Annual Report, is available on the Company's website at www.fmgl.com.au under the 'Investors' tab (Announcements and Reports).

The vote on Resolution 1 is advisory only and will not require the Company to alter the arrangements set out in the Remuneration Report, should Resolution 1 not be passed. Notwithstanding the effect of this legislative requirement, the Board will take the outcome of the vote into consideration when applying the Company's remuneration policy.

Directors' recommendation

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

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

RESOLUTION 2 – RE-ELECTION OF MS ELIZABETH GAINES

Rule 11.7(a) of the Company's constitution provides that no Director (other than a Managing Director) may retain office (without re-election) for more than three years or past the third annual general meeting following the Director's appointment, whichever is longer. Resolution 2 seeks Shareholder approval for the re-election of Ms Elizabeth Gaines. Ms Elizabeth Gaines was last re-elected in 2016 and from 2018 onwards was able to rely on the exemption from re-election by virtue of holding the position of CEO (pursuant to rule 11.7(a) of the Company's constitution and ASX Listing Rule 14.4). Accordingly, Ms Elizabeth Gaines is retiring by rotation in accordance with rule 11.7(a) of the Company's constitution and, being eligible, offers herself for re-election as a Director of the Company.

Non-Executive Director from February 2013 to February 2017.

Executive Director from February 2017 to August 2022.

Ms Gaines led Fortescue as Chief Executive Officer and Managing Director from February 2018 to August 2022, after joining the Executive team as Chief Financial Officer in February 2017.

A highly experienced business leader, Ms Gaines has extensive international experience in all aspects of financial and commercial management. Ms Gaines has significant experience in the resources sector and exposure to the impact of the growth in Asian economies, particularly China, on the Australian business environment and economy as well as a deep understanding of all aspects of financial and commercial management at a senior executive level in both listed and private companies. Ms Gaines has extensive exposure to the drive to transition to green energy and has been a key driver of the goal to decarbonise Fortescue's mining operations by 2030.

In addition to her role as a Non-Executive Director, Ms Gaines is the Global Green Ambassador for Fortescue. She is a Director of the Victor Chang Cardiac Research Institute and a Director and Deputy Chair of the West Coast Eagles (AFL) Football Club.

Ms Gaines was ranked second in the 2019 Fortune Magazine's Businessperson of the Year and in 2020 the Chamber of Minerals and Energy of Western Australia awarded her the 'Women in Resources Champion' at the annual Women in Resources Awards. In 2020, Ms Gaines was awarded Joint Australian Business Person of the Year by the Australian Financial Review.

Ms Gaines is a former Chief Executive Officer of Helloworld Limited and Heytesbury Pty Limited and has previously held Non-Executive Director roles with Nine Entertainment Co. Holdings Limited, NEXTDC Limited, Mantra Group Limited and ImpediMed Limited.

Ms Gaines holds a Bachelor of Commerce from Curtin University, a Master of Applied Finance from Macquarie University and an Honorary Doctorate of Commerce from Curtin University. She is a Fellow of Chartered Accountants Australia and New Zealand, and a member of the Australian Institute of Company Directors and Chief Executive Women.

Directors' recommendation

Ms Elizabeth Gaines has an interest in Resolution 2 and refrains from making any recommendation as to how Shareholders should vote on Resolution 2.

The Company's remaining Directors recommend that Shareholders vote in favour of Resolution 2.

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

RESOLUTION 3 – ELECTION OF MS LI YIFEI

Rule 11.3(a) of the Company's constitution provides that if a person is appointed as a director by the Board, the Company must confirm the appointment at the next annual general meeting. Resolution 3 seeks Shareholder approval for the election of Ms Li Yifei. Ms Li Yifei was appointed as a director on 22 August 2022.

Accordingly, Ms Li Yifei, having been appointed by the Board as a Director of the Company since the last annual general meeting, offers herself for election by Shareholders.

Ms Li Yifei is the President of the QiBin Foundation and currently serves on the board of BlackRock China and is a Global Trustee of the Rockefeller Foundation.

Ms Li Yifei was an Independent Board member of Gavi (The Global Alliance for Vaccines and Immunisation) from 2012 to 2018 and was formerly the Country Chair for Man Group in China, one of the world's largest hedge fund managers.

