# Notice of Annual General Meeting 4 June 2025

AngloAmerican

KUMBA IRON ORE LIMITED

# Notice of annual general meeting

Notice is hereby given in terms of section 62(1) of the Companies Act No 71 of 2008, as amended (the Companies Act), that the 19th annual general meeting (AGM) of shareholders of Kumba Iron Ore Limited (Kumba or the Company) will be held in hybrid format, virtually as well as in person, at the Anglo American Kumba offices in the Imbizo Auditorium, 144 Oxford Road, Rosebank on Wednesday, 4 June 2025 at 10:00 (CAT), or any adjournment or postponement thereof, to (i) consider and, if deemed fit, to pass the following ordinary and special resolutions with or without modification; and (ii) deal with such other business as may be dealt with at the AGM.

This notice sets out the procedures that shareholders should follow in order to participate in the AGM either in person or by electronic communication.

The electronic communication to be employed will enable all persons participating in the meeting to communicate concurrently with each other without an intermediary and to participate reasonably effectively in the meeting.

### This document is important and requires your immediate attention

If you are in any doubt about the action you should take, consult your broker, Central Securities Depository Participant (CSDP), banker, financial adviser, accountant or other professional adviser immediately.

The notice of AGM is only available in English. Electronic copies may be obtained from the Company Secretary by emailing fazila.patel@angloamerican.com and the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or Private Bag X9000, Saxonwold, 2132 or proxy@computershare.co.za.

## Registered and corporate office

Kumba Iron Ore Limited, 144 Oxford Road, Rosebank, Melrose, 2196 Gauteng (Postnet Suite 153, Private Bag X31, Saxonwold, 2132), South Africa.

Included in this document are the following:
- The notice of AGM setting out resolutions to be proposed at the meeting, with explanatory notes. There are also guidance notes if you wish to attend the meeting or to vote by proxy
- A proxy form for completion, signature and submission to the transfer secretaries by shareholders holding Kumba ordinary shares in certificated form or recorded in sub-registered electronic form in "own name"
- Annexure 1 – Annual financial statements
- Annexure 2 – Brief curricula vitae of directors proposed for re-election/election, Audit Committee members and Social, Ethics and Transformation Committee members proposed for election
- Annexure 3 – Remuneration report
- Annexure 4 – Major shareholders

## Safety notice

At Kumba, your safety is our priority, and we would like to draw your attention to the following rules when visiting our corporate office:
- Reverse parking is compulsory
- No talking and texting on cellphones while walking
- Use of handrails is compulsory
- Firearms are not permitted

## Electronic participation process

The Company has appointed Computershare Investor Services Proprietary Limited to host the AGM on an interactive platform and to facilitate electronic participation and voting by shareholders.

## Record date, proxies and voting

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| Record date to determine which shareholders are entitled to receive the notice of AGM | Friday, 4 April 2025 |
| Date for posting of notice of AGM | Friday, 11 April 2025 |
| Last day to trade in order to be eligible to attend and vote at the AGM | Tuesday, 20 May 2025 |
| Record date to be eligible to participate in and vote at the AGM | Friday, 23 May 2025 |
| Forms of proxy to be lodged with Computershare by no later than 10:00 on | Monday, 2 June 2025 |

# Notice of annual general meeting cont.

| | Certificated shareholders and "own name" dematerialised shareholder | Dematerialised shareholders (excluding "own name" dematerialised shareholders) |
|---|---|---|
| **Shareholders who wish to vote, but not attend the AGM in person or by electronic participation** | Complete the form of proxy attached to this notice of the AGM and email same, together with proof of identification (i.e. certified copy of South African (SA) identity document, SA driver's licence or passport) and authority to do so (where acting in a representative capacity), to the transfer secretaries, Computershare Investor Services Proprietary Limited (transfer secretaries), at **proxy@computershare.co.za** so as to be received by the transfer secretaries by no later than 10:00 (CAT) on Monday, 2 June 2025 for administrative purposes, provided that any form of proxy not delivered to the transfer secretaries by this time and date may be emailed to the transfer secretaries (who will provide same to the Chairperson of the AGM) at any time prior to the AGM, provided that such form of proxy and identification must be verified and registered before the commencement of the AGM. | Provide your CSDP or broker with your voting instructions in terms of the custody agreement entered into between you and your CSDP or broker.<br><br>You should contact your CSDP or broker regarding the cut-off time for submitting your voting instructions to them.<br><br>If your CSDP or broker does not receive voting instructions from you, they will be obliged to vote in accordance with the instructions as per the custody agreement. |
| **Shareholders who wish to vote at and attend the AGM by electronic participation** | Register online at **www.meetnow.global/za** by no later than 10:00 (CAT) on Monday, 2 June 2025. Shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, provided, however, that for those shareholders to participate and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM.<br><br>As part of the registration process, you will be requested to upload proof of identification (i.e. certified copy of SA identity document, SA driver's licence or passport) and authority to do so (where acting in a representative capacity), as well as to provide details, such as your name, surname, email address and contact number.<br><br>Following successful registration, the transfer secretaries will provide you with an invitation code in order to connect electronically to the AGM.<br><br>Participate in the AGM through the Computershare website by following the steps set out at **www.meetnow.global/za.** | Request your CSDP or broker to provide you or your proxy with the necessary authority (i.e. letter of representation) in terms of the custody agreement entered into between you and your CSDP or broker.<br><br>Register online at **www.meetnow.global/za** by no later than 10:00 (CAT) on Monday, 2 June 2025. Shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, provided, however, that for those shareholders to participate in and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM.<br><br>As part of the registration process, you will be requested to upload your letter of representation and proof of identification (i.e. certified copy of SA identity document, SA driver's licence or passport), as well as to provide details, such as your name, surname, email address and contact number.<br><br>Following successful registration, the transfer secretaries will provide you with an invitation code in order to connect electronically to the AGM. |
| **Shareholders who wish to vote and attend the AGM in person** | In terms of section 63(1) of the Companies Act, before any person may attend or participate in the AGM, meeting participants (including proxies) will be required to provide reasonably satisfactory identification before being entitled to participate in or vote at the AGM. Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.<br><br>Shareholders who wish to attend the AGM in person can register online using the online registration portal at **https://meetnow.global/za** to, inter alia, allow the Transfer Secretary to arrange the participation of the shareholder in the AGM. Alternatively, shareholders can register at the venue. | In terms of section 63(1) of the Companies Act, before any person may attend or participate in the AGM, meeting participants (including proxies) will be required to provide reasonably satisfactory identification before being entitled to participate in or vote at the AGM. Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.<br><br>Request your CSDP or broker to provide you or your proxy with the necessary authority (i.e. letter of representation) in terms of the custody agreement entered into between you and your CSDP or broker and then register online using the online registration portal at **https://meetnow.global/za** to, inter alia, allow the Transfer Secretary to arrange the participation of the shareholder in the AGM. Alternatively, shareholders can register at the venue. |

1. Each shareholder is entitled to appoint one or more proxy(ies) (who need not be a shareholder(s) of the Company) to participate, speak and vote in their stead at the AGM.
2. Voting will take place by way of a poll, and accordingly, every holder of ordinary shares will have one vote in respect of each ordinary share held.
3. The cost (e.g. for mobile data consumption or internet connectivity) of electronic participation in the AGM will be carried by the participant.
4. The participant acknowledges that the electronic communication services are provided by third parties and indemnifies the Company and its directors/employees/Company Secretary/transfer secretaries/service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company or its directors/employees/Company Secretary/transfer secretaries/service providers, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in them or from total or partial failure of the electronic services and connections linking the participant via the electronic services to the AGM.
5. Shareholders attending via electronic means or in person are requested to submit the questions that they wish to raise at the AGM in advance of the AGM by sending them by email to the Company Secretary at **fazila.patel@angloamerican.com** by no later than 12:00 on Tuesday, 27 May 2025. These questions will be addressed at the AGM, as well as responded to via email.
6. Shareholders attending the AGM in person and who wish to vote thereat must ensure that they bring along an internet-enabled smartphone, tablet or computer in order to vote at the venue. Please ensure that your compatible device's browser has the latest version of Chrome, Safari, Edge or Firefox. Shareholders are also referred to the "electronic participation meeting guide", (see page 10 for instructions on electronic voting). Shareholders attending the meeting in person will follow the same steps to vote at the meeting as the shareholders attending the meeting via electronic communication.

# Notice of annual general meeting cont.

## Presentation to shareholders

### Presentation of the audited annual financial statements

The audited annual financial statements of the Company and the group for the year ended 31 December 2024 (as approved by the Board of directors of the Company), incorporating the external auditor's report, the Audit Committee's report, and the directors' report, are presented to shareholders in terms of section 30(3) of the Companies Act.

The annual financial statements are set out in Annexure 1 hereto and appear on the Company's website at **www.angloamericankumba.com**.

### Report of the Social, Ethics and Transformation Committee

The Company's Social, Ethics and Transformation Committee (Setco) report, read with the Sustainability report and Climate Change report published on the Company's website at **www.angloamericankumba.com**, will serve as the Setco's report to the Company's shareholders on the matters falling within its mandate at the AGM. Any specific questions to the Committee may be sent to the Company Secretary prior to the AGM.

### Presentation of the Remuneration report

The Remuneration report of the Company is presented to shareholders in terms of section 61(8)(a)(v) of the Companies Act. The Remuneration report is set out in Annexure 3 hereto and appears on the Company's website at **www.angloamericankumba.com**.

## Ordinary resolutions

### Percentage of voting rights – ordinary resolutions

Ordinary resolutions numbered 1 to 7, contained in this notice of AGM, require the approval of a minimum of 50% plus one vote of the votes exercised on the resolutions by the shareholders present or represented by proxy at the AGM in order for the resolutions to be adopted.

## 1. Ordinary resolution number 1

### Reappointment of independent external auditor

To reappoint PricewaterhouseCoopers Inc (PwC) as independent external auditor of the Company, and to appoint Mr Bilal Laher as the individual designated auditor, to hold office until the conclusion of the next AGM in terms of section 90(1) of the Companies Act. Mr Sizwe's Masondo's term as the designated auditor was due to end on 31 December 2024. Following the earlier rotation of audit partners within the Anglo Group, Mr Bilal Laher was nominated by PwC to be the designated audit partner. The Audit Committee has evaluated the independence, experience and effectiveness of both PwC and Mr Laher and has concluded that both the firm and the individual designated auditor are independent of the Company in accordance with section 94(8) of the Companies Act. In compliance with the JSE Listings Requirements (paragraph 3.84(g), the Audit Committee obtained and considered all information in its assessment of the suitability of PwC as well as Mr Laher for reappointment and appointment, respectively. The Audit Committee concluded that, based on the outcome of the inspection by the Independent Regulatory Board of Auditors (IRBA) of PwC, no matters were raised that negatively impacted the suitability of PwC and Mr Laher for reappointment as external auditor and appointment as individual designated auditor, respectively, of the Company.

There are no current pending or finalised legal or disciplinary processes which affect the suitability of PwC or Mr Laher for reappointment as the Company's external auditor and appointment as the individual designated auditor. Further information on the execution of the duties of the Audit Committee is set out in the Audit Committee report contained in the annual financial statements.

### Ordinary resolution number 1

"RESOLVED that PwC and Mr Bilal Laher be and are hereby reappointed and appointed as independent external auditor and individual designated auditor, respectively, of the Company, to hold office until the conclusion of the next AGM in terms of section 90(1) of the Companies Act."

## 2. Ordinary resolution number 2

(Comprising separate ordinary resolutions numbered 2.1 to 2.4)

### Re-election/election of directors

To re-elect/elect, by way of separate resolutions, the following non-executive directors, each of whom retire in terms of the provisions of the memorandum of incorporation (MoI) of the Company, and, each being eligible, offer themselves for re-election/election:

2.1 Mrs Mary Sina Bomela*
2.2 Mr Themba Moyeni Mkhwanazi*
2.3 Ms Neo Violet Mokhesi**
2.4 Ms Montsheng Josephine Tsele***
2.5 Mr Matthew Thomas Samuel Walker****

* These directors are retiring due to the one-third rotation requirement in the MoI.
** This director is retiring due to being appointed after the 2024 AGM.
*** This director is retiring due to the one-third rotation requirement in the MoI and will not be offering herself for re-election.
**** This director is retiring due to being appointed post the issuing of the 2024 notice of AGM.

The Board of directors followed a robust process to determine and confirm the independence of Mrs Mary Sina Bomela and Ms Neo Violet Mokhesi and applied the test for independence in accordance with the JSE Listings Requirements, the Companies Act and the recommendations in the King IV Report on Corporate Governance for South Africa, 2016 (King IV™*).

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Accordingly, shareholders are requested to consider and, if deemed fit, to re-elect/elect these retiring directors as members of the Board of the Company by way of passing the separate ordinary resolutions set out below. Brief résumés in respect of each director offering themselves for re-election/election as directors of the Company are attached hereto as Annexure 2.

# Notice of annual general meeting cont.

### Ordinary resolution number 2.1
"RESOLVED that Mrs Mary Sina Bomela be and is hereby re-elected as a director of the Company with effect from 4 June 2025."

### Ordinary resolution number 2.2
"RESOLVED that Mr Themba Moyeni Mkhwanazi be and is hereby re-elected as a director of the Company with effect from 4 June 2025."

### Ordinary resolution number 2.3
"RESOLVED that Ms Neo Violet Mokhesi be and is hereby elected as a director of the Company with effect from 4 June 2025."

### Ordinary resolution number 2.4
"RESOLVED that Mr Matthew Thomas Samuel Walker be and is hereby elected as a director of the Company with effect from 4 June 2025."

## 3. Ordinary resolution number 3

(Comprising separate ordinary resolutions numbered 3.1 to 3.6)

### Election of Social, Ethics and Transformation Committee members
To elect, by way of separate ordinary resolutions, the members of the Social, Ethics and Transformation Committee consisting of a majority of independent non-executive directors in terms of section 72(7A)(a) of the Companies Act and appointed in terms of section 72(9A)(a) of the Companies Act to perform the duties and responsibilities stipulated in Regulation 43(5) of the Companies Act and other duties described in the Social, Ethics and Transformation Committee's terms of reference, which are available on the Company's website, **www.angloamericankumba.com**.

The Board has determined that each of the members standing for election possess the required skills and experience to fulfil their duties as members of the Social, Ethics and Transformation Committee. The following directors, each being eligible, offer themselves for election:

3.1 Mrs Mary Sina Bomela*
3.2 Mr Terence Philip Goodlace
3.3 Mrs Nomalizo (Ntombi) Beryl Langa-Royds
3.4 Mr Bothwell Anesu Mazarura
3.5 Ms Neo Violet Mokhesi*
3.6 Ms Nompumelelo (Mpumi) Dessederia Zikalala

* Subject to re-election/election as a director pursuant to ordinary resolution numbers 2.1 and 2.3.

The resolutions pertaining to the election of the members of the Social, Ethics and Transformation Committee are to be voted on individually. Brief résumés in respect of each director offering themselves for election as members of the Social, Ethics and Transformation Committee are attached hereto as Annexure 2.

### Ordinary resolution number 3.1
"RESOLVED that Mrs Mary Sina Bomela, who is an independent non-executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Social, Ethics and Transformation Committee."

### Ordinary resolution number 3.2
"RESOLVED that Mr Terence Philip Goodlace, who is an independent non-executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Social, Ethics and Transformation Committee."

### Ordinary resolution number 3.3
"RESOLVED that Mrs Nomalizo (Ntombi) Beryl Langa-Royds, who is an independent non-executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Social Ethics and Transformation Committee."

### Ordinary resolution number 3.4
"RESOLVED that Mr Bothwell Anesu Mazarura, who is an executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Social, Ethics and Transformation Committee."

### Ordinary resolution number 3.5
"RESOLVED that Ms Neo Violet Mokhesi, who is an independent non-executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Social, Ethics and Transformation Committee."

### Ordinary resolution number 3.6
"RESOLVED that Ms Nompumelelo (Mpumi) Dessederia Zikalala, who is an executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Social, Ethics and Transformation Committee."

## 4. Ordinary resolution number 4

(Comprising separate ordinary resolutions numbered 4.1 to 4.5)

### Election of Audit Committee members
To elect, by way of separate ordinary resolutions, the members of the Audit Committee consisting of independent non-executive directors in terms of section 94(4) of the Companies Act and appointed in terms of section 94(2) of the Companies Act to perform the duties and responsibilities stipulated in section 94(7) of the Companies Act and other duties described in the Audit Committee's terms of reference, which are available on the Company's website, **www.angloamericankumba.com**. In terms of Regulation 42 of the Act, at least one-third of the members of the Company's Audit Committee must have academic qualifications, or experience, in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.

# Notice of annual general meeting cont.

The Board has determined that each of the members standing for election is independent, and that they possess the required qualifications, skills and experience as contemplated in Regulation 42 of the Act and collectively, they have sufficient qualifications and experience to fulfil their duties as contemplated in section 94(7) of the Companies Act. The following independent non-executive directors, each being eligible, offer themselves for election:

4.1 Mr Sango Siviwe Ntsaluba
4.2 Mrs Mary Sina Bomela*
4.3 Mr Aman Jeawon
4.4 Mrs Michelle Anne Jenkins
4.5 Ms Neo Violet Mokhesi*

* Subject to re-election/election as a director pursuant to ordinary resolution numbers 2.1 and 2.3.

The resolutions pertaining to the election of the members of the Audit Committee are to be voted on individually. Brief résumés in respect of each independent non-executive director offering themselves for election as members of the Audit Committee are attached hereto as Annexure 2.

### Ordinary resolution number 4.1

"RESOLVED that Mr Sango Siviwe Ntsaluba, who is an independent non-executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Audit Committee."

### Ordinary resolution number 4.2

"RESOLVED that Mrs Mary Sina Bomela, who is an independent non-executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Audit Committee."

### Ordinary resolution number 4.3

"RESOLVED that Mr Aman Jeawon, who is an independent non-executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Audit Committee."

### Ordinary resolution number 4.4

"RESOLVED that Mrs Michelle Anne Jenkins, who is an independent non-executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Audit Committee."

### Ordinary resolution number 4.5

"RESOLVED that Ms Neo Violet Mokhesi, who is an independent non-executive director, be and is hereby elected, with effect from 4 June 2025, as a member of the Audit Committee."

## 5. Ordinary resolution number 5

### Approval of the remuneration policy

In accordance with the King IV™ Code, shareholder approval is sought for the Company's remuneration policy and implementation thereof by way of separate non-binding advisory votes. The non-binding votes enable shareholders to express their views on the Company's remuneration policy and on the implementation thereof. The detailed remuneration policy, for which approval is being sought, is contained herein as Annexure 3.

In the event that the remuneration policy or the implementation report, or both have been voted against by 25% or more of the voting rights exercised by shareholders in the non-binding advisory vote, the Board will delegate representatives to actively engage with the majority shareholders to address and conciliate the substantiating objections and concerns and to ameliorate the policy and/or report as appropriate, taking cognisance of the shareholder feedback and proposals resulting from the engagement and as approved by the Board.

### Ordinary resolution number 5.1

"RESOLVED that the Company's remuneration policy be and is hereby approved by way of a non-binding advisory vote, as recommended in King IV™."

### Ordinary resolution number 5.2

"RESOLVED that the implementation of the Company's remuneration policy be and is hereby approved by way of a non-binding advisory vote, as recommended in King IV™."

## 6. Ordinary resolution number 6

### General authority for directors to allot and issue ordinary shares

In terms of clause 7.2 of the Company's MoI, subject to the approval of the JSE Limited (JSE), the approval, by way of an ordinary resolution of shareholders, is required for the allotment and issue of ordinary shares (including options in respect thereof), in circumstances other than as contemplated in sections 41(1) and (3) of the Companies Act. In terms of section 41(1) of the Companies Act, any issue of shares or grant of options contemplated in section 42, or grant of any rights exercisable for securities, must be approved by a special resolution of the shareholders of a company, if the shares, securities, options or rights are issued to (a) a director, future director, prescribed officer or future prescribed officer of the Company; (b) a person related or interrelated to the Company; or (c) a nominee of a person contemplated in (a) or (b). In terms of section 41(3) of the Companies Act, an issue of shares, securities convertible into shares, or rights exercisable for shares in a transaction, or a series of integrated transactions requires the approval of the shareholders by special resolution if the voting power of the class of shares that are issued or issuable as a result of the transaction or series of integrated transactions exceed 30% of the voting power of all the shares of that class held by shareholders immediately before the transaction or series of transactions. Unless renewed, the existing authority granted by shareholders at the 18th AGM of the shareholders of 28 May 2024 expires at the forthcoming 19th AGM to be held on Wednesday, 4 June 2025.

# Notice of annual general meeting cont.

This general authority, once granted, allows the Board from time to time, and when it is appropriate to do so, to issue ordinary shares as may be required. This general authority is subject to the restriction that it is limited to a maximum of 5% of the number of shares in issue at the date of this notice (being 16,104,299 shares), with the number of issued and listed equity securities in issue as at the date of this notice being 322,085,974 shares. It is noted that an issue as contemplated in sections 41(1) and (3) of the Companies Act must first be approved by way of a special resolution in terms of section 41 of the Companies Act and is not authorised in terms of this resolution.

### Ordinary resolution number 6

"RESOLVED that the unissued shares in the Company, limited to 5% of the number of shares in issue at the date of this notice (being 16,104,299 shares), and the number of listed equity securities in issue as at the date of this notice being 322,085,974 shares, be and are hereby placed under the control of the directors until the next AGM and that the directors be and are hereby authorised to issue any such shares as they may deem fit, subject to the Companies Act, the MoI of the Company, and the provisions of the Listings Requirements of the JSE."

## 7. Ordinary resolution number 7

### Authorisation to sign documents to give effect to resolutions

"RESOLVED that any one director or the Company Secretary be and is hereby authorised to do all such things and sign all such documents and take all such actions as they consider necessary to give effect to the resolutions set out in this notice of AGM."

## Special resolutions

### Percentage of voting rights – special resolutions

Special resolutions numbered 1 to 4, contained in this notice of AGM, require the approval of a minimum of 75% (seventy-five percent) of the votes exercised on the resolutions by the shareholders present or represented by proxy at the AGM in order for the resolutions to be adopted. In terms of the Listings Requirements of the JSE, special resolution number 1 (general authority to issue shares for cash) requires an ordinary resolution to be passed with a 75% (seventy-five percent) majority of votes exercised on the resolution by shareholders present or represented by proxy at the AGM in order for the resolution to be adopted. Clause 22.6 of the Company's MoI provides that for so long as the Company is listed on the JSE, if any of the Listings Requirements of the JSE require an ordinary resolution to be passed with a 75% (seventy-five percent) majority, the resolution shall instead be required to be passed by a special resolution. Special resolution number 1 is therefore required, in terms of clause 22.6 of the Company's MoI, to be passed as a special resolution.

## 8. Special resolution number 1

### General authority to issue shares for cash

"RESOLVED that, subject to the passing of ordinary resolution number 6 and in terms of the Listings Requirements of the JSE, the directors are hereby authorised by way of a general authority, to issue the authorised but unissued ordinary shares of 1 cent each in the capital of the Company for cash, as and when suitable opportunities arise, subject to the MoI of the Company, the Companies Act, and the following conditions, namely that:

- the equity securities, which are the subject of the issue for cash, must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue
- any such issue will only be made to "public shareholders" as defined by the Listings Requirements of the JSE and to related parties, subject to the paragraph below
- related parties may only participate in a general issue of shares for cash through a bookbuild process provided that:
  - (i) they may only participate with a maximum bid price at which they are prepared to take up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price, the relevant related party will be "out of the book" and not be allocated shares
  - (ii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild
- this authority shall only be valid until the next AGM of the Company but shall not extend beyond 15 months from the date this authority is given
- an announcement giving full details required by the Listings Requirements of the JSE will be published at the time of any issue representing, on a cumulative basis, within the period of this authority, 5% (five percent) or more of the number of shares in issue prior to the issue concerned
- any such general issues are subject to exchange control regulations and approval at that point in time
- in respect of securities, which are the subject of the general issue of shares for cash, such issue may not exceed 5% (being 16,104,299 shares) of the number of listed equity securities as at the date of this notice of AGM, the number of listed equity securities in issue as at the date of this notice being 322,085,974 shares, provided that:
  - any equity securities issued under this authority during the period must be deducted from the number above
  - in the event of a sub-division or consolidation of issued equity securities during the period contemplated above, the existing authority must be adjusted accordingly to represent the same allocation ratio
- the calculation of the listed equity securities is a factual assessment of the listed equity securities as at the date of the notice of AGM, excluding treasury shares
- in determining the price at which an issue of shares for cash may be made in terms of this authority, the maximum discount permitted shall be 10% of the weighted average traded price of the ordinary shares on the JSE over the 30 business days prior to the date that the price of the issue is agreed between the directors of the Company and the party subscribing for the securities. The JSE should be consulted for a ruling if the Company's securities have not traded in such 30-day business period".

# Notice of annual general meeting cont.

### Reason and effect

The effect of special resolution number 1 is that the directors will be able to issue the authorised but unissued ordinary shares of 1 cent each in the capital of the Company for cash, as and when suitable opportunities arise, subject to the requirements of the JSE, the restrictions/conditions set out in the authority, the Companies Act and the MoI of the Company. Such issue may not exceed 5% (being 16,104,299 shares) of the number of listed equity securities as at the date of this notice being, 322,085,974 shares.

## 9. Special resolution number 2

### Remuneration payable to non-executive directors

The fees payable to non-executive directors are benchmarked by the Company's independent remuneration adviser on an annual basis. The current comparator group comprises African Rainbow Minerals, Northam Platinum Limited, Sibanye-Stillwater Limited, Impala Platinum Holdings Limited, Exxaro Resources Limited, Harmony Gold Mining Company Limited, AECI Limited, Thungela Resources Limited and Anglo American Platinum Limited. In addition, a market capitalisation, size-based supplementary comparator group of JSE-listed companies was introduced to determine a separate benchmark point for further reference. In line with the previous year's benchmarking, the fees for the Board member roles are somewhat below the market, however this is compensated for, to some extent, by the various Board committee fees that are generally higher than the market.

Given that the new industry comparator group yields certain differentials, it is proposed that the Board Chairperson fee, the Board member fee, the Audit Committee Chairperson fee and the Audit Committee member fee be adjusted, while the fees for all of the other Board roles be retained. It is recommended that the market disparities be equalised over the next two years, and that no increase be granted for those that are above the market median. Postponing any specific increases could result in further compounding lags and could inevitably lead to requesting higher-than-average increases in future years.

To achieve this objective for the first year of a two-year adjustment period, an effective overall increase of 8.33% is being proposed for total fees paid to the Board based upon Board seat allocations as at 31 December 2024.

This overall increase translates into an increase of 15% for the Board Chairperson fee, 20% for the Ordinary Board member fee and 5% for the fees paid to the Chairperson of the Audit Committee and Audit Committee members. No increases are proposed for the Board sub-committee Chairperson or Board sub-committee member fees. It is therefore RESOLVED that, in terms of section 66(9) of the Companies Act and on the recommendation of the Human Resources and Remuneration Committee (Remco), the Company be and is hereby authorised to remunerate its non-executive directors for their services as directors and/or pay any fees related thereto as detailed in the table below.

| | | Proposed for the period from 4 June 2025 (exclusive of VAT) Rand | Proposed increase % | Fees approved in May 2024 (exclusive of VAT) Rand |
|---|---|---|---|---|
| 2.1 | Board Chairperson* | **2,438,183** | 15.0 | 2,120,159 |
| 2.2 | Ordinary Board member | **485,268** | 20.0 | 404,390 |
| 2.3 | Lead independent director** | **1,511,242** | 0.0 | 1,511,242 |
| 2.4 | Audit Committee Chairperson | **471,912** | 5.0 | 449,440 |
| 2.5 | Audit Committee member | **235,956** | 5.0 | 224,720 |
| 2.6 | Strategy and Investment Committee Chairperson | **385,840** | 0.0 | 385,840 |
| 2.7 | Strategy and Investment Committee member | **198,432** | 0.0 | 198,432 |
| 2.8 | Social, Ethics and Transformation Committee Chairperson | **385,840** | 0.0 | 385,840 |
| 2.9 | Social, Ethics and Transformation Committee member | **198,432** | 0.0 | 198,432 |
| 2.10 | Nominations and Governance Committee member | **198,432** | 0.0 | 198,432 |
| 2.11 | Human Resources and Remuneration Committee Chairperson | **418,912** | 0.0 | 418,912 |
| 2.12 | Human Resources and Remuneration Committee member | **209,456** | 0.0 | 209,456 |
| 2.13 | Safety, Health and Sustainable Development Committee Chairperson | **385,840** | 0.0 | 385,840 |
| 2.14 | Safety, Health and Sustainable Development Committee member | **198,432** | 0.0 | 198,432 |
| 2.15 | Special Board Sub-committee Chairperson*** | **385,840** | 0.0 | 385,840 |
| 2.16 | Special Board Sub-committee member*** | **198,432** | 0.0 | 198,432 |

* The Chairperson of the Board chairs the Nominations and Governance Committee. He is also a member of the Human Resources and Remuneration Committee and chairs the Safety, Health and Sustainable Development Committee. He attends all other sub-committee meetings and does not receive any additional remuneration in this regard.

** The lead independent non-executive director chairs the Strategy and Investment Committee and the Social, Ethics and Transformation Committee and is a member of the Audit Committee, the Human Resources and Remuneration Committee and the Nominations and Governance Committee. She does not receive any additional remuneration in this regard.

*** To provide for an ad hoc Sub-committee should this be required.

Executive directors do not receive directors' fees.

# Notice of annual general meeting cont.

### Reason and effect

In terms of sections 66(8) and 66(9) of the Companies Act, remuneration may only be paid to members of the Board for their services as directors in accordance with a special resolution approved by the shareholders within the previous two years and if not prohibited in terms of the Company's MoI. The reason for and effect of special resolution number 2 is for the Company to obtain the approval of shareholders by way of special resolution for the payment of remuneration to its non-executive directors for their services as directors of the Company.

## 10. Special resolution number 3

### Approval for the granting of financial assistance in terms of sections 44 and 45 of the Companies Act

"RESOLVED that, to the extent required by the Companies Act, the Board of directors of the Company may, subject to compliance with the requirements of the Company's MoI, the Companies Act, and the Listings Requirements of the JSE, each as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance as contemplated in section 44 and/or section 45 of the Companies Act, by way of a loan, guarantee, the provision of security or otherwise, to:

- any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or interrelated to the Company, for any purpose or in connection with any matter, including, but not limited to, the subscription of any option, or any securities issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or a related or interrelated company as contemplated under section 44 of the Companies Act; and/or
- any person who is a participant in any of the share or other employee incentive schemes of the Kumba group, for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or a related or interrelated company, where such financial assistance is provided in terms of any such scheme that does not constitute an employee share scheme that satisfies the requirements of section 97 of the Companies Act.

### Reason and effect

Notwithstanding the title of section 45 of the Companies Act, being "Loans or other financial assistance to directors", on a proper interpretation, the body of the section may also apply to financial assistance (as such term is defined therein) provided by a company to related or interrelated companies and corporations, including, inter alia, its subsidiaries, for any purpose.

Furthermore, section 44 of the Companies Act may also apply to financial assistance provided by a company to related or interrelated companies, in the event that the financial assistance is provided for the purposes of, or in connection with, the subscription of any options, or any securities, issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or related or interrelated company.

Both section 44 and section 45 of the Companies Act provide, inter alia, that the particular financial assistance must be provided pursuant to a special resolution of the shareholders, adopted within the previous two years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category and that the Board of directors must be satisfied that (i) immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test; and (ii) the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

The reason for and effect of special resolution number 3 is to grant the directors of the Company the authority to provide financial assistance, when the need arises, in accordance with the provisions of sections 44 and 45 of the Companies Act. This means that the Company is authorised, among other things, to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

The Board undertakes that, insofar as the Companies Act requires, it will not adopt a resolution to authorise such financial assistance, unless the directors are satisfied that:

- immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in the Companies Act
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company

As part of the authority above, the Company will not provide financial assistance to directors, prescribed officers or "any person". The Company also notes the obligation to send a letter to shareholders and trade unions as per section 45(5) of the Act within 10 business days after the Company's Board adopted the resolution if the total value of the financial assistance contemplated in that resolution, together with any previous such resolution during the financial year, exceeds one-tenth of 1% of the Company's net worth at the time of the resolution; or within 30 business days after the end of the financial year, in any other case.

# Notice of annual general meeting cont.

## 11. Special resolution number 4

### General authority to repurchase shares

"RESOLVED that the Board of directors of the Company be and is hereby authorised, by way of a renewable general authority, to approve the repurchase by the Company or by any of its subsidiaries of any of the shares issued by the Company, upon such terms and conditions and in such amounts as the Board of directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the MoI of the Company and the Listings Requirements of the JSE, including, inter alia, that:

- the general repurchase of the shares may only be implemented through the order book of the JSE and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited)
- this general authority shall only be valid until the next AGM of the Company, provided that it shall not extend beyond 15 months from the date of passing of this resolution
- an announcement must be published as soon as the Company has repurchased shares constituting, on a cumulative basis, 3% of the number of shares in issue as at the date that this special resolution number 4 is passed, pursuant to which the aforesaid 3% threshold is reached, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares repurchased thereafter. Such announcement will be made as soon as possible and, in any event, by not later than 08:30 on the second business day following the day on which the 3% threshold is reached or exceeded
- subject to section 48 of the Companies Act, the general authority to repurchase is limited to a maximum of 5% in the aggregate in any one financial year of the Company's issued share capital at the beginning of the financial year, provided that the number of shares purchased and held by or for the benefit of a subsidiary or subsidiaries of the Company, taken together, shall not exceed 5% in the aggregate of the number of issued shares in the Company
- a resolution has been passed by the Board of directors of the Company and/or any subsidiary of the Company, as the case may be, approving the purchase, that the group has satisfied the solvency and liquidity test as defined in the Companies Act, and that since the solvency and liquidity test was applied there have been no material changes to the financial position of the Company or the group
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for five business days immediately preceding the date that the transaction is effected. The JSE should be consulted for a ruling if the Company's securities have not traded in such five business day period
- the Company may at any point in time only appoint one agent to effect any repurchase(s) on the Company's behalf
- any such general repurchases are subject to exchange control regulations and approval at that point in time
- the Company may not effect a repurchase during any prohibited period as defined in terms of the Listings Requirements of the JSE unless there is a repurchase programme in place as contemplated in terms of 5.72(h) of the Listings Requirements of the JSE, full details of which have been submitted to the JSE in writing prior to the commencement of the prohibited period

### Reason and effect

The reason for and effect of special resolution number 4 is to grant the Board of directors a general authority in terms of the Listings Requirements of the JSE, up to and including the date of the following AGM of the Company (provided it shall not extend beyond 15 months from the date the resolution is passed), to authorise the Company and any of its subsidiary companies to repurchase the Company's issued shares on such terms, conditions and in such amounts as determined from time to time by the directors of the Company subject to the limitations set out above. In terms of clause 7.1 of the MoI, the repurchase of securities must be undertaken in accordance with the Listings Requirements of the JSE.

In special resolution number 4, reference is made to sections 46 and 48 of the Companies Act.

Section 46 regulates the making of "distributions" by a company, which includes the transfer by a company of money or other property of a company, other than its own shares, to or for the benefit of one or more holders of any of the shares, or to the holder of a beneficial interest in any such shares, of that company or of another company within the same group of companies, as consideration for the acquisition (i) by a company of any of its shares, as contemplated in section 48 of the Companies Act; or (ii) by any company within the same group of companies, of any shares of a company within that group of companies. Section 46 of the Companies Act prohibits the making of such a distribution unless (a) the distribution is pursuant to an existing legal obligation of the Company, or a court order or the Board of the Company, by resolution, has authorised the distribution; (b) it reasonably appears that the Company will satisfy the solvency and liquidity test immediately after completing the proposed distribution; and (c) the Board of directors of the Company has, by resolution, acknowledged that it has applied the solvency and liquidity test, as set out in section 4 of the Companies Act, and reasonably concluded that the Company will satisfy the solvency and liquidity test after completing the proposed distribution.

Section 48 of the Companies Act regulates the acquisition by a company of its own shares and the acquisition by a subsidiary company of shares in its holding company. Section 48(8) sets out those circumstances in which a special resolution of shareholders is required under the Companies Act for such acquisitions.

At the present time, the directors have no specific intention with regard to the utilisation of this authority, which will only be used if the circumstances are appropriate. The Company wishes to confirm that any repurchase of shares, if implemented, will only be dealt with via the formal JSE trading system.

# Notice of annual general meeting cont.

## Disclosures/information required in terms of the Listings Requirements of the JSE

For the purposes of considering special resolution number 4 and in compliance with the Listings Requirements of the JSE, the following information is provided:

### Directors' statement after considering the effect of a repurchase pursuant to a general authority

The directors of the Company agree that they will not undertake any repurchase, as contemplated in special resolution number 4 above, unless:

- the Company and the group are in a position to repay their debts in the ordinary course of business for a period of 12 months after the date of the repurchase
- the assets of the Company and the group, being fairly valued in accordance with International Financial Reporting Standards (IFRS), are in excess of the liabilities of the Company and the group for a period of 12 months after the date of the repurchase
- the share capital and reserves of the Company and the group are adequate for ordinary business purposes for a period of 12 months after the date of the repurchase
- the available working capital of the Company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of the general repurchase

### Directors' responsibility statement

The Board of directors of the Company collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 4 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by the Listings Requirements of the JSE.

### No material changes

Other than the facts and developments reported on in the Company's integrated report for 2024, there have been no material changes in the financial position of the Company and its subsidiaries since the date of signature of the audit report and the date of this notice.

The following further disclosures required in terms of the Listings Requirements of the JSE are set out in Annexure 4, attached hereto:

- major shareholders of the Company
- share capital of the Company

By order of the Board

**Fazila Patel**
Company Secretary

Rosebank

11 April 2025

# Notice of annual general meeting cont.

## Virtual shareholder's meeting guide 2025

Computershare

## HOW TO PARTICIPATE IN VIRTUAL/HYBRID MEETINGS

### Attending the meeting online

Our online meetings provide you with the opportunity to participate online using your smartphone, tablet or computer.

You will be able to view a live webcast of the meeting, ask questions and submit your votes in real time.

**You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.**


**Visit https://meetnow.global/za**

### Access

Access the online meeting at https://meetnow.global/za, select the applicable meeting from the drop down option. Click 'JOIN MEETING NOW'.

**If you are a shareholder:**
Select 'Invitation' on the login screen and enter the applicable information included in the email received from noreply@computershare.com. Accept the Terms and Conditions and click Continue.

**If you are a guest**:
Select 'Guest' on the login screen. As a guest, you will be prompted to complete all the relevant fields, including title, first name, last name and email address.

Please note, guests will not be able to ask questions or vote at the meeting.

**If you are a proxy holder:**
You will receive an email invitation the day before the meeting to access the online meeting. Click on the link in the email invitation from noreply@computershare.com to access the meeting.

### Contact

If you have any issues accessing the website please email proxy@computershare.co.za.

### Navigation

Broadcast | Vote | Q & A | Documents

When successfully authenticated, the home screen will be displayed. You can watch the webcast, vote, ask questions, and view meeting materials in the documents folder. The image highlighted blue indicates the page you have active.

The webcast will appear and begin automatically once the meeting has started.

### Voting

Resolutions will be put forward once voting is declared open by the Chair. Once the voting has opened, the resolution and voting options will appear.

To vote, simply select your voting direction from the options shown on screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the green tick appears. To change your vote, select 'Change Your Vote'.

### Q&A

Any eligible shareholder/proxy attending the meeting remotely is eligible to ask a question.

Select the Q&A tab and type your question into the box at the bottom of the screen and press 'Send'.

# Form of proxy

**Kumba Iron Ore Limited (Kumba)**
A member of the Anglo American plc group
(Incorporated in the Republic of South Africa)

This form of proxy is for use and completion by certificated shareholders and dematerialised shareholders with "own name" registration only.

For use and completion by registered members of Kumba at the 19th annual general meeting (AGM) of the Company to be held in hybrid format (in person and by electronic communication) at 10:00 (CAT) on Wednesday, 4 June 2025.

Each shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxy or proxies (who need not be a shareholder of Kumba) to attend, participate in and speak and vote in place of that shareholder at the AGM, and at any adjournment thereat.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, must not complete this form or proxy but should contact their Central Securities Depository Participant (CSDP) or broker in the manner and time stipulated in their agreement, in order to furnish them with their voting instructions or to obtain the necessary letter of authority to attend the AGM, in the event that they wish to attend the AGM.

Please note the following:

- The appointment of your proxy may be suspended at any time to the extent that you choose to act directly and in person in the exercise of your rights as a shareholder at the AGM
- The appointment of the proxy is revocable
- You may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and Kumba

Kindly note that meeting participants (including a proxy or proxies) are required in terms of section 63(1) of the Companies Act No 71 of 2008 to provide reasonably satisfactory identification before being entitled to attend or participate in the AGM. Forms of identification include a green barcoded identification document issued by the South African Department of Home Affairs, a smart identity card issued by the South African Department of Home Affairs, a valid driver's licence or a valid passport.

A proxy may not delegate his/her authority to act on behalf of a shareholder of Kumba to another person.