Before joining Man Group, Ms Li Yifei had over 18 years of senior management experience, having successfully led the expansion of several multinational companies in China, including Viacom, MTV networks and VivaKi of the Publicis Group.

Ms Li Yifei has a Bachelor of Law degree from the Foreign Affairs College in Beijing and an M.A. in International Relations from Baylor University in the United States.

Directors' recommendation

Ms Li Yifei has an interest in Resolution 3 and refrains from making any recommendation as to how Shareholders should vote on Resolution 3.

The Company's remaining Directors recommend that Shareholders vote in favour of Resolution 3.

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

RESOLUTION 4 – APPROVAL OF INCREASE IN FEES PAID TO NON-EXECUTIVE DIRECTORS

In accordance with ASX Listing Rule 10.17 and rule 11.9 of the Company's constitution, Shareholders are asked to consider and vote on the proposed increase in the fee pool available to Non-Executive Directors by A\$1,500,000 from A\$3,000,000 to A\$4,500,000 per annum.

Under rule 11.9 of the Company's Constitution and in accordance with ASX Listing Rule 10.17, the maximum aggregate amount payable by way of fees to Non-Executive Directors in any financial year is determined by Shareholders from time to time in general meeting (**NED Fee Pool**). The current NED Fee Pool of A\$3,000,000 was approved by Shareholders at the 2019 Annual General Meeting.

Shareholder approval is sought to increase the NED Fee Pool by A\$1,500,000 from A\$3,000,000 to A\$4,500,000 per annum. In accordance with ASX Listing Rule 10.17, the NED Fee Pool is inclusive of superannuation contributions made by the Company for the benefit of Non-Executive Directors and any fees which a Non-Executive Director agrees to sacrifice for other benefits on a pre-tax basis.

A voting exclusion statement for Resolution 4 is set out in the Notice of Meeting.

Rationale for increase in NED Fee Pool

The Directors are seeking Shareholder approval to increase the NED Fee Pool for the following reasons:

- to ensure the NED Fee Pool can accommodate payment of fees to Ms Elizabeth Gaines and any additional Non-Executive Directors, including Ms Li Yifei, and other Non-Executive Directors who may be appointed as part of the Board's succession planning strategy to ensure that the Board continues to have the right balance of skills, experience and expertise;
- to ensure that the Company has the ability to set fees at a competitive level so that it can attract and retain the services of Non-Executive Directors of the highest calibre;
- to ensure that the Company continues to maintain a high standard of corporate governance oversight; and
- to allow for some growth in Non-Executive Directors' fees in the future to reflect market competitiveness for Non-Executive Directors with the skills and experience that are appropriate for the Company's business.

The remuneration provided to Non-Executive Directors is reviewed annually to consider consistency with remuneration trends and the overall case for any remuneration changes in the context of external market factors and the Company's performance. Details of Non-Executive Director remuneration for the financial year ended 30 June 2022 are contained within the Remuneration Report, which is at section 7 of the 2022 Annual Report. The total aggregate value of remuneration provided to all Non-Executive Directors during FY22 was A\$2,577,999. Based on the current fee schedule and subject to Resolution 4 being passed, total remuneration in FY23 will be approximately A\$4,000,000.

No securities have been issued to any Non-Executive Director under ASX Listing Rules 10.11 or 10.14 with Shareholder approval within the last three years. However, in the interests of full disclosure, it is noted that securities were issued to Ms Elizabeth Gaines (in her capacity as an Executive Director) in each of the last three years under ASX Listing Rule 10.14 as approved by Shareholders at the Company's Annual General Meetings in 2019, 2020 and 2021.

Directors' Recommendation

As the Non-Executive Directors have an interest in the outcome of Resolution 4, the Board does not believe it is appropriate to make a recommendation to Shareholders as to how to vote in relation to this Resolution.

The Chairman intends to vote all undirected proxies (where the Chairman has been duly authorised to do so) in favour of Resolution 4.

RESOLUTION 5 – SPECIAL RESOLUTION TO ADOPT A NEW CONSTITUTION

Under section 136(2) of the *Corporations Act 2001 (Cth)*, a company may modify or repeal its constitution by special resolution of shareholders. Resolution 5 is a special resolution, which seeks Shareholder approval for the Company to repeal its existing constitution and adopt a new constitution (**Proposed Constitution**).