I/We (please print names in full)

of (address) contact number

being the holder/s or custodians of ordinary shares in the Company, do hereby appoint:

1 or failing him/her

2 or failing him/her

3. the Chairperson of the AGM, as my/our proxy to act, attend, participate and speak, for me/us and/or on my/our behalf at the AGM which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment thereof and to vote for me/us and/or on my/our behalf or to abstain from voting on such resolutions in respect of the ordinary share/s in the issued capital of the Company registered in my/our name/s with the following instructions:

*Continued overleaf*

# Form of proxy cont.

| | | Number of votes (one vote per share) | | |
|---|---|---|---|---|
| | | In favour | Against | Abstain |
| **Ordinary resolution number 1: Reappointment of independent external auditor** | | | | |
| **Ordinary resolution number 2: Re-election/election of directors** | | | | |
| 2.1 | To re-elect Mrs Mary Sina Bomela as a director of the Company | | | |
| 2.2 | To re-elect Mr Themba Moyeni Mkhwanazi as a director of the Company | | | |
| 2.3 | To elect Ms Neo Violet Mokhesi as a director of the Company | | | |
| 2.4 | To elect Mr Matthew Thomas Samuel Walker as a director of the Company | | | |
| **Ordinary resolution number 3: Election of Social, Ethics and Transformation Committee members** | | | | |
| 3.1 | To elect Mrs Mary Sina Bomela as a member of the Committee | | | |
| 3.2 | To elect Mr Terence Philip Goodlace as a member of the Committee | | | |
| 3.3 | To elect Mrs Nomalizo (Ntombi) Beryl Langa-Royds as a member of the Committee | | | |
| 3.4 | To elect Mr Bothwell Anesu Mazarura as a member of the Committee | | | |
| 3.5 | To elect Ms Neo Violet Mokhesi as a member of the Committee | | | |
| 3.6 | To elect Ms Nompumelelo (Mpumi) Dessederia Zikalala as a member of the Committee | | | |
| **Ordinary resolution number 4: Election of Audit Committee members** | | | | |
| 4.1 | To elect Mr Sango Siviwe Ntsaluba as a member of the Committee | | | |
| 4.2 | To elect Mrs Mary Sina Bomela as a member of the Committee | | | |
| 4.3 | To elect Mr Aman Jeawon as a member of the Committee | | | |
| 4.4 | To elect Mrs Michelle Anne Jenkins as a member of the Committee | | | |
| 4.5 | To elect Ms Neo Violet Mokhesi as a member of the Committee | | | |
| **Ordinary resolution number 5: Approval of the Remuneration Policy** | | | | |
| 5.1 | Non-binding advisory vote: Approval of the remuneration policy | | | |
| 5.2 | Non-binding advisory vote: Approval for the implementation of the remuneration policy | | | |
| **Ordinary resolution number 6: General authority for directors to allot and issue ordinary shares** | | | | |
| **Ordinary resolution number 7: Authorisation to sign documents to give effect to resolutions** | | | | |
| **Special resolution number 1: General authority to issue shares for cash** | | | | |
| **Special resolution number 2: Remuneration payable to non-executive directors** | | | | |
| **Special resolution number 3: Approval for the granting of financial assistance in terms of sections 44 and 45 of the Companies Act** | | | | |
| **Special resolution number 4: General authority to repurchase shares** | | | | |

Insert an "X" in the relevant space above according to how you wish your votes to be cast. An "X" in the relevant space above indicates the maximum number of votes exercisable. If you wish to cast your votes in respect of less than all of the shares that you own in Kumba, however, then insert the number of ordinary shares held in respect of which you desire to vote.

| | | |
|---|---|---|
| Signed at | on | 2025 |
| Signature | Assisted by me (where applicable) | |

Each member is entitled to appoint one or more proxies (none of whom need be a member of the Company) to attend, speak and, on a poll, vote in place of that member at the AGM. Please read the notes on the reverse side hereof.

# Notes to the proxy

## Summary of shareholders' rights in respect of proxy appointments as contained in section 58 of the Companies Act

Please note that in terms of section 58 of the Companies Act:

- this form of proxy must be in writing, dated and signed by the shareholder appointing the proxy
- you may appoint an individual as a proxy, including an individual who is not a shareholder of Kumba, to participate in, and speak and vote at the AGM, on your behalf
- your proxy may delegate his/her authority to act on your behalf to another person, subject to any restriction set out in this form of proxy
- this form or proxy should be delivered to Kumba, or to Kumba's transfer secretaries, Computershare Investor Services Proprietary Limited, before your proxy exercises any of your voting rights as a shareholder at the AGM. Any form of proxy not received by Kumba or Kumba's transfer secretaries must be sent to the Chairperson of the AGM by email before your proxy may exercise any of your voting rights as a shareholder at the AGM
- the appointment of your proxy or proxies will be suspended at any time to the extent that you choose to act directly and in person in the exercise of any of your rights as a shareholder at the AGM
- the appointment of your proxy is revocable unless you expressly state otherwise in this form of proxy
- as the appointment of your proxy is revocable, you may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to Kumba. Please note that the revocation of a proxy appointment constitutes a complete and final cancellation of your proxy's authority to act on your behalf as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered to the proxy and Kumba as aforesaid
- if this form of proxy has been delivered to Kumba, as long as that appointment remains in effect, any notice that is required by the Companies Act or Kumba's MoI to be delivered by Kumba to you must be delivered by Kumba to you or, if you have directed Kumba to do so, in writing, and paid any reasonable fees charged by Kumba for doing so:
  - your proxy is entitled to exercise, or abstain from exercising, any voting rights of yours without direction at the AGM, except to the extent that this form of proxy provides otherwise
  - the appointment of your proxy remains valid only until the end of the AGM or any adjournment or postponement thereof, unless it is revoked by you before then on the basis set out above

## Explanatory notes

1. A form of proxy is only to be completed by those ordinary shareholders who are:
   1.1 holding ordinary shares in certificated form; or
   1.2 recorded on sub-register electronic form in "own name".
2. If you have already dematerialised your ordinary shares through a CSDP or broker and wish to attend the AGM, you must request your CSDP or broker to provide you with a letter of representation or you must instruct your CSDP or broker to vote by proxy on your behalf in terms of the agreement entered into between you and your CSDP or broker.
3. A member entitled to attend and vote at the AGM is entitled to appoint one or more proxy or proxies to attend, participate in and speak and vote in his/her stead at the AGM. A proxy need not be a member of the Company. Satisfactory identification must be presented by any person wishing to attend the AGM, as set out in the notice of AGM (to which this form of proxy is included). A member may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space. The person whose name stands first on the form of proxy and who is present at the AGM of shareholders will be entitled to act to the exclusion of those whose names follow.
4. On a show of hands, a member of the Company present in person or by proxy shall have one (1) vote irrespective of the number of shares he/she holds or represents, provided that a proxy shall, irrespective of the number of members he/she represents, have only one (1) vote. On poll, a member who is present in person or represented by proxy shall be entitled to one vote in respect of each ordinary share in Kumba held by him/her.

# Notes to the proxy cont.

## Instructions on signing and lodging the proxy form

1. A member may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space/s provided, with or without deleting "the Chairperson of the AGM", but any such deletion must be initialled by the member. Should this space be left blank, the Chairperson of the AGM will exercise the proxy. The person whose name appears first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. A member's instructions to the proxy must be indicated by the insertion of an "X" or the relevant number of votes exercisable by the member in the appropriate box provided. An "X" in the appropriate box provided indicates the maximum number of votes exercisable by that member. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the member's votes exercisable thereat. A member or the proxy is not obliged to use all the votes exercisable by the member or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the member or by the proxy.
3. Forms of proxy are requested, for administrative purposes only, to be lodged at, or posted to the transfer secretaries of Kumba, Computershare Investor Services Proprietary Limited at the address below, to be received by 10:00 on Monday, 2 June 2025. Any forms of proxy not received by this time and date may be emailed to the transfer secretaries (who will provide same to the Chairperson of the AGM) at any time prior to the AGM, prior to your proxy exercising any of your voting rights as a shareholder at the AGM.
4. The completion and lodging of this form of proxy will not preclude the relevant member from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity or other legal capacity must be attached to this form of proxy, unless previously recorded by the transfer secretaries or waived by the Chairperson of the AGM.
6. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
7. Notwithstanding the aforegoing, the Chairperson of the AGM may waive any formalities that would otherwise be a prerequisite for a valid proxy.
8. If any shares are jointly held, all joint members must sign this form of proxy. If more than one of those members is present at the AGM, either in person or by proxy, the person whose name appears first in the register shall be entitled to vote.

For shareholders on the South African register:
Computershare Investor Services Proprietary Limited
15 Biermann Avenue, Rosebank, 2196, South Africa
Private Bag X9000, Saxonwold, 2132
Email: proxy@computershare.co.za
www.computershare.com
Tel: +27 11 370 5000

# Annexure 1

## Directors' report
for the year ended 31 December 2024

The directors have pleasure in presenting the annual financial statements of Kumba and the group for the year ended 31 December 2024.

### Nature of business

Kumba was incorporated in South Africa on 16 May 2005 and commenced trading in November 2006, following the unbundling of Kumba from Exxaro Resources Limited (previously Kumba Resources Limited). Subsequent to unbundling, Kumba listed on the JSE Limited on 20 November 2006.

Kumba is a mining group of companies focusing on the exploration, extraction, beneficiation, marketing, selling and shipping of iron ore. Kumba produces iron ore in South Africa at Sishen and Kolomela in the Northern Cape province.

The nature of the businesses of the group's subsidiaries, associates and joint ventures is set out in Annexures 1and 2.

### Corporate governance

The group subscribes to the Code of Good Corporate Practices and Conduct as contained in King IV™*. The Board has satisfied itself that Kumba has complied in all material aspects with King IV™ as well as the Listings Requirements of the JSE Limited throughout the year under review. The corporate governance report will be included in the 2024 integrated report to be published on 11 April 2025.

### Impact of the logistics capacity and the geopolitical tension on the financial results

The group has considered the ongoing impact of the logistics capacity and the geopolitical tension on each of its material accounting judgements and estimates. The group's principal source of estimation uncertainty continues to be in relation to assumptions used for the assessment of impairment of non-current assets where indicators of impairment or impairment reversal are identified.

The mines' annual production profiles have been revised to align with the available rail capacity, which resulted in a decrease in planned annual production volumes. This resulted in an increase in the life-of-assets.

The iron ore price and Rand/US$ exchange rate assumptions used to forecast future cash flows for impairment assessment purposes have been updated to consider both the short-term observable impact of the challenging rail performance and the geopolitical tension, the forecast medium and longer-term impact on the world economy and commodity prices. An impairment reversal indicator was identified for the group's non-current assets. Refer to note 2 to the consolidated financial statements for the results of the impairment reversal assessment.

### Financial results

The financial statements on pages 18 to 109 set out fully the financial position, results of operations and cash flows of the group and the Company for the financial year ended 31 December 2024. The financial statements have been prepared under the supervision of BA Mazarura CA(SA), the Chief Financial Officer.

#### Operating results for the year

Summary of the group's key financial results for the year ended 31 December:

| Rand million | 2024 | 2023 | % decrease |
|---|---|---|---|
| Revenue | **68,529** | 86,234 | (21) |
| Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) | **28,134** | 45,710 | (38) |
| Cash generated from operations | **34,791** | 38,257 | (9) |

Total revenue of R68.5 billion (2023: R86.2 billion) was 21% lower than the prior year, primarily due to:

- a 21% decrease in the average realised FOB iron ore export price of US$92/wmt (2023: US$117/wmt), resulting in a R17.6 billion decrease in revenue
- a 2% decrease in total sales volumes of 36.3 Mt (2023: 37.2 Mt), resulting in a R2.0 billion decrease in revenue, and
- a 1% stronger average Rand/US$ exchange rate of R18.33/US$1 (2023: R18.45/US$1), leading to a R0.4 billion decrease in revenue

The decrease in revenue was partly offset by a 38% increase in shipping revenue to R8.2 billion (2023: R5.9 billion) due to higher freight rates and CFR volumes increasing to 65% of total sales volumes (2023: 59%).

Kumba's high-grade iron ore content averaging 64.1% and lump ratio of 66% continued to attract a premium due to its properties, which support efficient lower carbon emitting steelmaking processes.

# Annexure 1 cont.

# Directors' report continued
for the year ended 31 December 2024

## Financial results continued

### Operating results for the year continued

Total operating expenses increased by 2% to R46.1 billion (2023: R45.4 billion). The group's business reconfiguration to align production to Transnet's constrained logistics performance and reduce the cost profile was successfully executed. As a result, the group achieved R4.4 billion of savings which have driven a reduction in the following cost lines:

- a decrease in contractors' expenses of 33% to R3.5 billion (2023: R5.2 billion),
- a 17% decrease in repairs and maintenance to R3.5 billion (2023: R4.2 billion),
- petroleum products decreased 22% to R2.9 billion (2023: R3.7 billion),
- raw materials and consumables decreased by 24% to R2.0 billion (2023: R2.6 billion), and
- staff costs decreased by 4% to R6.7 billion (2023: R7.0 billion).

However, the decrease in cash costs was offset by an increase in freight costs of 41% to R8.0 billion (2023: R5.7 billion) and a net increase in non-cash costs of R3.1 billion.

The increase in non-cash costs included:

- the reduction in waste mining which necessitated a drawdown in WIP stockpiles, resulting in WIP movement of R4,2 billion to R0.8 billion (2023: deficit of R3.3 billion),
- depreciation of property, plant and equipment increased by 14% to R5.7 billion (2023: R5.0 billion), mainly relating to the commissioning of the Kapstevel South pit at Kolomela and higher deferred stripping costs at Sishen, and
- finished stock movement of R465 million to R1.9 billion (2023: R1.5 billion), due to lower costs in 2024 (although finished stock levels increased).

The following non-cash costs provided a partial offset:

- an increase in the capitalisation of deferred stripping costs to R3.2 billion (2023: R1.6 billion), owing to a higher stripping ratio at Sishen.
- a decrease of R0.8 billion in environmental rehabilitation costs resulting from the revised closure cost estimates and an increase in the life-of-assets to 2040.

Sishen's cash costs improved by 10% to R531/dmt (2023: R589/dmt), partly due to cost savings, the benefits of higher deferred stripping costs and the impact of a 1% increase in production to 25.7 Mt (2023: 25.4 Mt), partly offset by the cost of inflation and higher WIP utilisation.

Kolomela's cash cost improved by 16% to R404/dmt (2023: R482/dmt), mainly driven by the positive outcome of the optimised mine plan and higher deferred stripping, partly offset by the cost of inflation, higher WIP utilisation and the impact of a 2% decrease in production to 10.1 Mt (2023: 10.3 Mt).

Iron ore prices remain the most significant driver of Kumba's adjusted EBITDA. As a result, the group's earnings for the year largely reflect the impact of lower iron ore prices combined with a decrease in sales volumes, higher freight rates and a stronger Rand/US$ exchange rate.

The cost savings of R4.4 billion provided a significant offset to the cost of inflation and higher non cash costs. This, together with lower mineral royalties, contributed positively to the group's adjusted EBITDA of R28.1 billion (2023: R45.7 billion) and an adjusted EBITDA margin of 41% (2023: 53%).

Non cash costs consisted of an unfavourable WIP stock movement of R4.2 billion, partly offset by lower rehabilitation costs of R0.8 billion (revised closure cost estimates and an increase in the remaining lives of both mines to 2040) and an increase in deferred stripping costs capitalised of R1.7 billion.

### Financial position

Summary of the group's financial position as at 31 December:

| Rand million | 2024 | 2023 | increase/ (decrease) |
|---|---|---|---|
| Property, plant and equipment (excluding right-of-use assets) | **56,006** | 48,822 | 15 |
| Working capital (excluding cash and cash equivalents) | **14,171** | 20,755 | (32) |
| Cash and cash equivalents | **16,913** | 17,722 | (5) |
| Net asset value per share (R) | **163.98** | 161.51 | 2 |

#### Property, plant and equipment

Total capex for the year was R9.0 billion (2023: R9.9 billion) and related to R4.5 billion of SIB spend, R3.2 billion of deferred stripping, and R1.3 billion of expansion capex.

Capital creditors decreased by R0.7 billion (2023: R81 million increase). This relates to capital expenditure incurred during the year but not yet paid at the reporting date, net of prior year expenditure paid. The 2024 full-year cash capex including the impact of capital creditors was R9.7 billion (2023: R9.9 billion).

# Directors' report continued
for the year ended 31 December 2024

## Financial results continued

### Property, plant and equipment continued

SIB capex represents spend on capital spares, plant and infrastructure upgrades as well as environmental compliance projects to sustain the business. Deferred stripping capex increased due to a higher stripping ratio in the areas that we mined. Expansion capex included the spend on Kapstevel South project of R0.4 billion and the detailed design engineering work related to the UHDMS project of R0.6 billion.

### Reversal of impairment of Kolomela assets

At 31 December 2022, the Kolomela cash-generating unit (CGU) was impaired by R5.4 billion, including an associated deferred tax of R1.5 billion, due to revisions to the forecast production volume profile and cost increases in the life-of-asset plan.

At 31 December 2024, the group's assets and CGUs were assessed for indicators of impairment or impairment reversal.

Kolomela's forecast production volume profile was revised as part of the group's business reconfiguration plan to optimise value considering the current rail capacity. The changes to the production volume profile resulted in a significant change to the Kolomela life-of-asset plan (refer to accounting policy note 5.8). The changes to the life-of-asset plan were identified as a trigger for impairment reversal and thus an impairment assessment was performed to determine the recoverable amount for the CGU.

The recoverable amount for Kolomela, based on the discounted cash flows, exceeded its carrying value at the reporting date. Consequently, the remaining balance of the impairment of R3.9 billion, and the related deferred tax of R1.1 billion, was reversed. The impairment reversal was limited to what the carrying amounts of the assets would have been at 31 December 2024 had the assets not been impaired. Refer to note 2 to the consolidated financial statements for further detail on the impairment reversal.

### Working capital

Net working capital decreased by 32% to R14.2 billion (2023: R20.8 billion), driven by an 11% decrease in inventory to R18.1 billion (2023: R20.4 billion), following a drawdown in WIP stockpiles due to the planned reduction in mined tonnes, as well as a reduction in the value of finished stock due to lower costs in 2024 (although finished stock levels increased).

Trade and other receivables decreased by 44% to R5.8 billion (2023: R10.4 billion), due to lower sales volumes and the earlier collection of receivables, partly offset by a 3% decrease in trade and other payables of R9.7 billion (2023: R10.0 billion).

### Net cash position

Kumba delivered attributable free cash flow of R14.5 billion (2023: R14.9 billion) and ended the year in a net cash position of R14.7 billion (2023: R13.2 billion). Cash flow generated from operations of R34.8 billion (2023: R38.3 billion) included adjusted EBITDA of R28.1 billion (2023: R45.7 billion)

## Share capital

### Authorised capital

The Company's authorised share capital of 500,000,000 shares remained unchanged during the year.

### Share movements

| Rand million | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | **(232)** | (251) |
| Net movement in treasury shares under employee share incentive schemes | **42** | 19 |
| – Purchase of treasury shares under employee share incentive schemes | **(241)** | (223) |
| – Shares issued to employees under employee share incentive schemes | **283** | 242 |
| Balance at the end of the year | **(190)** | (232) |

The group acquired 527,646 (2023: 465,211) of its own shares through purchases on the JSE during the year.

### Unissued shares

The directors are authorised to issue unissued shares until the next annual general meeting. Shareholders will be asked to extend the authority of the directors to control the unissued shares of the Company at the forthcoming annual general meeting, up to a maximum of 5% of the issued capital.

# Annexure 1 cont.

## Directors' report continued
for the year ended 31 December 2024

### Dividends

Kumba delivered attributable and headline earnings per share of R45.81 and R38.94 per share (2023: R70.81 and R70.80 per share), respectively. This supported the Board's decision to declare a final cash dividend of R19.90 per share.

Together with the interim cash dividend of R18.77 per share, the total cash dividend for the year decreased by 17% to R38.67 per share (2023: R46.80 per share) and represents 100% of headline earnings in accordance with Kumba's dividend policy.

### Subsidiaries, joint arrangements and associates

Full particulars of the group's investment in subsidiaries, associate and joint venture are set out in Annexures 1 and 2.

### Equity compensation plans

Refer to note 22 "Equity-settled share-based payment reserve", Annexure 3 of the group annual financial statements, and the detailed remuneration report that will be included in the 2024 integrated report for a detailed explanation and analysis of movements in the group's various equity compensation plans available to executive directors, senior managers and qualifying employees.

### Segment results

Refer to note 1 to the consolidated financial statements for a detailed segmental analysis of the group's operating results for the year ended and financial position as at 31 December 2024.

### Holding company and related parties

Anglo American plc is the group's ultimate holding company. The interest in the group is held through a 69.71% effective holding by Anglo South Africa Proprietary Limited (2023: 69.71%).

The analysis of ordinary shareholders is provided on pages 113 to 115.

### Events after the reporting date

Refer to note 32 to the consolidated financial statements for a detailed description of events after the reporting date for the year ended 31 December 2024. The directors are not aware of any other matters or circumstances arising since the end of the year and up to the date of this report, not otherwise dealt with in this report.

### Contingent liabilities and guarantees

#### Contingent liabilities

As previously reported, during 2018, the South African Revenue Service (SARS) issued the group with additional income tax assessments, covering the 2012 to 2014 years of assessment, relating to a tax audit on the deductibility of certain expenditure incurred. The group objected to these assessments after consultation with external tax and legal advisers. SARS disallowed the objection.

Subsequently, the group appealed against the outcome, which was referred to alternative dispute resolution (ADR) proceedings in an attempt to resolve the matter. The ADR proceedings were held and subsequently terminated in 2020. The group proceeded to the Tax Court in 2020 to appeal against the assessments issued by SARS on this matter. The trial at the Tax Court commenced during May 2022 and was completed in June 2022 and the judgment was handed down on 31 March 2023. The Tax Court dismissed SIOC's appeal, however, conceded on certain tax deductions, and understatement penalties and interest.

SIOC filed an appeal against the Tax Court judgment, to the extent that it was in favour of SARS, directly to the Supreme Court of Appeal (SCA). SARS opposed SIOC's appeal and filed a cross-appeal against the judgment to the extent that it was in SIOC's favour.

On 14 September 2020, SARS informed the group of its intention to audit the 2015 to 2018 years of assessment. As the 2015 and 2018 years of assessment have prescribed, both years must be excluded from the audit. Furthermore, during May 2023, SARS informed SIOC that the audit of the 2019, 2020 and 2021 tax years was put on hold pending the outcome of the litigation. The appeal and the audits concern the same subject matter. The outcome of the appeal is likely to determine a substantial number, if not all, of the issues to be traversed in the audit. SARS has therefore agreed to hold the audit in abeyance pending the outcome of the appeal to the SCA. SIOC and SARS have agreed on and signed prescription extension agreements for the 2016, 2017, 2019, 2020 and 2021 years of assessment, only in relation to the matters included in the above appeal.