The Company's existing constitution was adopted in 2011. It is proposed to adopt a new constitution as there have been a number of developments in law and ASX Listing Rule requirements, corporate governance principles and general corporate and commercial practice for listed companies since that time. The Board recommends the adoption of a new constitution that reflects current market practice and terminology. As the changes introduced affect numerous provisions in the constitution, it is proposed that a new constitution be adopted, rather than amending the existing constitution.

Many of the proposed changes are administrative or relatively minor in nature. It is not practical to detail all of the changes to the existing constitution in this Explanatory Statement, however, a summary of the key material differences between the existing constitution and the Proposed Constitution is set out below. This summary is not intended to be an exhaustive explanation of all the changes effected by the adoption of the Proposed Constitution.

Copies of the existing constitution and Proposed Constitution are available from the Company's website at www.fmgil.com.au in 'Corporate Governance' (About Fortescue). You can also request a copy of the Company's existing constitution and the Proposed Constitution by emailing the Company Secretary (cosec@fmgil.com.au).

For Resolution 5 to be passed as a special resolution, in accordance with the Corporations Act, at least 75 per cent of the votes cast by Shareholders entitled to vote on the resolution must be in favour of the resolution. If Resolution 5 is passed by the requisite majority, the Proposed Constitution will be effective from close of the Meeting.



Summary of key material differences between the current constitution and the Proposed Constitution

Topic	Detail
Use of technology	<p>At general meetings</p> <p>The existing constitution already includes provisions that facilitate the holding of hybrid general meetings (being the combination of a physical meeting and participation of shareholders using technology that gives shareholders a reasonable opportunity to participate at the meeting). The Proposed Constitution includes more detailed and up to date provisions relating to the conduct of general meetings, including hybrid meetings. These new provisions reflect recent amendments to the <i>Corporations Act 2001 (Cth)</i> in relation to hybrid meetings. The provisions in the Proposed Constitution do not allow the Company to hold a wholly virtual general meeting.</p> <p>Regardless of the manner in which a general meeting is conducted (i.e. a physical meeting only or a hybrid meeting), under the Proposed Constitution, in accordance with the <i>Corporations Act 2001 (Cth)</i>, the Company must ensure that shareholders, as a whole, have a reasonable opportunity to participate in the meeting.</p> <p>Electronic communications</p> <p>The Proposed Constitution clarifies that the Company may communicate with shareholders via email or other electronic means. In addition, the Proposed Constitution confirms that the Company will comply with new provisions in the <i>Corporations Act 2001 (Cth)</i> relating to notices of shareholder meetings and related documents sent using technology. These provisions allow the Company to use electronic communications to send shareholders an attachment or URL link to the relevant documents, provided the relevant documents are readily accessible by shareholders so as to be usable for subsequent reference.</p> <p>Making best use of technology to communicate with shareholders will allow the Company to reduce its carbon footprint and to save on printing and postage costs. Documents can also be sent to shareholders more quickly electronically than if they were sent in hard copy by post. Under the <i>Corporations Act 2001 (Cth)</i>, shareholders may request that documents are sent to them in hard copy.</p>
General meetings	<p>The Proposed Constitution incorporates a number of changes to assist with the orderly conduct of general meetings of the Company. For example, it provides that notice of the intention to move an amendment to a resolution must be given to the Company at least 72 hours before the time appointed for the holding of the meeting (subject to the Chair retaining an absolute discretion to decide that the amendment may properly be considered and voted on). This assists to ensure the Chair has notice of any proposed amendments to resolutions, and time to consider those, before the meeting.</p> <p>The existing constitution requires that notice of an adjourned meeting must be published in a daily newspaper circulating in Australia, given to ASX or, subject to the <i>Corporations Act 2001 (Cth)</i> and Listing Rules, given in any other manner determined by the directors. The Proposed Constitution clarifies that, for any adjournment of less than 30 days, any notice of an adjourned meeting need only be given to ASX, as is required under Chapter 3 of the Listing Rules.</p>
Restricted Securities	<p>Effective from 1 December 2019, the ASX implemented changes to Listing Rule 15.12 which provide for a modified escrow regime for restricted securities and requires that a listed entity's constitution contain certain provisions regarding restricted securities where the entity issues restricted securities or has restricted securities on issue.</p> <p>The Proposed Constitution includes provisions which comply with the recent changes to Listing Rule 15.12. Whilst the Company does not currently have any restricted securities on issue (nor does it have any intention to issue restricted securities as at the date of this Notice of Meeting), the Board considers that it is appropriate for the Proposed Constitution to include provisions that comply with Listing Rule 15.12 to provide the Company with additional flexibility should it wish to issue restricted securities in the future.</p>