The matter was heard by the SCA on 6 November 2024 and the judgment has not yet been handed down.

Based on the external legal and tax advice obtained, the group believes that these matters have been appropriately disclosed in the results for the year ended 31 December 2024.

#### Guarantees

Total guarantees provided in favour of the Department of Mineral Resources and Energy (DMRE) in respect of the group's undiscounted environmental closure liabilities at 31 December 2024 were R6.5 billion (2023: R5.1 billion). In May 2024, additional guarantees amounting to R1,395 million were provided in favour of the DMRE in respect of the shortfall at 31 December 2023.

Undiscounted closure costs decreased by R721 million during the year which, together with the increase of R112 million in the trust fund investment and an additional guarantee of R5 million issued during the year, has resulted in a surplus of R838 million in respect of guarantees provided in favour of the DMRE for both mines.

# Directors' report continued
for the year ended 31 December 2024

## Regulatory update

### National Environmental Management Act (NEMA)

The Minister of Forestry, Fisheries and the Environment has determined that requirements for making financial provision to manage, rehabilitate and remediate environmental impacts from mining operations will be regulated under NEMA and no longer under the current Mineral and Petroleum Resource Development Act. This agreement has been formalised by amending the relevant environmental, water and mining legislation. The financial provisioning regulations were published on 20 November 2015, and further proposed material amendments were gazetted on 10 November 2017, 17 May 2019 and 30 August 2021. The effective date for NEMA regulations has been extended to a date yet to be published. These amendments are expected to result in the provision of additional funding for the undiscounted closure costs.

## Company Secretary

The Company Secretary for Kumba is Ms Fazila Patel. The contact details of the Company Secretary are set out on page ##. Her abridged curriculum vitae is available for inspection at the Company's registered office.

## Directors

The names of the directors who were in office during the year and at the date of this report are set out in the 2024 integrated report. The remuneration and fees of directors as well as the directors' beneficial interest in Kumba are set out in note 35 to the consolidated financial statements.

The following changes to the Board and its committees were effected:

- Matthew Walker was appointed as non-executive director, representing Anglo American plc, on 1 April 2024. He is a member of the Strategy and Investment Committee and the Human Resources and Remuneration Committee.
- Neo Mokhesi was appointed as an independent non-executive director on 1 July 2024. She is a member of the Social, Ethics and Transformation Committee, the Safety, Health and Sustainable Development Committee and the Audit Committee.

## Prescribed officers

The group's prescribed officers include members of the Executive Committee. The names of the prescribed officers who served during the year and as at the date of this report are set out in the 2024 integrated report. The remuneration and fees of the prescribed officers are set out in note 35 to the consolidated financial statements.

The following changes to the executive management were announced during the 2024 financial year:

- Viijay Kumar transferred within the Anglo American group, effective 31 January 2024.
- Samuel Martin exited the group through a voluntary separation agreement, effective 30 April 2024.
- Glen Mc Gavigan exited the group through a voluntary separation agreement, effective 31 July 2024.
- Tumi Mbatha acted in the position of Chief Technical Officer from March 2024 before she was appointed to the position with effect from 1 July 2024.
- Andre Roux was appointed as the Senior General Manager of the Northern Cape hub, effective 1 July 2024.
- Gerrie Nortje joined Kumba on 1 July 2023 as the Chief Transformation Officer. He acted in the position of Head of Technical and Strategy from March 2024 and was appointed to the position with effect from 1 July 2024.

## Auditors

PricewaterhouseCoopers Inc. (PwC) was appointed as the auditor of Kumba and its subsidiaries on 7 August 2020 and continued in office for the year ended 31 December 2024.

At the annual general meeting (AGM) to be held on 4 June 2025, shareholders will be requested to reappoint PwC and appoint Bilal Laher as the auditor and lead audit partner of Kumba, respectively, for the 2025 financial year.

# Annexure 1 cont.

## Directors' report continued
for the year ended 31 December 2024

### Special resolutions

On 28 May 2024, the shareholders of Kumba resolved the following:

1. The restated and amended rules of the Bonus and Retention Share Plan(BRP) be approved.
2. In terms of the Listings Requirements of the JSE Limited, the directors are hereby authorised, by way of a general authority, to issue the authorised but unissued ordinary shares of 1 cent each in the capital of the Company for cash, as and when suitable opportunities arise, subject to the Memorandum of Incorporation (MoI) of the Company and the Companies Act.
3. In terms of section 66(9) of the Companies Act and on recommendation of the Human Resources and Remuneration Committee, the Company be and is hereby authorised to remunerate its non-executive directors for their services as directors and/or any fees related thereto in accordance with the table below:

| Board member | Proposed for the period from 28 May 2024 (exclusive of VAT) | Proposed increase % | Fees paid during 2023 |
|---|---|---|---|
| 2.1 Board Chairperson* | **2,120,159** | 6.0 | 2,000,150 |
| 2.2 Ordinary Board member | **404,390** | 6.0 | 381,500 |
| 2.3 Lead independent director | **1,511,242** | 6.0 | 1,425,700 |
| 2.4 Audit Committee Chairperson | **449,440** | 6.0 | 424,000 |
| 2.5 Audit Committee member | **224,720** | 6.0 | 212,000 |
| 2.6 Strategy and Investment Committee Chairperson | **385,840** | 6.0 | 364,000 |
| 2.7 Strategy and Investment Committee member | **198,432** | 6.0 | 187,200 |
| 2.8 Social, Ethics and Transformation Committee Chairperson | **385,840** | 6.0 | 364,000 |
| 2.9 Social, Ethics and Transformation Committee member | **198,432** | 6.0 | 187,200 |
| 2.10 Nominations and Governance Committee member | **198,432** | 6.0 | 187,200 |
| 2.11 Human Resources and Remuneration Committee Chairperson | **418,912** | 6.0 | 395,200 |
| 2.12 Human Resources and Remuneration Committee member | **209,456** | 6.0 | 197,600 |
| 2.13 Safety, Health and Sustainable Development Committee Chairperson | **385,840** | 6.0 | 364,000 |
| 2.14 Safety, Health and Sustainable Development Committee member | **198,432** | 6.0 | 187,200 |
| 2.15 Special Board Sub-committee Chairperson** | **385,840** | 6.0 | 364,000 |
| 2.16 Special Board Sub-committee member** | **198,432** | 6.0 | 187,200 |

* The Chairperson of the Board chairs the Nominations and Governance Committee and the Safety, Health and Sustainable Development Committee. He is also a member of the Human Resources and Remuneration Committee. He attends all other Committee meetings. He does not receive any additional remuneration in this regard.

** To provide for an ad hoc sub-committee should this be required.

4. The Board of directors of the Company may, subject to compliance with the requirements of the Company's MoI, the Companies Act, and the Listings Requirements of the JSE Limited, each as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance as contemplated in sections 44 and/or section 45 of the Companies Act, by way of loan, guarantee, the provision of security or otherwise.
5. The Board of directors of the Company be and is hereby authorised, by way of a renewable general authority, to approve the repurchase by the Company or by any of its subsidiaries of any of the shares issued by the Company, upon such terms and conditions and in such amounts as the Board of directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the MoI of the Company and the Listings Requirements of the JSE Limited.

### Going concern statement

The financial position of the group, its cash flows, liquidity position and debt facilities are set out in the group's consolidated annual financial statements for the year ended 31 December 2024. The group's liquidity position of R30.7 billion at 31 December 2024 remained strong.

The group ended the period in a cash position of R16.9 billion (31 December 2023: R17.7 billion). Further analysis of the cash position and details of the group's facilities are set out in note 8 and note 9 to the consolidated financial statements.

The Board has considered the group's cash flow forecasts for the foreseeable future under base case and downside scenarios, with consideration given to the impact of the challenging rail performance and the geopolitical tension on both the wider macro-economic environment and the group's operations. In all the scenarios modelled, the group maintains sufficient liquidity throughout the period of assessment, without the introduction of further mitigating actions.

The Board is satisfied that the group's forecasts and projections, taking into account reasonably possible changes in trading performance, indicate that the group's liquidity position is sufficient to sustain its operations for the foreseeable future. Furthermore, the group's current debt facilities are available for use in the foreseeable future. For this reason, the group continues to adopt the going concern basis in the preparation of its financial statements.

# Report of the Audit Committee
## for the year ended 31 December 2024

### Introduction

The Audit Committee (the Committee) is pleased to present its report for the financial year ended 31 December 2024, as recommended by the King IV™ report, the Listings Requirements of the JSE Limited and the Companies Act. The Committee is constituted as a statutory committee of the Board.

The scope of the Committee extends to all activities of Kumba and its subsidiaries. The Committee performed the functions required in terms of section 94(2) of the Companies Act on behalf of the group's subsidiary companies.

The Committee has terms of reference in place, which regulate both its statutory duties and those assigned to it by the Board. The terms of reference were reviewed, updated and approved in November 2023. The Committee has conducted its affairs in compliance with its mandate and terms of reference and has fulfilled its responsibilities contained therein.

### Composition

The Audit Committee members, appointed by the Board and approved by the shareholders in respect of the financial year ended 31 December 2024, comprised the following independent non-executive directors, all of whom have the requisite financial skills, business acumen and experience to fulfil their duties:

- SS Ntsaluba (Chairperson)
- MS Bomela
- A Jeawon
- MA Jenkins
- NV Mokhesi (appointed 1 July 2024 subject to formal election by shareholders at the 2025 annual general meeting)

Brief biographies of the Committee members are available on the Company's website: **www.angloamericankumba.com/about-us/leadership-team/internal-board.** The current members of the Committee will be recommended to shareholders for appointment at the annual general meeting of the Company to be held on 4 June 2025, in respect of the financial year ending 31 December 2025.

### Attendees at Committee meetings

In addition to the Committee members, the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Principal Risk and Assurance and senior management in the finance department attended meetings of the Committee by invitation, together with the external auditor.

The Committee meets independently with the external and internal auditors to discuss pertinent matters as they arise, as well as to discuss matters relating to the year-end audit and finalisation of the interim financial results. The Committee Chairperson also meets separately with external and internal auditors between Committee meetings.

### Committee meeting attendance

During the year under review, the Committee met six times. Attendance at meetings held during the year is presented in the following table.

| | Meeting date | | | | | | |
|---|---|---|---|---|---|---|---|
| **Member** | **2/2/2024** | **14/2/2024** | **14/3/2024** | **15/5/2024** | **17/7/2024** | **13/11/2024** | **Number of meetings attended** |
| SS Ntsaluba (Chairperson) | √ | √ | √ | √ | √ | √ | **6/6** |
| MS Bomela | √ | √ | √ | √ | √ | √ | **6/6** |
| A Jeawon | √ | √ | √ | √ | √ | √ | **6/6** |
| MA Jenkins | √ | √ | √ | √ | √ | √ | **6/6** |
| NV Mokhesi | | | | | √ | √ | **2/2** |

√ Indicates attendance.

### Role and responsibilities

#### Statutory duties

The Committee is satisfied that it has performed the statutory requirements for an audit committee, as set out in the Companies Act, as well as the functions set out in the terms of reference, and that it has therefore complied with its legal, regulatory, and other responsibilities. There were no reportable irregularities and no complaints regarding the financial reporting that were brought to the attention of the Committee.

# Annexure 1 cont.

## Report of the Audit Committee continued
for the year ended 31 December 2024

### Role and responsibilities continued

#### External auditors

During the year under review, the Committee:

- considered and satisfied itself with the independence and objectivity of PricewaterhouseCoopers Inc. (PwC) and Mr Sizwe Masondo in their respective capacities as the appointed external audit firm and lead audit partner, respectively
- Mr Sizwe Masondo's term as the designated auditor was due to end on 31 December 2024. Following the earlier rotation of audit partners within the Anglo American Group, Mr Bilal Laher was nominated by PwC to be the designated audit partner. The Committee at its meeting in November considered and satisfied itself with the independence and objectivity of PwC and Mr Bilal Laher in their respective capacities as the appointed external audit firm and lead audit partner, respectively
- approved the auditor's terms of engagement and fees. Fees for audit-related services incurred during the year amounted to R14.3 million and non-audit fees amounted to R2.5 million (2023: R16.1 million and R2.2 million, respectively)
- approved the external auditors' annual plan for the 2024 annual audit as well as the related scope of work, and the appropriateness of key audit risks identified
- reviewed the findings and recommendations of the external auditors and confirmed that there were no noteworthy unresolved matters at the end of the financial period
- reviewed the quality and effectiveness of the external audit process, based on the Committee's own assessment, the views of management and PwC's own assessment, and found it to be satisfactory. Confirmation was obtained from PwC that no material matters had been raised in regulatory or internal reviews of the audit partner
- considered the external auditor's suitability assessment in terms of paragraph 3.84(g) of the Listings Requirements of the JSE Limited.

#### Key audit matters

The Committee considered the appropriateness of the key audit matters reported in the external audit opinion and considered the significant accounting judgements and estimates relating to the annual financial statements. The item requiring significant judgment was the impairment assessments on the cash-generating units (CGUs) for the year ended 31 December 2024.

The Committee reviewed and discussed the impairment or impairment reversal indicator assessment performed by management on the Sishen and Kolomela CGUs. Based on the outcome of the assessments, there were no triggers for impairment on the Sishen CGU. Indicators for impairment reversal were identified for the Kolomela CGU and a full impairment valuation was performed to determine the recoverable amount of the CGU.

The Committee reviewed the judgements applied by management in determining the recoverable amount, including consideration of the discount rates, forecast iron ore price, exchange rates and production forecast assumptions. The Committee considered the outcome of multiple sensitivity scenarios to assess the appropriateness of the calculation and the feedback from the external auditors. The Committee supported management's conclusion that the remaining balance of the FY22 impairment charge on the Kolomela CGU be reversed in line with the principles of IAS 36 and that an impairment reversal of R3.9 billion be recognised in the 2024 financial results.

#### Internal audit and internal controls

The internal audit function, under the auspices of Anglo Business Assurance Services (ABAS), reviews and provides assurance on the adequacy and effectiveness of internal controls and internal financial controls.

During the year under review, the Committee:

- reviewed and approved the annual internal audit coverage plan
- evaluated the independence, effectiveness and performance of the internal audit function in terms of its scope, execution of its plan, coverage, independence, skills, resourcing, overall performance and position within the organisation, and found it to be satisfactory
- received assurance that proper and adequate accounting records were maintained
- considered the internal audit reports on the group's systems of internal controls, including financial controls, and business risk management
- reviewed significant issues raised by the Head of Internal Audit and the processes and the adequacy of corrective action in response to internal audit findings and considered management's responses to adverse internal audit findings
- met with the Head of Internal Audit independently of management.

#### Risk management

The Committee is responsible for reviewing the effectiveness of systems for internal control, financial reporting and financial risk management and considering the major findings of any internal investigations into control weaknesses, fraud or misconduct and management's response thereto. The Committee considered and relied on the work of the Risk Management and Ethics Function, ABAS as well as the Social, Ethics and Transformation Committee on the non-financial-related risk areas. The Committee is responsible for overseeing the value delivery on IT and ensuring that IT forms an integral part of the Company's risk management.

An anonymous ethics line is in place. The monitoring of whistleblower reports is shared between the Committee and the Social, Ethics and Transformation Committee.

#### Combined assurance

The Committee is of the view that the framework in place for combined assurance is adequate and is achieving the objective of an effective, integrated approach across the disciplines of risk management, compliance and audit.

# Report of the Audit Committee
## for the year ended 31 December 2024

### Expertise of the financial director and finance function

The Committee has evaluated and is satisfied with the appropriateness of the expertise and experience of the Chief Financial Officer in accordance with the Listings Requirements of the JSE Limited, and is satisfied with the resources, expertise, succession and experience of Kumba's finance function.

## Key focus areas in 2024

The significant areas of focus for the Committee in the 2024 financial year included:

- continuing to strengthen the group's balance sheet
- considering the group's approach and responsiveness to manage the impact of regulatory and other macro-environmental developments on the control environment and the financial statements
- oversight of the cyber risk management programme in relation to financial information and internal controls
- implementation of Sustainability (IFRS S1) and Climate (IFRS S2) disclosures
- monitoring the implementation of initiatives to contain costs identified under Project Meraki
- oversight on the adequacy of the Company's current approach to fraud risk management
- maintaining an appropriate capital structure to sustain the business.

## Chief Executive and Chief Financial Officer responsibility statement

A comprehensive risk and control matrix covering all business processes that have an impact on financial reporting, the review and testing of all key controls, and the final year-end sign-off by all the relevant control owners is in place. There are effective internal financial controls to confirm the integrity and reliability of the financial statements and to ensure compliance with paragraph 3.84(k) of the Listings Requirements of the JSE Limited.

No material deficiencies were noted.

### Annual financial statements and integrated reporting process

- The Committee reviewed all formal announcements relating to the Company's financial performance and found the reporting process and controls that led to the compilation of the financial information to be effective and appropriate.
- The Committee also assessed and confirmed the appropriateness of the going concern assumption used in the annual financial statements, considering management budgets and the capital and liquidity profiles.
- The Committee ensured that appropriate financial reporting procedures have been established and that these procedures are operating. This included a consideration of all entities included in the consolidated financial statements to ensure that it has access to all financial information to allow for the effective preparation and reporting on the financial statements.
- The Committee reviewed and discussed the integrated report, reporting process and governance and financial information included in the 2024 integrated report. The Committee recommended to the Board that the annual financial statements be approved.
- The Board subsequently approved the annual financial statements, which will be presented at the forthcoming annual general meeting (AGM).

## Key focus areas in 2025

Significant areas of focus for the Committee will be:

#### Unlock the full potential of the core

- continuing to ensure that the group's balance sheet is strengthened
- monitoring the implementation of the initiatives to contain costs identified under Project Meraki
- review and recommend the approval of the group's significant accounting matters
- oversight on the adequacy of the company's current approach to fraud risk management.

#### Position for a sustainable future

- consider the group's approach and the responsiveness to manage the impact of the regulatory and other macro-environmental developments on the control environment and the financial statements
- review the quarterly business performance, solvency and liquidity and going concern assessments
- oversight of the controls in place to prepare, protect, detect and respond to a cyberattack, including the management of the consequences of a cyber security incident
- ensuring that an appropriate capital structure to sustain the business is maintained
- implementation of Sustainability (IFRS S1) and Climate (IFRS S2) disclosures , periodic updates on management's preparations, including gap analyses and, materiality assessments.

The Committee is satisfied that, in respect of the period under review, it has conducted its affairs and discharged its duties and responsibilities in accordance with its terms of reference, the Listings Requirements of the JSE Limited, the Companies Act and the King IV™ Code.

I would like to extend my appreciation to management, the external auditors, internal auditors and fellow Committee members for their work and support throughout the year.

**SS Ntsaluba**
Chairperson of the Audit Committee

17 February 2025

# Annexure 1 cont.

## Independent auditor's report

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## Independent auditor's report

To the Shareholders of Kumba Iron Ore Limited

### *Report on the audit of the consolidated and separate financial statements*

#### Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Kumba Iron Ore Limited (the Company) and its subsidiaries (together the Group) as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

**What we have audited**

Kumba Iron Ore Limited's consolidated and separate financial statements set out on pages 34 to 125 comprise:

- the consolidated and company statements of financial position as at 31 December 2024;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of other comprehensive income for the year then ended;
- the company statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated and company statements of changes in equity for the year then ended;
- the consolidated and company statements of cash flows for the year then ended; and
- the notes to the consolidated and company financial statements, including material accounting policy information.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards).*

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Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682

# Independent auditor's report continued

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## Our audit approach

**Overview**


**Final materiality**

- Final materiality (consolidated financial statements): R 1 135,5 million, which represents 5% of consolidated profit before tax, adjusted for a once-off impairment reversal to property, plant and equipment.
- Final materiality (separate financial statements): R 138,4 million which represents 1% of revenue.

**Group audit scope**

- We conducted full scope audits at seven significant components.
- Analytical review procedures were performed over the remaining non-significant and inconsequential components.

**Key audit matter**

- Impairment or impairment reversal assessment of Kolomela Mine cash-generating unit.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report final materiality and audit scope below:

### Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated and separate financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and separate financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the final materiality for the consolidated and separate financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated and separate financial statements as a whole.

# Annexure 1 cont.

## Independent auditor's report continued

| | Consolidated financial statements | Separate financial statements |
|---|---|---|
| Final materiality | R 1 135,5 million | R 138,4 million |
| How we determined it | 5% of consolidated profit before tax, adjusted for a once-off impairment reversal to property, plant and equipment. | 1% of revenue. |
| Rationale for the materiality benchmark applied | We chose consolidated profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users and is a generally accepted benchmark.<br>Consolidated profit before tax was adjusted for an impairment reversal to property, plant and equipment as it is not considered to be part of the Group's sustainable operating performance.<br>We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector. | We chose revenue as the benchmark because, in our view, it is the benchmark against which the performance of the Company is most commonly measured by users based on the nature and purpose of the Company and is a generally accepted benchmark.<br>We chose 1% which is consistent with quantitative materiality thresholds used for investment holding companies in this sector. |

**Group audit scope**

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We considered the Group's organization or legal structure and its financial reporting processes when identifying components for purposes of planning and performing audit procedures.

In establishing the group audit scope, we considered those components which will be subject to further audit procedures and the scope of work to be performed at these components. In determining which components will be subject to audit procedures, we considered whether these components are significant (due to risk or size), non-significant or inconsequential to the Group.

We conducted full scope audits on seven components consisting of the four operating divisions, two marketing entities and the Company that were considered to be significant to the Group. Analytical review procedures were performed over the remaining components that were non-significant and inconsequential to the Group.