Summary of key material differences between the current constitution and the Proposed Constitution

Topic	Detail
Direct voting	The Proposed Constitution removes the more prescriptive regime around direct voting contained in the existing constitution. It is the Board's intention that any rules about the manner in which a direct vote may be cast will be determined by the Board from time to time, as required.
Small holdings	The Proposed Constitution updates the drafting in relation to small holdings to reflect more closely the relevant provisions in Chapter 15 of the Listing Rules.
Joint holders	The existing constitution provides that the Company is not bound to register more than three persons as joint holders of securities. In April 2021, ASX announced the replacement of the existing CHESSE clearing system with CHESSE Replacement. The Proposed Constitution increases the limit on joint holders of securities to four people, in preparation for the implementation of the CHESSE Replacement, which will allow up to four joint holders of a security.
Fee for registration of off-market transfers	<p>On 24 January 2011, ASX amended Listing Rule 8.14 with the effect that the Company may now charge a 'reasonable fee' for registering paper-based transfers, sometimes referred to as 'off-market transfers'.</p> <p>Rule 13.10 of the Proposed Constitution enables the Company to charge a reasonable fee when it is required to register off-market transfers from shareholders in accordance with the Listing Rules. Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.</p>
Notice of board meetings	The Proposed Constitution provides that notice of a board meeting must be given to each director, other than a director on a leave of absence, and each alternate director. A director may waive their right to receive notice either before or within seven days after the board meeting. The existing constitution does not provide for retrospective waiver of the notice requirement.
General amendments	The Proposed Constitution includes provisions that reflect changes in terminology contained in the Corporations Act, the Listing Rules and ASX Settlement and Operating Rules. Rules in the existing constitution that are out of date have not been included in the Proposed Constitution.

Proportional takeover approval provisions - statement under the Corporations Act

Background

Rule 13.12 and Schedule 6 of the Proposed Constitution contain proportional takeover approval provisions, which, in substance, have the same effect as the proportional takeover approval provisions in rule 5 of the existing constitution. If Resolution 5 is not passed and the Proposed Constitution is not adopted, the proportional takeover approval provisions in the existing constitution will continue in effect until the 2023 Annual General Meeting, when they will cease to have effect unless renewed.

Section 648(G)(5) of the *Corporations Act 2001 (Cth)* requires that the following information be provided to Shareholders when they are considering the inclusion or renewal of proportional takeover approval provisions in a constitution so that Shareholders may make an informed decision as to whether to support or oppose the resolution.

Effect of proportional takeover approval provisions

The effect of the proportional takeover approval provisions is that if a proportional takeover bid is made for the Company, the Company must not register any transfer of shares giving effect to any acceptance of the bid unless the proportional takeover bid is approved by Shareholders. Specifically, the Board must ensure that:

- a meeting of the relevant class of securityholder (being the holders of the class of securities that is the subject of the takeover bid) is held to consider whether or not to approve the bid;
- at the meeting, a resolution to approve the bid is voted on; and
- the meeting is held before the day that is 14 days before the bid period closes.

The resolution will be approved if more than 50 per cent of eligible votes cast are in favour of the resolution. Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities is entitled to vote, but the bidder and its associates are not allowed to vote.

If no such resolution is voted on before the required deadline, the bid will be taken to have been approved. The Directors will breach the *Corporations Act 2001 (Cth)* if they fail to ensure the approving resolution is voted on.

The proportional takeover approval provisions do not apply to full takeover bids and will only apply for three years after the date of adoption of the Proposed Constitution, unless renewed again by a special resolution of Shareholders.

Reasons for inserting the proportional takeover approval provisions

The Board considers it appropriate for the Proposed Constitution to include proportional takeover approval provisions consistent with the approach in the existing constitution. Further, if the proportional takeover approval provisions are not included in the constitution, a proportional takeover bid may allow control of the Company to pass without Shareholders having the opportunity to dispose of all their shares to the bidder. Shareholders may therefore be at risk of control passing to the bidder without payment of an adequate control premium for their shares whilst also being exposed to the risk of becoming a minority holder in the Company.