We determined the type of work that needed to be performed by us, as the group auditor and a component auditor from another PwC network firm operating under our instruction. Where the work was performed by a component auditor, we determined the level of involvement we needed to have in the audit work at that component to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

# Independent auditor's report continued

## *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters below relate to the consolidated financial statements only. We have determined that there are no key audit matters to communicate in our report in respect of the separate financial statements.

In terms of the ISA 701 *Communicating key audit matters in the independent auditor's report* / the EAR Rule (as applicable), we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

| Key audit matter | How our audit addressed the key audit matter |
| --- | --- |
| *Impairment or impairment reversal assessment of Kolomela Mine cash-generating unit*<br><br>*Refer to following disclosures in the financial statements as it relates to this key audit matter:*<br>• *Principal accounting policy 4.3 (Impairment of non-financial assets),*<br>• *Principal accounting policy 5.1 (Material accounting judgements and estimates - Impairment of assets);*<br>• *Principal accounting policy 5.8 (Material accounting judgements and estimates - Ore Reserve and Mineral Resource estimates); and*<br>• *Note 2 to the consolidated financial statements (Property, plant, and equipment).*<br><br>We considered the impairment and impairment reversal assessment of the Kolomela cash-generating unit ('CGU') to be a matter of most significance to the current year audit due to:<br>• the magnitude of the impairment reversal recognised in relation to the consolidated financial statements; and<br>• the significant judgement applied by management in determining the recoverable amount of the Kolomela CGU.<br><br>As at 31 December 2024, the Group assessed its assets and CGUs for indicators of impairment or impairment reversal. The Group recognised an impairment reversal of R 3 940 million during the current financial year in relation to the Kolomela CGU. | Our audit addressed this key audit matter as follows:<br>• We held discussions with management to obtain an understanding of management's processes for identifying impairment or impairment reversal indicators as it relates to the Kolomela CGU, as well as their conclusions reached.<br>• We performed the following procedures to evaluate the reasonableness of the ore reserves assumptions applied in management's assessment of the recoverable amount of the Kolomela CGU:<br>  ○ We assessed the objectivity, competence, and experience of management's experts used in assessing the ore reserves through inspection of curriculum vitaes, membership certificates from professional bodies and competent persons reports. No aspects requiring further consideration were noted; and<br>  ○ We agreed the ore reserves used in management's valuation to the ore reserves and mineral resources signed off by the Group's Competent Person. No material exceptions were noted.<br>• We assessed the mathematical accuracy of the cash flow model and agreed relevant data to the latest approved business plans used by management to manage and monitor the performance of the business.<br>• We assessed the reasonableness of management's future forecasts of annual production volumes, capital expenditure and operating costs included in the cash flow forecasts by comparing them to current and |

# Annexure 1 cont.

## Independent auditor's report continued

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| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| As described in note 2 to the consolidated financial statements, changes to the production volume profile of the Kolomela CGU resulted in the life-of-asset plan for the Kolomela mine increasing by six years. This was considered as a trigger for an impairment reversal which resulted in the Group performing an assessment to determine the recoverable amount for the Kolomela CGU.<br><br>In making this assessment, the recoverable amount of the Kolomela CGU was determined as the higher of the CGUs fair value less costs of disposal or value in use. The Group applied a discounted cash flow valuation, which uses a fair value less costs of disposal valuation model to determine the recoverable amount of the Kolomela CGU.<br><br>The discounted cash flow valuation uses estimates of future cash flows which are based on an approved five-year business plan and the latest life-of-asset plan including key judgements and assumptions related to:<br>• ore reserves and mineral resources;<br>• iron ore prices per tonne;<br>• foreign exchange rates;<br>• discount rates;<br>• operating costs; and<br>• capital expenditure. | historical operational results. We further performed a retrospective comparison of the forecasted cash flows to actual past performance and previous forecasts. Based on the work performed, management's forecasts were found to be reasonable.<br><br>• With the assistance of our valuation and business modelling expertise, we performed the following procedures:<br>  ○ Obtained an understanding of the methodologies and models used in determining the recoverable amount of the Kolomela CGU and assessed the appropriateness thereof by comparing it to industry norms and acceptable valuation methodology. We found that it was consistent with industry norms and acceptable valuation methodology;<br>  ○ we benchmarked management's key assumptions relating to the economic factors such as forecasted short- and long-term iron ore prices and foreign exchange rates used in determining the recoverable amount against independent third-party data. Based on the work performed, where assumptions determined by us differed from those used by management, we discussed with management their rationale which we agreed was reasonable and consistent with other explanations and evidence obtained during the audit;<br>  ○ we independently calculated a range of discount rates, including using relevant independent third-party sources and data such as the cost of debt, risk-free rates in the market, market risk premiums, debt/equity ratios, the beta of comparable companies, as well as the impact of economic and industry factors. Where the discount rate determined by us differed from that used by management, we discussed with management their rationale for the discount rates used in the model. Based on the explanations and corroborating evidence provided we found the discount rates used in the model to be reasonable; and |

# Independent auditor's report continued

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| | ○ We recalculated the results of management's discounted cash flow models by using independently obtained key input assumptions such as commodity prices, exchange rates and market discount rates and determined a reasonable range of possible outcomes. |

## Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Kumba Iron Ore Limited Annual Financial Statements 2024", which include the Directors' Report, the Report of the Audit Committee and the Certificate of the Company Secretary as required by the Companies Act of South Africa and the document titled "Kumba Iron Ore Limited Ore Reserve (and Saleable Product) and Mineral Resource Report 2024", which we obtained prior to the date of this auditor's report, and the documents titled "Kumba Iron Ore Limited Integrated Report 2024", "Kumba Iron Ore Limited Sustainability Report 2024", and "Kumba Iron Ore Limited Climate Change Report 2024", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

# Annexure 1 cont.

## Independent auditor's report continued

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### *Auditor's responsibilities for the audit of the consolidated and separate financial statements*

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the Group, as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

# Independent auditor's report continued

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## *Report on other legal and regulatory requirements*

*Audit tenure*

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Kumba Iron Ore Limited for five years.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: B Laher
Registered Auditor
Johannesburg, South Africa

17 February 2025

The examination of controls over the maintenance and integrity of the Group's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

# Annexure 1 cont.

# Principal accounting policies
## for the year ended 31 December 2024

1. General information

Kumba Iron Ore Limited (Kumba) is the holding company of the Kumba group. Kumba is a mining group of companies focusing on the exploration, extraction, beneficiation, marketing, selling and shipping of iron ore. Kumba produces iron ore at Sishen and Kolomela in the Northern Cape province.

Kumba is a public company listed on the JSE Limited and is incorporated and domiciled in the Republic of South Africa.

2. Basis of preparation

**2.1 Accounting framework**

The group and Company financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRIC), the Companies Act, the Listings Requirements of the JSE Limited, and the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Standards Council. The consolidated and separate financial statements were authorised for issue by the Board of directors on 17 February 2025.

The consolidated and separate financial statements have been prepared in accordance with the historical cost convention, except for certain financial instruments, share-based payments and biological assets, which are measured at fair value.

The consolidated and separate financial statements are prepared on the basis that the group and Company will continue to be a going concern.

The following principal accounting policies and methods of computation were applied by the group and the Company in the preparation of the consolidated and separate financial statements for the financial year ended 31 December 2024. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.2 Statement of compliance**

**2.2.1 New standards effective for annual periods beginning on or after 1 January 2024**

The group adopted the following amendments, which were applied for the first time for its financial results for the year commencing on 1 January 2024.

| Standard, amendment or interpretation | Impact on the financial statements |
|---|---|
| Amendments to IFRS 16 *Leases* – Lease Liability in a Sale and Leaseback | The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.<br>The amendments had no impact on the group's financial statements. |

# Principal accounting policies continued
for the year ended 31 December 2024

2 . Basis of preparation continued

### 2.2 Statement of compliance continued

2.2.1 New standards effective for annual periods beginning on or after 1 January 2024 continued

| Standard, amendment or interpretation | Impact on the financial statements |
|---|---|
| Supplier finance arrangements – amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* | The amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.<br><br>The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. |
| Amendments to IAS 1 *Presentation of Financial Statements* – classification of liabilities as current or non-current | The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:<br>• what is meant by a right to defer settlement<br>• that a right to defer must exist at the end of the reporting period<br>• that classification is unaffected by the likelihood that an entity will exercise its deferral right<br>• that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification<br><br>In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within 12 months.<br><br>The amendments did have not have an impact on the classification of the group's liabilities. |

# Annexure 1 cont.

## Principal accounting policies continued
for the year ended 31 December 2024

2. Basis of preparation continued

### 2.2 Statement of compliance continued

**2.2.2 New IFRS Accounting Standards, amendments and interpretations not yet effective and not early adopted**

The accounting standards, amendments to issued accounting standards and interpretations which are relevant to the group, but not yet effective at 31 December 2024, have been evaluated for the impact of these pronouncements, and are not expected to have a material impact on the group's financial results. These accounting standards are listed in Annexure 4.

### 2.3 Impact of the challenging rail performance and the geopolitical tension on the financial results

The group has considered the impact of the challenging rail performance and geopolitical tension on each of its material accounting judgements and estimates. The group's principal source of estimation of uncertainty continues to be in relation to assumptions used for the assessment of impairment of non-current assets where indicators of impairment or impairment reversal are identified.

The mines' annual production profiles have been revised to align to available rail capacity which resulted in a decrease in planned annual production volumes. This resulted in an increase in the life-of-asset.

The iron ore price and Rand/US$ foreign exchange rate assumptions used to forecast future cash flows for impairment and impairment reversal indicator assessment purposes have been updated to consider both the short-term observable impact of the geopolitical tension and the forecast medium and longer-term impact on the world economy and commodity prices. Refer to note 2 for a more detailed impairment or impairment reversal assessment on property, plant and equipment.

No further significant estimates have been identified as a result of these three factors, although there is an increased level of uncertainty inherent in all future cash flow forecasts.

### 2.4 Currencies

**Functional and presentation currency**

Items included in the financial statements of each group entity are measured using the functional currency of that entity. The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The group and Company financial results are presented in South African Rand, which is Kumba's functional currency and the group's presentation currency.

All amounts have been rounded to the nearest million, unless otherwise indicated.

**Foreign currency transactions and balances**

Foreign currency transactions are translated into the functional currency of the Company at the average rate of exchange for the year.

Monetary assets and liabilities that are denominated in foreign currencies are translated into the functional currency of the Company at the rate of exchange ruling at the statement of financial position date. Non-monetary items that are denominated in foreign currencies and measured at historical cost are not retranslated. Foreign exchange gains and losses arising on translation are recognised in the statement of profit or loss.

**Foreign operations**

The financial results of all entities that have a functional currency different from the presentation currency of the group are translated into the presentation currency (South African Rand).

All assets and liabilities, including fair value adjustments arising on acquisitions, are translated at the rate of exchange ruling at the statement of financial position date. Income and expenditure transactions of foreign operations are translated at the average exchange rate for the period. Resulting foreign exchange gains and losses arising on translation are recognised in the foreign currency translation reserve (FCTR) as a separate component of other comprehensive income.

### 2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Kumba Executive Committee.

# Principal accounting policies continued
## for the year ended 31 December 2024

2. Basis of preparation continued

**2.5 Segment reporting continued**

Management has determined the operating segments of the group based on the reports reviewed by the Executive Committee that are used to make strategic decisions. The Executive Committee considers the business principally according to the nature of the products and services provided, with the segment representing a strategic business unit. The reportable operating segments derive their revenue primarily from mining, extraction, production, distribution and selling iron ore and shipping services rendered.

**2.6 Events after the reporting period**

Recognised amounts in the financial statements are adjusted to reflect events arising after the statement of financial position date that provide evidence of conditions that existed at the statement of financial position date. Events after the statement of financial position date that are indicative of conditions that arose after the statement of financial position date are dealt with in note 32.

3. Company financial statements

The Company, in its separate financial statements, applies the same accounting policies as the group, except for certain items listed below:

**3.1 Investments in subsidiaries**

Investments in subsidiaries in the separate financial statements presented by Kumba are recognised at cost less any accumulated impairment.

**3.2 Impairment of investments in subsidiaries**

The carrying amount of assets are reviewed whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount is estimated as the higher of the fair value less costs of disposal and the value in use.

A previously recognised impairment charge is reversed (or partially reversed) if there has been a change in the estimates used to determine the recoverable amount. However, not to an amount higher than the carrying amount that would have been determined had no impairment been recognised in prior years.

4. Consolidated financial statements

**4.1 Basis of consolidation**

The consolidated financial statements present the statement of financial position and changes therein, statement of profit or loss and cash flow information of the group. Where necessary, adjustments are made to the results of subsidiaries, joint arrangements and associates to ensure consistency of their accounting policies with those used by the group.

Intercompany transactions, balances and unrealised profits and losses between group companies are eliminated on consolidation. In respect of joint arrangements and associates, unrealised profits and losses are eliminated to the extent of the group's interest in these entities. Unrealised profits and losses arising from transactions with associates are eliminated against the investment in the associate.

Subsidiaries

Subsidiaries are those entities (including special purpose entities) over which the group has control.

Control is achieved where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Associate and joint venture

The group holds an interest in an associate and in a joint venture. The financial statements of the associates and joint venture are prepared for the same reporting period as the group. The accounting policies of both companies are aligned with those of the group. Therefore, no adjustments are made when measuring and recognising the group's share of the profit or loss of the investees after the date of acquisition.

The associate and joint venture are accounted for using the equity method.

# Annexure 1 cont.

## Principal accounting policies continued
for the year ended 31 December 2024

4. Consolidated financial statements continued

### 4.1 Basis of consolidation continued

Equity accounting method

The aggregate of the group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax. When the group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture (which includes any long-term interest that, in substance, forms part of the group's net investment in the associate or joint venture), the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture. When subsequent profits are made, previously unrecognised losses are first fully eliminated before the profits are recognised as part of the investment.

The total carrying values of investments in the associate and the joint venture, including goodwill, are reviewed for impairment when there is objective evidence that the asset is impaired. If impaired, the carrying value of the group's share of the underlying net assets of the associate or joint venture are written down to its estimated recoverable amount and recognised in the statement of profit or loss.

The results of the associate are equity accounted from their most recent management accounts.

Non-controlling interests

The effects of transactions with non-controlling interests that do not result in loss of control are recorded in equity as transactions with equity owners of the group. When the proportion of non-controlling interests changes, the difference between the carrying amount of the non-controlling interest and the fair value of the consideration paid or received is recorded in equity.

Statement of financial position

### 4.2 Property, plant and equipment

Land and assets under construction, which include capitalised development and mineral exploration and evaluation costs, are measured at cost less any accumulated impairment and are not depreciated.

All other classes of property, plant and equipment are stated at historical cost less accumulated depreciation, and where applicable, accumulated impairment charges.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The cost of items of property, plant and equipment includes all costs incurred to bring the assets to the location and condition necessary for their intended use by the group. The cost of self-constructed assets includes expenditure on materials, direct labour and an allocated proportion of project overheads. The cost of property, plant and equipment may also include:

- the estimated costs of decommissioning the assets and site rehabilitation costs to the extent that they relate to the asset
- capitalised pre-production expenditure and waste stripping costs
- deferred waste stripping costs
- capitalised borrowing costs

The cost of items of property, plant and equipment is capitalised into its various components where the useful lives of the components differ from the main item of property, plant and equipment to which the component can be logically assigned. Expenditure incurred to replace or modify a significant component of property, plant and equipment is capitalised and any remaining carrying value of the component replaced is written off as an expense in the statement of profit or loss.

Costs incurred on repairing and maintaining assets are recognised in the statement of profit or loss in the period in which they are incurred.

Gains and losses on the disposal of property, plant and equipment, which are represented by the difference between the net disposal proceeds, if any, and the carrying amount of the item, are recognised in the statement of profit or loss.

Leased assets are presented separately as right-of-use assets in the statement of financial position.

# Principal accounting policies continued
## for the year ended 31 December 2024

4. Consolidated financial statements continued

Statement of financial position continued

### 4.2 Property, plant and equipment continued

Depreciation

Depreciation on self-constructed assets commences when they are available for use by the group.

Depreciation for property, plant and equipment is charged on a systematic basis over the estimated useful lives of the assets after deducting the estimated residual value of the assets, using the straight-line method.

Depreciation for right-of-use assets is charged on the same basis except that the period is the shorter of the useful life of the asset (in line with the category of property, plant and equipment to which the asset is classified) and the lease term, unless the title to the asset transfers at the end of the lease term, in which case depreciation is over the useful life.

The depreciation method applied is reviewed at least at each financial year end, with any changes accounted for as a change in accounting estimate to be applied prospectively.

The depreciation charge for each period is recognised in the statement of profit or loss unless it is included in the carrying amount of another asset.

The useful life of an asset is the period of time over which the asset is expected to be used. The estimated useful lives of assets and their residual values are reassessed annually at the end of each reporting period, with any changes in such accounting estimates being adjusted in the year of reassessment and applied prospectively.

The estimated useful lives of items of property, plant and equipment (excluding land and assets under construction that are not depreciated) at 31 December 2024 were:

| | |
|---|---|
| Mineral properties | 10 – 18 years |
| Residential buildings | 5 – 18 years |
| Buildings and infrastructure | 5 – 18 years |
| Machinery, plant and equipment | |
| Mobile equipment, built-in process computers and reconditionable spares | 2 – 18 years |
| Fixed plant and equipment | 4 – 18 years |
| Loose tools and computer equipment | 4 years |
| Mineral exploration, site preparation and development | 5 – 18 years |

Research, development, mineral exploration and evaluation costs

Research, development, mineral exploration and evaluation costs are expensed in the year in which they are incurred until they result in projects that the group:

- evaluates as being technically or commercially feasible
- has sufficient resources to complete the development
- can demonstrate that it will generate probable future economic benefits

Once these criteria are met, all directly attributable development costs and ongoing mineral exploration and evaluation costs are capitalised within property, plant and equipment. During the development of a mine, before production commences, stripping expenses are capitalised as part of the investment in the construction of the mine. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production.

Capitalised pre-production expenditure prior to commercial production is assessed for impairment in accordance with the group's accounting policy on impairment of non-financial assets.

# Annexure 1 cont.

## Principal accounting policies continued
for the year ended 31 December 2024

4. Consolidated financial statements continued

Statement of financial position continued

### 4.2 Property, plant and equipment continued

Waste stripping expenses

The removal of overburden or waste material is required to obtain access to an ore body. In the production phase of a mine, the mining costs associated with this process are deferred to the extent that the actual stripping ratio of a component is higher than the expected average life-of-asset stripping ratio for that component. The deferred costs are charged to operating costs using a unit of production method of depreciation. The ex-pit ore extracted from the related component during the period is expressed as a percentage of the total ex-pit ore expected to be extracted from that component over the life-of-asset and applied to the balance of the deferred stripping asset for that component. The effect of this is that the cost of stripping in the statement of profit or loss is reflective of the average stripping rates for the ore body mined in any given period. This reflects the fact that waste removal is necessary to gain access to the ore body and realise the future economic benefits.

The average life-of-asset stripping ratio for the identified components is calculated as the tonnes of ex-pit waste material expected to be removed over the life-of-asset per tonne of ex-pit ore extracted. The cost per tonne is calculated as the total mining costs for each mine for the period under review, divided by the mine's total tonnes handled for the period under review.

A component has been identified as a geographically distinct ore body within a pit to which the stripping activities being undertaken within that component could be allocated. Where the pit profile is such that the actual stripping ratio is below the average life-of-asset stripping ratio, no deferral takes place as this would result in a recognition of a liability for which there is no obligation. Instead, this position is monitored and when the cumulative calculation reflects a debit balance, deferral commences.

The stripping ratios for each component are reassessed annually at the end of each reporting period. Any changes in such accounting estimates are adjusted in the year of reassessment and applied prospectively.

### 4.3 Impairment of non-financial assets

The group's non-financial assets, other than inventories and deferred tax, are reviewed annually to determine whether there is any indication that those assets are impaired, or whether previous impairment has reversed, whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment or reversal of the previous impairment. Recoverable amounts are estimated for individual assets. Where an individual asset cannot generate cash inflows independently, the assets are grouped at the lowest level for which there are separately identifiable CGUs. The recoverable amount is determined for the CGU to which the asset belongs.

An impairment charge is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal or its value in use. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount and an impairment charge is recognised in the statement of profit or loss.

A previously recognised impairment is reversed insofar as estimates change as a result of an event occurring after the impairment was recognised. An impairment is reversed only to the extent that the asset's or CGU's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the statement of profit or loss.

Exploration and evaluation assets are tested for impairment when the development of the property commences or whenever facts and circumstances indicate impairment. An impairment is recognised for the amount by which the exploration assets' carrying amount exceeds their recoverable amount. For the purpose of assessing impairment, the relevant exploration and evaluation assets are included in the existing CGUs of producing properties that are located in the same region.

# Principal accounting policies continued
## for the year ended 31 December 2024

4. Consolidated financial statements continued

Statement of financial position continued

### 4.4 Financial assets

**Recognition and measurement**

The group recognises its financial assets in the statement of financial position when and only when it becomes a party to the contractual provisions of the instrument.

At initial recognition, financial assets are measured at fair value plus, in the case of financial assets not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset.

At subsequent reporting dates, financial assets measured at amortised cost are assessed using the effective interest method, net of any impairment charges. Other investments classified at FVTPL are subsequently measured at fair value. The gains and losses from the fair value movements for the period are included in the statement of profit or loss, within net finance gains or losses.

**Classification**

The group's financial assets are classified into the following measurement categories:

- Financial assets at FVTPL
- Financial assets at amortised cost

*Financial assets at FVTPL*

Financial assets at FVTPL consist of derivative financial assets disclosed as part of long-term prepayments and as part of cash and cash equivalents, provisionally priced trade receivables, variation margins and investments held by the environmental trust.

*Trade receivables at FVTPL*

Trade receivables are amounts due from customers for iron ore sold or shipping services rendered in the ordinary course of business.

The majority of the group's sales are provisionally priced, with the sales price only finalised at a date after the sale has taken place. The provisionally priced receivables are measured at FVTPL. When there is uncertainty on the final amount, the trade receivable is marked to market based on the forward price.

*Financial assets at amortised cost*

Financial assets are classified as "at amortised cost" only if the asset is held within a business model whose objective is to collect the contractual cash flows and the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets.

Financial assets at amortised cost include cash and cash equivalents, the trade and other receivables that are not provisionally priced and long-term loans.

*Trade and other receivables at amortised cost*

Trade receivables are amounts due to the group from customers for iron ore sold or shipping services rendered in the ordinary course of business. Trade receivables that are measured at amortised cost are reviewed on a regular basis and a loss allowance is raised when they are not considered recoverable based on an expected credit loss assessment.

Other receivables are amounts due to the group for non-sale transactions and include Value Added Tax (VAT) receivable, interest receivable and prepaid expenses. Where the expected term of a receivable is less than one year, it is presumed that no significant financing component exists.

If collection is expected in one year or less, the receivables are classified as current assets. If not, they are presented as non-current assets.

*Cash and cash equivalents*

In the consolidated and separate statements of cash flows, cash and cash equivalents comprise bank balances and initial margin accounts, which meet the definition of cash and cash equivalents. Cash and cash equivalents are measured at amortised cost.

**Derecognition of financial assets**

Financial assets are derecognised when the right to receive cash flows from the asset has expired, the right to receive cash flows has been retained but an obligation to on-pay them in full without material delay has been assumed or the right to receive cash flows has been transferred together to another party, with substantially all the risks and rewards of ownership.

# Annexure 1 cont.

## Principal accounting policies continued
for the year ended 31 December 2024

### 4. Consolidated financial statements continued

Statement of financial position continued

### 4.5 Impairment of financial assets

The group assesses expected credit losses on a forward-looking basis, which is the difference between the carrying amount of the financial asset and the amount that is expected to be received in respect of that financial asset. The impairment methodology applied to determine the recoverable amount of the financial asset carried at amortised cost depends on the level of credit risk associated with that specific financial asset.

The group applies the simplified expected credit loss model for its trade receivables measured at amortised cost, as permitted by IFRS 9 *Financial Instruments*. The expected credit losses on trade receivables are estimated for customers on an individual basis by reference to past default experience, credit profiles and financial metrics, adjusted as appropriate for observable data. Kumba considers a financial asset in default when contractual payments are 90 days past due. Expected credit losses are recognised in the statement of profit or loss. When a subsequent event causes the amount of expected credit losses to decrease, the decrease in expected credit losses is reversed through the statement of profit or loss.

### 4.6 Inventories

Inventories comprise finished products, WIP and plant spares and consumable stores, and are measured at the lower of cost, determined on a weighted average basis, and net realisable value.

The cost of finished goods and WIP comprises direct labour, other direct costs and fixed production overheads, but excludes finance costs. Costs are allocated to WIP based on the expected finished product output from the ore grade. Fixed production overheads are allocated based on normal capacity. Plant spares and consumable stores are capitalised to the statement of financial position and expensed to the statement of profit or loss as and when they are utilised. When inventories are sold, the carrying amount of inventories sold is recognised as part of the net movement in finished product and WIP inventories within operating expenses.

Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and variable selling expenses. Write-downs to net realisable value and inventory losses are recognised in inventory write-down to net realisable value within operating expenses on the statement of profit or loss in the period in which the write-downs or losses occur.

Inventories are included in current assets unless the inventory will not be realised within 12 months after the end of the reporting period, in which case the inventory is presented as non-current assets.

### 4.7 Financial liabilities

The group's financial liabilities comprise trade and other payables, interest-bearing borrowings, and lease liabilities. Refer to 4.8 and 4.12 below for the detailed accounting policies for derivative financial instruments and interest-bearing borrowings, respectively.

*Trade and other payables*

Trade payables are obligations to pay for goods or services acquired from suppliers in the ordinary course of business. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Recognition and measurement

The group recognises its financial liabilities in the statement of financial position when and only when the entity becomes a party to the contractual provisions of the instrument.

At initial recognition, the group measures its financial liabilities at their fair value plus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue of the financial liability.

Classification

The group's trade and other payables are classified into the following measurement categories:
- Financial liabilities at amortised cost
- Financial liabilities at FVTPL (provisionally priced trade payables and derivative financial instruments)

*Trade payables at amortised cost*

The majority of the group's trade and other payables are measured at amortised cost, using the effective interest method.

At subsequent reporting dates, financial liabilities are carried at amortised cost, using the effective interest method, and any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss.

# Principal accounting policies continued
## for the year ended 31 December 2024

4. Consolidated financial statements continued

Statement of financial position continued

### 4.7 Financial liabilities continued

*Trade payables at FVTPL*

Provisionally priced payables arising from the group's commodity trading activities are recognised at fair value and subsequent fair value movements form part of the net margin reported within revenue from other sources.

Derecognition

Financial liabilities are derecognised when the associated obligation has been discharged, cancelled or has expired.

### 4.8 Derivative financial instruments

Derivative instruments are categorised at FVTPL and are classified as current assets or current liabilities. Variation margins included in derivative financial instruments are posted to the exchange daily, and values can fluctuate depending on the exchange pricing. As a result, variation margin amounts are classified as other receivables or other payables, in line with the nature of these instruments.

All derivative instruments are initially recognised at fair value on the date that the derivative contract is entered into and are subsequently remeasured at fair value at the date of the statement of financial position. Resulting gains or losses on derivative instruments are recognised in the statement of profit or loss.

### 4.9 Provisions

A provision is recognised when the group has a present legal or constructive obligation as a result of past events when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the obligation can be made.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of financial position date. Provisions are not recognised for future operating losses.

Where the effects of discounting are material, provisions are measured at the present value of the cash flow expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as finance costs.

When a contract is identified as onerous, the loss is recognised in the statement of profit or loss. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. In assessing the unavoidable cost of meeting the obligation under the contract at the end of the reporting date, management identifies and quantifies any compensation and penalties arising from failure to fulfil the contract.

Environmental rehabilitation

*Environmental rehabilitation provisions*

The provision for environmental rehabilitation is recognised as and when an obligation to incur rehabilitation and mine closure costs arises from environmental disturbance caused by the development of or ongoing production from a mining property. Estimated long-term environmental rehabilitation provisions are measured based on the group's environmental policy taking into account current technological, environmental and regulatory requirements. Any subsequent changes to the carrying amount of the provision resulting from changes to the assumptions applied in estimating the obligation are recognised in the statement of profit or loss.

*Ongoing rehabilitation expenditure*

Ongoing rehabilitation expenditure is recognised in the statement of profit or loss as and when incurred.

*Decommissioning provision*

The estimated present value of costs relating to the future decommissioning of plant or other site preparation work, taking into account current environmental and regulatory requirements, is capitalised as part of property, plant and equipment to the extent that it relates to the construction of an asset, and the related provisions are raised in the statement of financial position, as soon as the obligation to incur such costs arises.

These estimates are reviewed at least annually and changes in the measurement of the provision that result from subsequent changes in the estimated timing or amount of cash flows, or a change in discount rate, are added to, or deducted from, the cost of the related asset in the current period. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in the statement of profit or loss. If the asset value is increased and there is an indication that the revised carrying value is not recoverable, an impairment test is performed in accordance with the accounting policy on 'Impairment of non-financial assets' above.

# Annexure 1 cont.

## Principal accounting policies continued
for the year ended 31 December 2024

4. Consolidated financial statements continued

Statement of financial position continued

### 4.10 Deferred tax

Deferred tax is recognised using the liability method on all temporary differences between the carrying values of assets and liabilities for accounting purposes and the tax bases of these assets and liabilities used for tax purposes and on any tax losses. No deferred tax is provided on temporary differences relating to:

- the initial recognition (other than in a business combination) of an asset or liability to the extent that neither accounting nor taxable profit is affected on acquisition
- investment in subsidiaries to the extent they will probably not reverse in the foreseeable future

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised within the same tax entity. The carrying amount of deferred tax assets is reviewed at each statement of financial position date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all of the assets to be recovered.

Deferred tax is calculated at the tax rates and laws that are enacted or substantively enacted in the period when the liability is settled, or when the asset is realised. Deferred tax is recognised in the statement of profit or loss, except when it relates to items recognised directly in equity, in which case the deferred tax is also taken directly to equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the group intends, and is able to, settle its current tax assets and liabilities on a net basis. Any remaining deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits, within the same jurisdiction, in the foreseeable future against which the deductible temporary difference can be utilised.

### 4.11 Employee benefits

#### Post-employment benefits

The group operates defined contribution plans for the benefit of its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate fund. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The plan is funded by payments from employees and the group. The group's contribution to the funds is recognised as an employee benefit expense in the statement of profit or loss in the year to which it relates.

The group does not provide guarantees in respect of the returns in the defined contribution funds and has no further payment obligations once the contributions have been paid.

The group does not provide defined employee benefits to its current or previous employees.

#### Bonus plans

The group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the achievement of agreed Company financial, strategic and operational objectives, linked to key performance areas. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

#### Short-term employee benefits

The cost of all short-term employee benefits, such as salaries, bonuses, housing allowances, medical aid and other contributions is recognised in the statement of profit or loss during the period in which the employee renders the related service.

# Principal accounting policies continued
for the year ended 31 December 2024

4. Consolidated financial statements continued

Statement of financial position continued

## 4.11 Employee benefits continued

### Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The group recognises termination benefits when it has demonstrated its commitment to either terminate the employment of current employees according to a detailed formal plan without the possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. If the benefits are due more than 12 months after the statement of financial position date, they are discounted to present value.

### Equity compensation benefits

*Vesting component*

The various equity compensation schemes operated by the group allow certain senior employees, including executive directors, the option to acquire shares in Kumba over a prescribed period in return for services rendered. These options are settled by means of the issue of shares. Such equity-settled share-based payments are measured at fair value at the date of the grant.

The fair value determined at the grant date of the equity-settled share-based payments is charged as employee costs on a straight-line basis over the period that the employees become unconditionally entitled to the options, based on management's estimate of the shares that will vest and adjusted for the effect of non-market-based vesting conditions. These share options are not subsequently revalued.

The fair value of the share options is measured using option pricing models. The expected life used in the models has been adjusted, based on management's best estimate, for the effects of exercise restrictions and behavioural considerations such as volatility, dividend yield and the vesting period. The fair value takes into account the terms and conditions on which these incentives are granted, and the extent to which the employees have rendered services up to the statement of financial position date.

*Non-vesting component*

An equity compensation scheme in which share options do not vest to the participating employees (the beneficiaries), but only an allocation of a dividend declared is distributed to the participating employees. The underlying shares are held in an Employee Share Ownership Plan (ESOP) Trust for the benefit of the participants. The dividend distributed to the participating employees is recorded as an employee benefit expense in the statement of profit or loss.

At each reporting date, the group's obligation in respect of the dividend expected to be distributed to the beneficiaries of the trust is assessed and appropriately recognised, if any is declared.

The fair value of the share options is measured using option pricing models. The expected life used in the models has been adjusted, based on management's best estimate, for the effects of exercise restrictions and behavioural considerations such as volatility, dividend yield and the vesting period.

The fair value takes into account the terms and conditions on which these incentives are granted and the extent to which the employees have rendered services up to the statement of financial position date.

# Annexure 1 cont.

## Principal accounting policies continued
for the year ended 31 December 2024

### 4. Consolidated financial statements continued

Statement of financial position continued

### 4.12 Interest-bearing borrowings

Recognition and measurement

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the period of the borrowings, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Classification between "short term" and "long term"

Interest-bearing borrowings are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

### 4.13 Dividends payable

Dividends payable, including the related taxation thereon, are recognised by the group when the dividend is declared.

Dividends proposed or declared subsequent to the statement of financial position date are not recognised, but are disclosed in the notes to the consolidated and separate financial statements.

Statement of profit or loss

### 4.14 Revenue recognition

Revenue from contracts with customers as defined in IFRS 15 *Revenue from Contracts with Customers* is derived principally from the sale of iron ore and shipping services rendered and is measured at the fair value of the consideration received or receivable, after deducting discounts, volume rebates, value added tax and other sales taxes.

The group recognises revenue when it is probable that the group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific recognition criteria have been met for each of the group's activities as described below.

Sales of goods – iron ore

Local and export revenue from the sale of iron ore is recognised when control has been transferred. This occurs at a point in time, which is usually when title and insurance risk have passed to the customer, and the goods have been delivered to a contractually agreed location.

There are certain of the group's sales of iron ore which are provisionally priced, such that the price is not settled until a predetermined future date based on the market price at that time. Revenue in respect of such sales is initially recognised at the market iron ore price on the date of initial recognition, being the bill of lading date. Sales of iron ore that are provisionally priced are marked to market at each reporting date using the forward price for the period equivalent to that outlined in the contract. Mark-to-market adjustments arising after control of the iron ore transfers to the customer are recognised in revenue from other sources.

The related trade receivables are also adjusted to reflect the movements in the provisional pricing.

Furthermore, the group enters into iron ore price derivatives on sales transactions where there is a quotation period mismatch. Net movements in fair value of these derivative financial instruments are recognised as revenue from other sources.

Shipping services

Revenue from shipping services is recognised over time as and when the performance obligation has been fulfilled and accepted by the customer. For contracts that contain separate performance obligations for the sale of iron ore and the provision of shipping services, the portion of the revenue representing the obligation to perform the shipping service is deferred and recognised over time as the obligation is fulfilled, along with the associated costs.

Amounts billed to customers in respect of shipping and handling activities are classified as revenue from contracts with customers where the group is responsible for the shipping services. For CFR, insurance and freight arrangements, the transaction price, as determined above, is allocated to the ore and shipping services using the relative stand-alone selling price method.

# Principal accounting policies continued
for the year ended 31 December 2024

4. Consolidated financial statements continued

Statement of profit or loss continued

### 4.14 Revenue recognition continued

Shipping services continued

Under these arrangements, the customer may be required to make a provisional payment on the date of shipment. Therefore, a portion of the amount paid by the customer relating to shipping services still to be provided is deferred at each reporting date.

To measure progress towards complete satisfaction of the shipping service which best represents the group's performance, and therefore the amount to be recognised as revenue for the period, the output method, being the number of shipping days that have elapsed as a proportion of total expected shipping days, is used. This is on the basis that the customer simultaneously receives and consumes the benefits provided by the group as the services are being provided. The deferred revenue is recognised as a contract liability in the statement of financial position.

### 4.15 Taxation

The income tax charge for the period is determined based on profit before tax for the year and comprises current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the related tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax

The current tax charge is the calculated tax payable on the taxable income for the year using tax rates that have been enacted or substantively enacted by the statement of financial position date and any adjustments to tax payable in respect of prior years. Taxable profit differs from net profit as reported in the statement of profit or loss because it excludes items of income or expenses that are taxable or deductible in other years, and it further excludes items that are not taxable or deductible.

Dividend withholding tax

Dividend withholding tax is levied on dividend recipients and has no impact on the group's taxation charge as reflected in the statement of profit or loss.

Pillar 2

Uncertainty and changes to tax regimes can materialise in any country in which we operate and the group has no control over political acts, actions of regulators, or changes in local tax regimes. Global and local economic and social conditions can have a significant influence on governments' policy decisions and these have the potential to change tax and other political risks faced by the group. The group actively monitors tax developments at a national level, as well as global themes and international policy trends, on a continuous basis, and has active engagement strategies with governments, regulators and other stakeholders within the countries in which the group operates as well as at an international level. This includes global tax reforms, such as the implementation of a minimum effective tax rate of 15% on profits of large multinational groups in each country in which they operate ("Pillar 2"). The Pillar 2 rules apply to the group from the financial year ended 31 December 2024 onwards.

The group has effective tax rates that exceed 15% in all jurisdictions in which it operates. In addition, based on the current assessment there is no material impact from exposure to Pillar 2 legislation. The group has applied the mandatory temporary exception under IAS 12 in relation to the accounting for deferred taxes related to Pillar 2.

The group continues to review legislation to evaluate the potential impact and is engaging with policymakers in efforts to ensure that guidance and any required additional legislation is aligned with the stated policy objectives and that the group is well placed to comply.

### 4.16 Earnings per share

The group presents basic and diluted earnings per share (EPS) and basic and diluted headline earnings per share (HEPS) data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of Kumba by the weighted average number of ordinary shares outstanding during the year.

HEPS is calculated by adjusting the profit or loss attributable to ordinary shareholders of Kumba for all separately identifiable remeasurements, for example, gains and losses arising on disposal of assets, impairment charge and impairment reversal, net of related tax (both current and deferred) and related non-controlling interest, other than those remeasurements which are specifically included in headline earnings. The result is divided by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS and HEPS are determined by adjusting the basic and headline earnings attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

# Annexure 1 cont.

## Principal accounting policies continued
for the year ended 31 December 2024

### 5. Material accounting judgements and estimates

The preparation of the financial statements requires the group's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and estimates and assumptions of the reported amounts of revenues and expenses during the reporting period. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions, and in some cases actuarial techniques. Actual results could differ from those estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are recognised prospectively.

The following key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, have a risk of causing material adjustments to the carrying amounts of assets and liabilities and related disclosures within the next financial year:

### 5.1 Impairment of assets

At each reporting date, the group assesses whether there are any indicators that its assets and CGUs may be impaired. Operating and economic assumptions, which could affect the valuation of assets using discounted cash flow (DCF), are updated regularly as part of the group's planning and forecasting processes. Judgement is therefore required to determine whether the updates represent significant changes in the service potential of an asset or CGU, and are therefore indicators of impairment or impairment reversal. The judgement also takes into account the group's long-term economic forecasts, market consensus and sensitivity analysis of the DCF models used to value the group's assets. Assets that have been previously impaired are assessed for indicators of both impairment and impairment reversal. Such assets are, by definition, carried on the statement of financial position at a value close to their recoverable amount at the last assessment. Therefore, in principle, any change to operational plans or assumptions, economic parameters, or the passage of time could result in further impairment or impairment reversal if an indicator is identified. The calculation of the recoverable amount of a CGU is based on assessments of the higher of the fair value less costs of disposal or value in use. The cash flow projections used in these assessments are subject to the areas of judgement outlined below. Refer to note 2 for more detailed disclosure of impairment of property, plant and equipment.

#### Cash flow projections for impairment testing

Expected future cash flows used in DCF models are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including Ore Reserves and Mineral Resources and Transnet's rail performance, together with economic factors such as commodity prices, exchange rates, discount rates and estimates of production costs, and future capital expenditure. Where DCF models based on management's assumptions are used, the resulting fair value measurements are considered to be at level 3 in the fair value hierarchy, as defined in IFRS 13 *Fair Value Measurement*, as they depend to a significant extent on unobservable valuation inputs.

Cash flow projections are based on financial budgets and life-of-asset plan or, for non-mine assets, an equivalent appropriate long-term forecast, incorporating key assumptions as detailed below:

- *Reserves and Resources*
  Ore Reserves and, where considered appropriate, Mineral Resources, are incorporated in projected cash flows, based on Ore Reserves and Mineral Resource statements and exploration and evaluation work undertaken by appropriately qualified persons. Mineral Resources are included where management has a high degree of confidence in their economic extraction, despite additional evaluation still being required prior to meeting the requirements of Reserve classification.
- *Commodity and product prices*
  Commodity and product prices are based on latest internal forecasts, benchmarked with external sources of information, to ensure they are within the range of available analyst forecasts. Where existing sales contracts are in place, the effects of such contracts are taken into account in determining future cash flows.
- *Foreign exchange rates*
  Foreign exchange rates are based on latest internal forecasts, benchmarked with external sources of information. Foreign exchange rates are kept constant (on a real basis) for the long term.

# Principal accounting policies continued
for the year ended 31 December 2024

## 5. Material accounting judgements and estimates continued

### 5.1 Impairment of assets continued

Cash flow projections for impairment testing continued

- *Discount rates*
  Cash flow projections used in fair value less costs of disposal impairment models are discounted based on a post-tax real discount rate. To the extent that specific risk factors were not incorporated into the discount rate, adjustments were made to the cash flow projections.
- *Operating costs, capital expenditure and other operating factors*
  Operating costs and capital expenditure are based on financial budgets covering a five-year period. Cash flow projections beyond five years are based on the life-of-asset plan, as applicable, and internal management forecasts. Cost assumptions incorporate management experience and expectations.

### 5.2 Inventory costing methodology

The cost of inventories is determined by using the weighted average costing method. For WIP inventories, direct costs are allocated to the various materials based on the expected final product from each material. Direct costs are allocated to inventory on a yield-based costing method to ensure that costs are appropriately allocated to WIP and finished product inventories. The expected output from each WIP material is estimated based on the average iron ore contained in each grade of WIP material.

Net realisable value tests are performed at each reporting date to ensure that inventory is measured at the lower of cost and net realisable value. The realisable value of inventory represents the estimated future sales price of the inventory that the group expects to realise. For WIP, the realisable value is the estimated selling price of finished product after the WIP material has been processed to finished product. The net realisable value is the realisable value less estimated costs to complete the production process and related selling costs.