The proposed proportional takeover approval provisions decrease this risk because they allow Shareholders to collectively decide whether a proportional takeover bid is acceptable in principle and should be permitted to proceed, and assists in ensuring that any proportional takeover bid is appropriately priced. The Board considers that Shareholders should have the opportunity to vote on any proportional takeover bid for the Company for the reasons outlined above.

No knowledge of any acquisition proposals

As at the date of this notice, no Director of the Company is aware of a proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages for the Directors and Shareholders

The inclusion of the proportional takeover provisions in the constitution will enable the Board to formally ascertain the views of Shareholders in respect of a proportional takeover bid. In the absence of such provisions, the Directors will be required to depend on their perception of the interests and views of Shareholders in this regard.

The Board considers that the insertion of the proportional takeover approval provisions has no potential advantages or disadvantages for them. Accordingly, they remain free to make a recommendation as to whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover approval provisions for Shareholders of the Company include the following:

- Shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- provisions may help Shareholders avoid being locked in as a minority;
- the provisions may increase Shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and
- having knowledge of the view of the majority of Shareholders may help each individual Shareholder assess the likely outcome of the proportional takeover bid and whether to accept or reject an offer under the bid.

The potential disadvantages of the proportional takeover approval provisions for Shareholders of the Company include the following:

- it may be argued that the provisions make a proportional takeover bid more difficult and, as such, proportional takeover bids for shares in the Company may be discouraged and the chance of a proportional takeover bid being successful may be reduced;
- the provisions may reduce the opportunities which Shareholders may have to sell all or some of their shares at a premium to persons seeking control of the Company;
- it is possible that the existence of the provisions might have an adverse effect on the market value of the Company's shares by making a proportional takeover bid less likely and thereby reducing any takeover speculation element in the share price;

- the Company's share price may be depressed or shareholders may lose an opportunity of selling some of their shares at a premium; and
- the provisions may be considered an additional restriction on the ability of individual Shareholders to deal freely in their shares.

On balance, the Directors consider that the possible advantages outweigh the possible disadvantages such that including the proportional takeover approval provisions in the Proposed Constitution is in the interests of Shareholders.

Impact of the existing proportional takeover approval provisions

As far as the Directors are aware, while the similar proportional takeover approval provisions have been in effect under rule 5 of the Company's existing constitution, no takeover bids for the Company have been made, proportional or otherwise. Accordingly, there have been no actual examples against which the advantages or disadvantages of the existing proportional takeover approval provisions for the Directors or the Shareholders could be reviewed. The Directors are not aware of any potential takeover bid that was discouraged by the inclusion of proportional takeover approval provisions in the Company's constitution.

Directors' Recommendation

The Board recommends that Shareholders vote in favour of adopting the new constitution.

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



**Fortescue's FY22 Annual Report,
FY22 Sustainability Report
and FY22 Climate Change Report
are available on our website
at www.fortescue.com**



fortescue.com

LODGE YOUR VOTE

 **ONLINE**
<https://investorcentre.linkgroup.com>

 **BY MAIL**
Fortescue Metals Group Ltd
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

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

 **ALL ENQUIRIES TO**
Telephone: 1300 733 136 Overseas: +61 1300 733 136



X99999999999

PROXY FORM

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

APPOINT A PROXY

the Chairman of the Meeting (mark box)

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

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AWST) on Tuesday, 22 November 2022 at the Grand Ballroom at the Hyatt Regency Perth, 99 Adelaide Terrace, East Perth, Western Australia (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 1 & 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 & 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

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

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Special resolution to adopt a new constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Ms Elizabeth Gaines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Election of Ms Li Yifei	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval of increase in fees paid to Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



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

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Joint Securityholder 2 (Individual)

Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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



HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (AWST) on Sunday, 20 November 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

<https://investorcentre.linkgroup.com>

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



BY MOBILE DEVICE

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

QR Code



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



BY MAIL

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



BY FAX

+61 2 9287 0309



BY HAND

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

*During business hours Monday to Friday (9:00am - 5:00pm)

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