The net realisable value for inventory which is not expected to be processed within the next 12 months is based on the best estimate of future cash flows discounted at a risk-free rate.

WIP and finished product tonnes on hand are verified by periodic surveys that are conducted at each reporting date.

### 5.3 Fair value assessment

The assessment of fair value is principally used in accounting for impairment testing and the valuation of certain financial assets and liabilities.

The determination of assumptions used in assessing the fair value of identifiable assets and liabilities is subjective, and the use of different valuation assumptions could have a significant impact on financial results. In particular, expected future cash flows, which are used in discounted cash models, are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including Ore Reserves and Resources, together with economic factors such as commodity prices, exchange rates, discount rates and estimates of production costs and future capital expenditure.

The fair value of identifiable financial assets and liabilities that are not traded in an active market is determined by using observable market data (in the case of listed entities, market share price at 31 December of the respective entity) or DCF models (and other valuation techniques) using assumptions considered to be reasonable and consistent with those that would be applied by a market participant. Where DCFs are used, the resulting fair value measurements depend, to a significant extent, on unobservable valuation inputs.

The group uses its judgement to select a variety of methods and makes assumptions that are mainly based on market conditions existing at the statement of financial position date.

### 5.4 Provision for environmental rehabilitation and decommissioning

The provisions for environmental rehabilitation and decommissioning costs are calculated using management's best estimate of the costs to be incurred based on the group's environmental policy, taking into account current technological, environmental and regulatory requirements discounted to a present value. Estimates are based upon costs that are regularly reviewed, by internal and external experts, and adjusted as appropriate for new circumstances. Actual costs incurred in future periods could differ from the estimates. Additionally, future changes to environmental laws and regulations, life-of-asset estimates and discount rates used could affect the carrying amount of this provision. As a result, the liabilities that we report can vary if our assessment of the expected expenditures changes.

# Annexure 1 cont.

## Principal accounting policies continued
for the year ended 31 December 2024

5. Material accounting judgements and estimates continued

### 5.5 Provisionally priced revenue from spot sales

Certain of the group's spot sales are provisionally priced at the reporting date as the final sales price for these sales are not settled until a predetermined future date based on the average iron ore price at that time. Revenue from these sales is initially recognised at the current market rate on the bill of lading date, being the date that the revenue recognition criteria are met.

Provisionally priced sales are marked to market with reference to the Platts Iron Ore Index (IODEX) price at each reporting date. The forward market for iron ore is not considered sufficiently liquid and therefore the closing iron ore price for the month is assumed to continue into the following month for the purposes of calculating the provisionally priced revenue transactions.

### 5.6 Property, plant and equipment

In determining the depreciable amount, management makes certain assumptions with regard to the residual value of assets based on the expected estimated amount that the group would currently obtain from disposal of the asset, after deducting the estimated cost of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. If an asset is expected to be abandoned, the residual value is estimated at zero.

The estimation of the useful life of the asset is a matter of judgement based on the experience of the group with similar assets. In determining the useful life of items of property, plant and equipment that is depreciated, management considers the expected usage of assets, expected physical wear and tear, legal or similar limits of assets such as mineral rights as well as obsolescence.

This estimate is further impacted by management's best estimation of proved and probable iron ore reserves and the expected future life of each of the mines within the group. The forecast production could be different from the actual iron ore mined. This would generally result from significant changes in the factors or assumptions used in estimating iron ore reserves. These factors could include:

- changes in proved and probable iron ore reserves
- differences between achieved iron ore prices and assumptions
- unforeseen operational issues at mine sites; changes in capital, operating, mining, processing, reclamation and logistics costs, discount rates and foreign exchange rates

Any change in management's estimate of the useful lives and residual values of assets would impact the depreciation charge. Any change in management's estimate of the total expected future life of each of the mines would impact the depreciation charge as well as the estimated rehabilitation and decommissioning provisions.

### 5.7 Waste stripping costs

The rate at which costs associated with the removal of overburden or waste material is capitalised as development costs or charged as an operating cost is calculated per component of each mine, using management's best estimates of the:

- average life-of-component stripping ratio
- total expected production over the life-of-asset

The average life-of-asset stripping ratio is recalculated when a new life-of-asset plan is designed and approved for use in light of additional knowledge and changes in estimates. Any change in management's estimates would impact the stripping costs capitalised and depreciation of the related asset.

### 5.8 Ore Reserves and Mineral Resource estimates

Ore Reserves are estimates of the amount of ore that can be economically and legally extracted from the group's mining right properties. Mineral Resource, in addition to Ore Reserves, are estimates of the amount of ore within the group's mining right areas that have reasonable prospects for eventual economic extraction. Such Ore Reserves and Mineral Resource estimates and changes to these may impact the group's reported financial position and results, in the following way:

- Provisions for environmental rehabilitation and decommissioning provision may change where reserve estimate changes affect expectations about when such activities will occur and the associated cost of these activities.
- Capitalised waste stripping costs recognised in the statement of financial position, as either part of mine properties or inventory or charged to profit or loss, may change due to changes in stripping ratios.
- Depreciation charges in the statement of profit or loss may change where such charges are determined using the units of production method, or where the useful life of the related assets change.
- The recognition and carrying value of deferred income tax assets may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets.

# Principal accounting policies continued
## for the year ended 31 December 2024

5. Material accounting judgements and estimates continued

### 5.8 Ore Reserve and Mineral Resource estimates continued

The group estimates and reports Ore Reserves and Mineral Resources in accordance with the SAMREC Code (2016 edition) as prescribed by the Listings Requirements of the JSE Limited.

The group estimates its Ore Reserves and Mineral Resources based on information compiled by appropriately qualified and experienced persons as required by the SAMREC Code's definition of Competence. The estimates and associated reporting thereof are rigorously interrogated by independent professional experts.

The group's Ore Reserve and Mineral Resource estimates are derived from spatial interpretation and subsequent estimation processes, informed by technical and economical forward looking assumptions.

Sishen's life-of-asset increased by two years in 2024, as a result of a larger pit layout based on the Company's more positive outlook on long-term iron ore prices and foreign exchange rates compared to the prior year (2024: 16 years to 2040, compared to 2023: 15 years to 2038).

The life-of-asset plan for Kolomela mine increased by six years compared to the prior year due to the revision of the planned annual saleable production output as part of group's business reconfiguration drive to optimise value in a constrained logistical environment (2024: 16 years to 2040, compared to 2023: 11 years to 2034).

6. Other accounting judgements and estimates

### 6.1 Consolidation of special purpose entities (SPEs)

The group sponsors the formation of SPEs primarily to hold Kumba shares for the benefit of employees. SPEs are consolidated when the substance of the relationship between the group and the SPE indicates control. As it can sometimes be difficult to determine whether the group controls an SPE, management makes judgements about its exposure to the risks and rewards, as well as about its ability to make operational decisions for the SPE in question.

### 6.2 Going concern

Management considers key financial metrics and loan covenant compliance in the group's approved medium-term budgets, together with its existing term facilities, to conclude that the going concern assumption used in compiling of the group's annual financial statements is appropriate.

### 6.3 Segmental reporting

In applying IFRS 8 *Operating Segments*, management makes judgements with regard to the identification of reportable operating segments of the group in a manner consistent with the internal reporting provided to the CODM.

### 6.4 Equity-settled share-based payment reserve

Management makes certain judgements in respect of selecting appropriate fair value option pricing models to be used in estimating the fair value of the various share-based payment arrangements in respect of employees and SPEs. Judgements and assumptions are also made in calculating the variable elements used as inputs in these models. The inputs that are used in the models include, but are not limited to, the expected vesting period and related conditions, share price, dividend yield, share option life, risk-free interest rate and annualised share price volatility (refer to note 22).

### 6.5 Cash and cash equivalents

Certain of the group's short-term cash deposits, included in cash and cash equivalents, are placed with subsidiaries of the ultimate holding company, and funds are drawn down from these entities when required. In determining the presentation of the cash deposits, management makes certain judgements, which mainly consider the short-term lead time to access the cash deposits. The funds are readily available and can be accessed and withdrawn within a period of one to two days. As a result, the group accounts for these short-term deposits as cash and cash equivalents within the consolidated financial statements.

For the purpose of presentation on the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

# Annexure 1 cont.

KUMBA IRON ORE LIMITED GROUP

## Statement of financial position
as at 31 December 2024

| Rand million | Notes | 2024 | 2023 |
|---|---|---|---|
| ASSETS | | | |
| Property, plant and equipment | 2 | **56,006** | 48,822 |
| Right-of-use assets | 3 | **143** | 293 |
| Biological assets | | **40** | 41 |
| Investments held by the environmental trust | 4 | **989** | 877 |
| Investment in associate | | **23** | 24 |
| Long-term prepayments and other receivables | 5 | **166** | 155 |
| Inventories | 6 | **8,520** | 9,011 |
| **Non-current assets** | | **65,887** | 59,223 |
| Inventories | 6 | **9,605** | 11,398 |
| Trade and other receivables | 7 | **5,766** | 10,358 |
| Current tax assets | | **575** | 23 |
| Cash and cash equivalents | 8 | **16,913** | 17,722 |
| **Current assets** | | **32,859** | 39,501 |
| **Total assets** | | **98,746** | 98,724 |
| EQUITY | | | |
| Shareholders' equity | | **52,815** | 52,019 |
| Non-controlling interests | 23 | **16,485** | 16,203 |
| **Total equity** | | **69,300** | 68,222 |
| LIABILITIES | | | |
| Lease liabilities | 3 | **70** | 179 |
| Provisions | 10 | **3,190** | 3,704 |
| Deferred tax liabilities | 11 | **14,106** | 11,860 |
| **Non-current liabilities** | | **17,366** | 15,743 |
| Lease liabilities | 3 | **123** | 176 |
| Interest-bearing borrowings | 9 | **2,003** | 4,144 |
| Provisions | 10 | **210** | 198 |
| Trade and other payables | 12 | **9,271** | 9,459 |
| Contract liabilities | 12 | **449** | 553 |
| Current tax liabilities | | **24** | 229 |
| **Current liabilities** | | **12,080** | 14,759 |
| **Total liabilities** | | **29,446** | 30,502 |
| **Total equity and liabilities** | | **98,746** | 98,724 |

# Statement of financial position
## as at 31 December 2024

| Rand million | Notes | 2024 | 2023 |
|---|---|---|---|
| Revenue | 13 | **68,529** | 86,234 |
| Operating expenses | 14 | **(46,105)** | (45,383) |
| Impairment reversal | 2 | **3,940** | — |
| Expected credit losses on financial assets | 7 | **(3)** | (146) |
| **Operating profit** | | **26,361** | 40,705 |
| Finance income | 18 | **800** | 685 |
| Finance costs | 18 | **(510)** | (617) |
| Share of losses of equity-accounted joint venture and associate | | **(1)** | (26) |
| **Profit before taxation** | | **26,650** | 40,747 |
| Taxation | 19 | **(7,375)** | (10,942) |
| **Profit for the year** | | **19,275** | 29,805 |
| **Attributable to:** | | | |
| Owners of Kumba | | **14,699** | 22,725 |
| Non-controlling interests | | **4,576** | 7,080 |
| | | **19,275** | 29,805 |
| **Earnings per share attributable to the ordinary equity holders of Kumba (Rand per share)** | | | |
| Basic | 20 | **45.81** | 70.80 |
| Diluted | 20 | **45.70** | 70.64 |

# Statement of other comprehensive income
## for the year ended 31 December 2024

| Rand million | 2024 | 2023 |
|---|---|---|
| Profit for the year | **19,275** | 29,805 |
| Other comprehensive income for the year[1] | **33** | 1,035 |
| Exchange differences on translation of foreign operations | **33** | 1,035 |
| **Total comprehensive income for the year** | **19,308** | 30,840 |
| **Attributable to:** | | |
| Owners of Kumba | **14,724** | 23,514 |
| Non-controlling interests | **4,584** | 7,326 |
| | **19,308** | 30,840 |

[1] There is no tax attributable to items included in other comprehensive income and all items will subsequently be reclassified to profit or loss. No deferred tax is recognised as there is no accounting or tax base for these items as they pertain to current assets.

# Annexure 1 cont.

## Statement of changes in equity
for the year ended 31 December

| Rand million | Notes | Share capital and share premium | Treasury shares | Equity-settled share-based payments reserve | FCTR | Retained earnings | Share-holders' equity | Non-control-ling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| | Notes | 21 | 21 | 22 | | | | 23 | |
| **Balance at 31 December 2022** | | 367 | (618) | 355 | 2,333 | 38,609 | 41,046 | 12,771 | 53,817 |
| Net movement in treasury shares under employee share incentive schemes | | – | (223) | – | – | – | (223) | – | (223) |
| Equity-settled share-based payment expenses | | – | – | 211 | – | – | 211 | – | 211 |
| Vesting of shares under employee share incentive schemes | | – | 242 | (209) | – | (33) | – | – | – |
| Total comprehensive income for the year | | – | – | – | 789 | 22,725 | 23,514 | 7,326 | 30,840 |
| Dividends paid | | – | – | – | – | (12,529) | (12,529) | (3,894) | (16,423) |
| **2023** | | 367 | (599) | 357 | 3,122 | 48,772 | 52,019 | 16,203 | 68,222 |
| Net movement in treasury shares under employee share incentive schemes | | **–** | **(241)** | **–** | **–** | **–** | **(241)** | **–** | **(241)** |
| Equity-settled share-based payment expenses | | **–** | **–** | **155** | **–** | **–** | **155** | **–** | **155** |
| Vesting of shares under employee share incentive schemes | | **–** | **283** | **(220)** | **–** | **(65)** | **(2)** | **–** | **(2)** |
| Total comprehensive income for the year | | **–** | **–** | **–** | **25** | **14,699** | **14,724** | **4,584** | **19,308** |
| Dividends paid | | **–** | **–** | **–** | **–** | **(13,840)** | **(13,840)** | **(4,302)** | **(18,142)** |
| **2024** | | **367** | **(557)** | **292** | **3,147** | **49,566** | **52,815** | **16,485** | **69,300** |

### Dividend per share

| Rand | 2024 | 2023 |
|---|---|---|
| Interim | **18.77** | 22.60 |
| Final[1] | **19.90** | 24.20 |
| **Total** | **38.67** | 46.80 |

[1] The final dividend for 2024 was declared subsequent to the year end and is presented for information purposes only.

### Equity-settled share-based payment reserve

The equity-settled share-based payment reserve comprises the value of services rendered that has been settled through the issue of shares or share options.

### FCTR

The FCTR comprises all foreign exchange differences arising from the translation of the financial results of foreign operations to the presentation currency of Kumba.

# Statement of cash flows
## as at 31 December

| Rand million | Notes | 2024 | 2023 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash receipts from customers | | **73,810** | 81,974 |
| Cash paid to suppliers and employees | | **(39,019)** | (43,717) |
| **Cash generated from operations** | 24 | **34,791** | 38,257 |
| Finance income received | 25 | **817** | 674 |
| Finance costs paid | 25 | **(471)** | (770) |
| Taxation paid | 26 | **(5,878)** | (8,856) |
| | | **29,259** | 29,305 |
| **Cash flows utilised in investing activities** | | | |
| Additions to property, plant and equipment | 28 | **(9,673)** | (9,862) |
| Proceeds from disposal of property, plant and equipment | | **50** | 12 |
| | | **(9,623)** | (9,850) |
| **Cash flows utilised in financing activities** | | | |
| Interest-bearing borrowings raised | 9 | **39,852** | 11,200 |
| Interest-bearing borrowings repaid | 9 | **(41,986)** | (13,782) |
| Purchase of treasury shares | 21 | **(241)** | (223) |
| Dividends paid to owners of Kumba | 27 | **(13,840)** | (12,529) |
| Dividends paid to non-controlling shareholders | 27 | **(4,302)** | (3,894) |
| Payment of lease liabilities | | **(165)** | (177) |
| | | **(20,682)** | (19,405) |
| **Net (decrease)/increase in cash and cash equivalents** | | **(1,046)** | 50 |
| Cash and cash equivalents at the beginning of the year | 8 | **17,722** | 16,424 |
| Foreign currency exchange gains on cash and cash equivalents | | **237** | 1,248 |
| **Cash and cash equivalents at the end of the year** | 8 | **16,913** | 17,722 |

# Annexure 1 cont.

## Notes to the annual financial statements
for the year ended 31 December

### 1. Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Kumba Executive Committee.

The Kumba Executive Committee considers the business principally according to the nature of the products and services provided, with the identified segments each representing a strategic business unit. "Other" segment comprises corporate, administration and other expenditure not allocated to the reported segments.

The total reported segment revenue comprises revenue from external customers and is measured in a manner consistent with that disclosed in the statement of profit or loss. The performance of the operating segments is assessed based on adjusted earnings before interest, tax, depreciation and amortisation (EBITDA), before taking into account any impairment charges or reversals, which is considered to be a more appropriate measure of profitability for the group's business. Finance income and finance costs are not allocated to segments as the treasury activity is managed on a central group basis.

Total segment assets comprise finished product and WIP inventories only, which are allocated based on the operations of the segment and the physical location of the asset.

Certain costs included in the determination of adjusted EBITDA are considered to be significant and have, therefore, been reported per segment for the group as a whole. These costs include staff costs, raw materials and consumables, net movement in finished product and WIP inventories, contractors' expenses, transportation and selling costs, shipping services rendered, petroleum products, corporate costs, repairs and maintenance and mineral royalty. In addition to these costs, depreciation of property, plant and equipment, impairment charges and impairment reversals are also reported.

| Rand million | Products[1] | | Services | | | |
|---|---|---|---|---|---|---|
| | Sishen mine | Kolomela mine | Logistics[2] | Shipping operations | Other | Total |
| **2024** | | | | | | |
| **Statement of profit or loss** | | | | | | |
| Total external revenue | 44,070 | 16,277 | — | 8,182 | — | 68,529 |
| Adjusted EBITDA[3] | 27,673 | 10,567 | (7,962) | 184 | (2,328) | 28,134 |
| Significant items of (income)/expenses in the statement of profit or loss | | | | | | |
| Depreciation | 3,705 | 1,043 | — | — | 965 | 5,713 |
| Impairment reversal | — | (3,940) | — | — | — | (3,940) |
| Staff costs | 4,126 | 1,318 | 49 | — | 1,214 | 6,707 |
| Raw materials and consumables | 1,742 | 267 | 2 | — | — | 2,011 |
| Net movement in finished product and WIP inventories | 1,287 | 287 | — | — | — | 1,574 |
| Contractors' expenses | 1,749 | 1,079 | — | — | 632 | 3,460 |
| Transportation and selling costs | — | — | 7,913 | — | — | 7,913 |
| Shipping services rendered | — | — | — | 7,998 | — | 7,998 |
| Petroleum products | 2,451 | 406 | — | — | 3 | 2,860 |
| Corporate costs | 173 | 285 | 424 | | 907 | 1,789 |
| Repairs and maintenance | 2,869 | 577 | — | — | 7 | 3,453 |
| Mineral royalty | 1,325 | 306 | — | — | — | 1,631 |
| **Statement of financial position** | | | | | | |
| Total segment assets | 9,426 | 5,861 | 278 | — | — | 15,565 |
| **Statement of cash flows** | | | | | | |
| Additions to property, plant and equipment: | | | | | | |
| Expansion capital expenditure | 935 | 492 | — | — | — | 1,427 |
| SIB capital expenditure | 4,258 | 750 | — | — | — | 5,008 |
| Deferred stripping | 2,906 | 332 | — | — | — | 3,238 |

1 Derived from extraction, production and selling of iron ore.
2 No revenue is reported for this segment as its performance is reviewed with reference to volumes railed and rail tariffs achieved.
3 This constitutes pro forma financial information in terms of the Listings Requirements of the JSE Limited and should be read in conjunction with the basis of preparation. Refer to supplementary non-IFRS financial measures on pages 116 to 117.

# Notes to the annual financial statements continued
for the year ended 31 December

## 1. Segmental reporting continued

| Rand million | Products[1] | | Services | | | |
|---|---|---|---|---|---|---|
| | Sishen mine | Kolomela mine | Logistics[2] | Shipping operations | Other | Total |
| **2023** | | | | | | |
| **Statement of profit or loss** | | | | | | |
| Total external revenue | 59,520 | 20,802 | – | 5,912 | – | 86,234 |
| Adjusted EBITDA[3] | 40,815 | 14,773 | (7,582) | 256 | (2,552) | 45,710 |
| Significant items of expenses in the statement of profit or loss: | | | | | | |
| Depreciation | 3,244 | 1,434 | – | – | 327 | 5,005 |
| Staff costs | 4,033 | 1,376 | 40 | – | 1,532 | 6,981 |
| Raw materials and consumables | 2,110 | 514 | 12 | – | – | 2,636 |
| Net movement in finished product and WIP inventories | (2,286) | (993) | – | – | – | (3,279) |
| Contractors' expenses | 2,912 | 1,526 | – | – | 718 | 5,156 |
| Transportation and selling costs | – | – | 7,529 | – | – | 7,529 |
| Shipping services rendered | – | – | – | 5,656 | – | 5,656 |
| Petroleum products | 3,113 | 551 | – | – | 3 | 3,667 |
| Corporate costs[4] | 535 | 352 | 402 | – | 415 | 1,704 |
| Repairs and maintenance | 3,333 | 813 | – | – | 21 | 4,167 |
| Mineral royalty | 1,802 | 622 | – | – | – | 2,424 |
| **Statement of financial position** | | | | | | |
| Total segment assets | 10,989 | 5,777 | 373 | – | – | 17,139 |
| **Statement of cash flows** | | | | | | |
| Additions to property, plant and equipment: | | | | | | |
| Expansion capital expenditure | 2,336 | 892 | – | – | – | 3,228 |
| SIB capital expenditure | 4,055 | 991 | – | – | – | 5,046 |
| Deferred stripping | 1,455 | 133 | – | – | – | 1,588 |

1 Derived from extraction, production and selling of iron ore.
2 No revenue is reported for this segment as its performance is reviewed with reference to volumes railed and rail tariffs achieved.
3 This constitutes pro forma financial information in terms of the Listings Requirements of the JSE Limited and should be read in conjunction with the basis of preparation. Refer to supplementary non-IFRS financial measures on pages 116 to 117.
4 The disclosure in the comparative segment report has been updated to include comparative amounts for expenses that were not material in the prior year, but the current year amount is material, to provide a better understanding of the material expenses that impact the profit measure.

### Reconciliation of reportable segments' assets to inventories:

| Rand million | Note | 2024 | 2023 |
|---|---|---|---|
| Finished product | | **3,147** | 3,882 |
| WIP | | **12,418** | 13,257 |
| Segment assets | | **15,565** | 17,139 |
| Plant spares and stores | | **2,560** | 3,270 |
| **Balance per statement of financial position** | 6 | **18,125** | 20,409 |

All non-current assets, excluding investments in associates and joint ventures, are located in South Africa.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

1. Segmental reporting continued

**Reconciliation of operating profit to adjusted EBITDA:**

| **Rand million** | **2024** | 2023 |
|---|---|---|
| Operating profit per statement of profit or loss | **26,361** | 40,705 |
| *Add back:* | | |
| Depreciation | **5,713** | 5,005 |
| **EBITDA** | **32,074** | 45,710 |
| *Less:* | | |
| Impairment reversal | **(3,940)** | – |
| **Adjusted EBITDA** | **28,134** | 45,710 |

**Geographical analysis of revenue:**

| **Rand million** | **2024** | 2023 |
|---|---|---|
| Sale of iron ore | **66,818** | 73,142 |
| Services rendered – shipping | **8,182** | 5,912 |
| Revenue from other sources | **(6,471)** | 7,180 |
| **Total external revenue** | **68,529** | 86,234 |
| **Geographical analysis of revenue** | | |
| Domestic – South Africa | **1** | 1 |
| Export | **68,528** | 86,233 |
| China | **39,198** | 42,350 |
| Rest of Asia | **14,801** | 19,582 |
| Europe | **13,993** | 23,674 |
| Middle East and North Africa | **536** | 627 |
| **Total external revenue** | **68,529** | 86,234 |

**Customer analysis:**

Of the total external revenue, 15% (2023: 15%) was attributable to one customer. Other customers each accounted for less than 10% of the external revenue. The group's products are sold primarily to industrial customers.

# Notes to the annual financial statements continued
for the year ended 31 December

## 2. Property, plant and equipment

| Rand million | Land | Mineral properties | Residential buildings | Buildings and infrastructure | Machinery, plant and equipment | Mineral exploration, site preparation and development | Assets under construction | Total |
|---|---|---|---|---|---|---|---|---|
| **2024** | | | | | | | | |
| Cost | | | | | | | | |
| Balance at the beginning of the year | 344 | 621 | 3,608 | 7,453 | 49,106 | 24,230 | 15,336 | 100,698 |
| Additions (refer to note 28) | – | – | – | – | 31 | 3,238 | 5,731 | 9,000 |
| Capital acquisitions | – | – | – | – | 31 | – | 5,731 | 5,762 |
| Deferred stripping | – | – | – | – | – | 3,238 | – | 3,238 |
| Borrowing costs capitalised | – | – | – | – | – | – | 75 | 75 |
| Changes in decommissioning provision (refer to note 10) | – | – | – | (2) | (220) | – | – | (222) |
| Disposals and scrapping | (6) | – | (46) | – | (513) | – | – | (565) |
| Transfers between asset classes | – | – | – | 1,915 | 4,401 | 4,086 | (10,402) | – |
| **Balance at 31 December 2024** | 338 | 621 | 3,562 | 9,366 | 52,805 | 31,554 | 10,740 | 108,986 |
| **Accumulated depreciation** | | | | | | | | |
| Balance at the beginning of the year | – | 450 | 1,579 | 3,601 | 32,411 | 8,401 | – | 46,442 |
| Depreciation | – | 11 | 106 | 450 | 3,349 | 1,644 | – | 5,560 |
| Notional depreciation on impaired assets[1] | – | – | 33 | 145 | 808 | 508 | – | 1,494 |
| Disposals and scrapping | – | – | (21) | – | (495) | – | – | (516) |
| **Balance at 31 December 2024** | – | 461 | 1,697 | 4,196 | 36,073 | 10,553 | – | 52,980 |
| **Impairment** | | | | | | | | |
| Balance at the beginning of the year | – | 43 | 300 | 550 | 1,856 | 1,221 | 1,464 | 5,434 |
| Notional depreciation on impaired assets[1] | – | – | (33) | (145) | (808) | (508) | – | (1,494) |
| Impairment reversal | – | (43) | (267) | (405) | (1,048) | (713) | (1,464) | (3,940) |
| **Balance at 31 December 2024** | – | – | – | – | – | – | – | – |
| **Carrying amount at 31 December 2024** | 338 | 160 | 1,865 | 5,170 | 16,732 | 21,001 | 10,740 | 56,006 |

[1] This relates to adjustments to the carrying amounts of the assets to the value they would have been at 31 December 2024 had the assets not been impaired.

# Annexure 1 cont.

# Notes to the annual financial statements continued
## for the year ended 31 December

2. Property, plant and equipment continued

| Rand million | Land | Mineral properties | Residential buildings | Buildings and infrastructure | Machinery, plant and equipment | Mineral exploration, site preparation and development | Assets under construction | Total |
|---|---|---|---|---|---|---|---|---|
| **2023** | | | | | | | | |
| **Cost** | | | | | | | | |
| Balance at the beginning of the year | 350 | 621 | 3,608 | 7,255 | 43,613 | 22,642 | 12,189 | 90,278 |
| Additions (refer to note 28) | – | – | – | – | – | 1,588 | 8,355 | 9,943 |
| Capital acquisitions | – | – | – | | – | – | 8,355 | 8,355 |
| Deferred stripping | – | – | – | – | – | 1,588 | – | 1,588 |
| Borrowing costs capitalised | – | – | – | – | – | – | 151 | 151 |
| Changes in decommissioning provision (refer to note 10) | – | – | – | 135 | 378 | – | – | 513 |
| Disposals and scrapping | (6) | – | – | (15) | (166) | – | – | (187) |
| Transfers between asset classes | – | – | – | 78 | 5,281 | – | (5,359) | – |
| **Balance at 31 December 2023** | 344 | 621 | 3,608 | 7,453 | 49,106 | 24,230 | 15,336 | 100,698 |
| **Accumulated depreciation** | | | | | | | | |
| Balance at the beginning of the year | – | 439 | 1,472 | 3,279 | 29,542 | 7,083 | – | 41,815 |
| Depreciation | – | 11 | 107 | 337 | 3,030 | 1,318 | – | 4,803 |
| Disposals and scrapping | – | – | – | (15) | (161) | – | – | (176) |
| **Balance at 31 December 2023** | – | 450 | 1,579 | 3,601 | 32,411 | 8,401 | – | 46,442 |
| **Impairment** | | | | | | | | |
| Balance at the beginning of the year | – | 43 | 300 | 550 | 1,856 | 1,221 | 1,464 | 5,434 |
| **Balance at 31 December 2023** | – | 43 | 300 | 550 | 1,856 | 1,221 | 1,464 | 5,434 |
| **Carrying amount at 31 December 2023** | 344 | 128 | 1,729 | 3,302 | 14,839 | 14,608 | 13,872 | 48,822 |

### Impairment or reversal of impairment

Kumba produces iron ore at the Sishen and Kolomela mines, each of which is considered capable of generating independent cash inflows and is, therefore, a separate CGU. At 31 December 2022, the Kolomela CGU was impaired by R5.4 billion, including an associated deferred tax of R1.5 billion, due to revisions to the forecast production volume profile and cost increases in the life-of-asset plan.

At 31 December 2024, the group's assets and CGUs were assessed for indicators of impairment or impairment reversal.

Kolomela's forecast production volume profile was revised as part of the group's business reconfiguration plan to optimise value considering the current rail capacity. The changes to the production volume profile resulted in a significant change to the Kolomela life-of-asset plan (refer to accounting policy note 5.8). The changes to the life-of-asset plan were identified as a trigger for impairment reversal and thus an impairment assessment was performed to determine the recoverable amount for the CGU.

The discounted cash flow valuation, using a fair value less costs of disposal valuation model, was prepared in line with the accounting policy 5.1 based on the approved five-year business plan and the latest life-of-asset plan. This was based on a level 3 fair value measurement that utilised unobservable inputs, including management's forecast of future cash flows and an appropriate discount rate.

# Notes to the annual financial statements continued
for the year ended 31 December

## 2. Property, plant and equipment continued

### Impairment or reversal of impairment continued

The discounted cash flow model applies forecasted iron ore prices and Rand/US$ foreign exchange rates. The forecasted iron ore prices fall within the top quartile of the analyst price range of US$80/tonne to US$107/tonne (Platts 62% CFR reference basis, 2024 real basis) (2023*: US$79/ tonne to US$112/tonne and 2022: $77/tonne to $102/tonne). The forecast average Rand/US$ exchange rates fall within the analyst range of R15.9/US$1 to R21.0/US$1 (2023*: R16/US$1 to R20/US$1 and 2022:R13.16/US$1 to R16.97/US$1). A real post-tax discount rate of 9.3% (2023: 9.3%) was applied.

The recoverable amount for Kolomela, based on the discounted cash flows, exceeded its carrying value at the reporting date. Consequently, the remaining balance of the impairment of R3.9 billion, and the related deferred tax of R1.1 billion, was reversed. The increase in the CGU's recoverable amount was mainly due to the revision of the production volume profile over the remaining life-of-asset plan. The valuation was also positively impacted by higher forecasted iron ore price assumptions and weaker long-term foreign exchange rate assumptions.

The impairment reversal was limited to what the carrying amounts of the assets would have been at 31 December 2024 had the assets not been impaired.

The valuation is inherently sensitive to changes in economic and operational assumptions, particularly forecast production volumes, which are impacted by the rail capacity, the forecast iron ore prices and the forecast average Rand/US$ foreign exchange rate for Kolomela. Sensitivity analyses have been performed to assess the impact of changes in key assumptions applied in the valuation, principally forecast production volumes, iron ore prices and the Rand/US$ foreign exchange rates. If the forecast production volumes were increased or decreased by 10%, with all other assumptions remaining the same, the recoverable amount would increase or decrease by R5.1 billion, respectively. If the forecast iron ore prices were increased or decreased by 10%, with all other assumptions remaining the same, the recoverable amount would increase by R7.4 billion or decrease by R7.3 billion, respectively. A 10% appreciation or depreciation of the Rand would result in the recoverable amount decreasing or increasing by R6.8 billion, respectively.

* Comparatives relating to forecast iron ore prices, Rand/US$ foreign exchange rates, and discount rate have been updated to reflect comparable long-term assumptions for 2023.

### Borrowing costs

During the year, R75 million (2023: R151 million) of borrowing costs was capitalised on qualifying assets to property, plant and equipment. A weighted average capitalisation rate of 9.3% (2023: 8.3%) was applied.

### Other disclosure

The group generated proceeds from the disposal of items of property, plant and equipment of R50 million (2023: R12 million).

The estimated replacement value of assets for insurance purposes and assets under construction at cost amounts to R94 billion (2023: R92 billion).

A register of land and buildings is available for inspection at the registered office of the Company.

None of the assets are encumbered as security for any of the group's liabilities, nor is the title to any of the assets restricted.

| Rand million | 2024 | 2023 |
|---|---|---|
| **Capital commitments** | | |
| Capital commitments include all items of capital expenditure for which specific Board approval has been obtained up to the statement of financial position date. Capital expenditure will be financed principally from cash generated from operations. | | |
| Capital expenditure still in the study phase of the project pipeline for which specific Board approvals have not yet been obtained are excluded. | | |
| Capital expenditure contracted for plant and equipment | **2,962** | 3,371 |
| Capital expenditure authorised for plant and equipment but not contracted | **9,225** | 2,144 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 3. Leases

This note provides information for leases where the group is a lessee.

**Amounts recognised in the statement of financial position:**

(a) Right-of-use assets:

| Rand million | Note | Residential buildings | Buildings and infrastructure | Machinery, plant and equipment | Total |
|---|---|---|---|---|---|
| **2024** | | | | | |
| **Cost** | | | | | |
| Balance at the beginning of the year | | **447** | **155** | **356** | **958** |
| Additions | | **7** | **–** | **–** | **7** |
| Early termination of lease agreements | | **(7)** | **–** | **–** | **(7)** |
| **Balance at 31 December 2024** | | **447** | **155** | **356** | **958** |
| **Accumulated depreciation** | | | | | |
| Balance at the beginning of the year | | **290** | **124** | **251** | **665** |
| Depreciation | 14 | **75** | **18** | **60** | **153** |
| Early termination of lease agreements | | **(3)** | **–** | **–** | **(3)** |
| **Balance at 31 December 2024** | | **362** | **142** | **311** | **815** |
| **Carrying amount at 31 December 2024** | | **85** | **13** | **45** | **143** |
| **2023** | | | | | |
| **Cost** | | | | | |
| Balance at the beginning of the year | | 390 | 101 | 239 | 730 |
| Additions | | 57 | 54 | 117 | 228 |
| **Balance at 31 December 2023** | | 447 | 155 | 356 | 958 |
| **Accumulated depreciation** | | | | | |
| Balance at the beginning of the year | | 197 | 93 | 173 | 463 |
| Depreciation | 14 | 93 | 31 | 78 | 202 |
| **Balance at 31 December 2023** | | 290 | 124 | 251 | 665 |
| **Carrying amount at 31 December 2023** | | 157 | 31 | 105 | 293 |

The right-of-use assets in relation to the leased properties do not meet the definition of an investment property.

(b) Lease liabilities:

| Rand million | Note | 2024 | 2023 |
|---|---|---|---|
| Balance at the beginning of the year | | **355** | 304 |
| New leases capitalised during the year | | **7** | 228 |
| Early termination of lease agreements | | **(4)** | – |
| Lease payments made during the year | | **(195)** | (223) |
| Finance costs | 18 | **30** | 46 |
| **Balance at the end of the year** | | **193** | 355 |
| Current | | **123** | 176 |
| Non-current | | **70** | 179 |
| **Balance at the end of the year** | | **193** | 355 |

# Notes to the annual financial statements continued
for the year ended 31 December

## 3. Leases continued

### Amounts recognised in the statement of profit or loss:

| Rand million | Note | 2024 | 2023 |
|---|---|---|---|
| Depreciation on right-of-use asset | 14 | **153** | 202 |
| Interest expense on leases[1] | 18 | **30** | 46 |
| Lease expenses relating to short-term and low-value assets | | **–** | 3 |
| Variable lease payments[2] | | **686** | 1,273 |
| Income from sub-leasing of right-of-use assets | | **(59)** | (65) |
| **Net effect** | | **810** | 1,459 |

[1] Included in finance costs.
[2] The group's contract mining lease agreements include variable payments. These payments are expressed as a rate paid per tonne drilled or hauled. The payments are dependent on the production profile for the year.

Refer to notes 30 and 34.3 for future lease commitments.

### Amounts recognised in the statement of cash flows:

Total cash outflow for leases in 2024 was R195 million (2023: R223 million), including R30 million (2023: R46 million) for finance costs (refer to note 18).

The group's leases consist mainly of leasing of buildings and mining equipment. With the exception of leases of low-value underlying assets, each lease which meets the requirements of IFRS 16 *Leases* is reflected on the statement of financial position as a right-of-use asset and a lease liability. Lease payments for the leases accounted for as IFRS 16 *Leases* are fixed.

Variable lease payments, which do not depend on an index or a rate, are excluded from the initial measurement of the lease liability and the related right-of-use asset.

The group classifies and depreciates its right-of-use assets in a consistent manner to its property, plant and equipment (refer to note 2).

## 4. Investments held by the environmental trust

| Rand million | 2024 | 2023 |
|---|---|---|
| **Balance at the beginning of the year** | **877** | 796 |
| Movement in investment in environmental trusts comprising: | **112** | 81 |
| Gain on investments | **112** | 81 |
| **Balance at the end of the year** | **989** | 877 |

The trust's investment activities are managed by Old Mutual Investment Group (South Africa) Proprietary Limited and M&G Investments (South Africa) Retirement Fund Limited. The trust aims to achieve its objectives by investing in unit trust instruments that hold a diversified portfolio of equity and debt securities of predominantly South African listed companies, as well as South African sovereign and corporate debt through various instruments. Each mine's portfolio is managed separately according to each individual mine's risk and life-of-asset profile.

The movement in the environmental trust includes fair value movements as well as dividend and interest income, where applicable. The movement has been recognised as net finance gains/losses in the statement of profit or loss (refer to note 17).

These investments may only be utilised for the purposes of settling decommissioning and rehabilitation obligations relating to the group's mining operations. The investment returns are reinvested by the trust. Refer to note 10 for the environmental rehabilitation and decommissioning provisions.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 5. Long-term prepayments and other receivables

| Rand million | 2024 | 2023 |
|---|---|---|
| Prepayments | **99** | 105 |
| Other receivables[1] | **67** | 50 |
| **Balance at the end of the year** | **166** | 155 |

| Maturity profile of long-term prepayments and other receivables | 2024 | 2023 |
|---|---|---|
| 1 to 2 years | **11** | 11 |
| 2 to 5 years | **94** | 86 |
| More than 5 years | **3** | 18 |
| | **108** | 115 |

[1] This amount includes R58 million (2023: R40 million) for a long-term receivable measured at FVTPL, which does not have a maturity date and therefore is not included in the maturity analysis.

### 6. Inventories

| Rand million | 2024 | 2023 |
|---|---|---|
| Finished products | **3,147** | 3,882 |
| WIP | **12,418** | 13,257 |
| Plant spares and stores | **2,560** | 3,270 |
| **Total inventories** | **18,125** | 20,409 |
| Non-current portion of WIP inventories[1] | **8,520** | 9,011 |
| Current portion of inventories | **9,605** | 11,398 |
| **Total inventories** | **18,125** | 20,409 |

[1] The balance consists of B-grade WIP inventory of R6,134 million (2023: R6,954 million) and C-grade WIP inventory of R2,386 million (2023: R2,057 million).

During the year, the provision for slow-moving plant spares and stores provision increased to R310 million (2023: R239 million). The provision for potentially non-recoverable WIP inventory, which relates to historical WIP stockpiles, remained unchanged at R979 million (2023: R979 million) as no additional historical WIP inventory tonnes were identified as non-recoverable.

The net increase in inventory provision of R71 million (2023: R63 million net reversal) has been recognised in the statement of profit or loss (refer to note 14).

No inventories were encumbered during the year.

WIP inventory, which will not be processed within the next 12 months, is presented as non-current.

# Notes to the annual financial statements continued
## for the year ended 31 December

### 7. Trade and other receivables

| Rand million | 2024 | 2023 |
|---|---|---|
| Trade receivables | **2,765** | 6,621 |
| Trade receivables at amortised cost | **1,062** | 1,186 |
| Trade receivables at FVTPL | **1,703** | 5,435 |
| Provision for credit losses – trade receivables | **(292)** | (270) |
| **Net trade receivables** | **2,473** | 6,351 |
| Other receivables[1] | **3,146** | 3,903 |
| Provision for credit losses – other receivables | **(390)** | (409) |
| **Net trade and other receivables** | **5,229** | 9,845 |
| Prepayments | **106** | 122 |
| Prepaid shipping costs paid to related party | **431** | 391 |
| **Balance at the end of the year** | **5,766** | 10,358 |

[1] Other receivables mainly comprise a VAT receivable of R2,633 million (2023: R2,924 million) and exploration cost recoveries of R353 million (2023: R379 million), of which R108 million (2023: R107 million) was owed by a related party as disclosed in note 33.

#### Credit risk

Kumba is largely exposed to the credit risk relating to end-user customers within the steel manufacturing industry. As part of its approach to working capital management, Kumba uses debtor discounting arrangements. These arrangements are on a non-recourse basis, therefore the related trade receivables are derecognised from the group's statement of financial position. Refer to note 34.2 for detailed disclosure regarding the group's approach to credit risk management.

#### Significant concentrations of credit risk

Of the total outstanding gross trade receivables balance of R2,765 million (2023: R6,621 million), R2,656 million (2023: R4,762 million) or 96% (2023: 72%) consists of individual end-user customers with an outstanding balance in excess of 5% of the total trade receivables balance at 31 December 2024.

More than 85% (2023: 89%) of the group's current customers have been transacting with the group for over five years, and none of these customers' balances have been written off or are impaired at the end of the reporting period. In monitoring customers' credit risks, the group assesses this on an individual customer basis. The group considers each customer's credit characteristics, their geographical location, industry, trading history with the group and existence of previous financial difficulties. As a result of the above factors, the ECL is considered immaterial.

The historical level of customer default is minimal and there is no current observable data to indicate a material future default. As a result, the credit quality of year end trade receivables is considered to be high.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 7. Trade and other receivables continued

| Rand million | 2024 | 2023 |
|---|---|---|
| **Trade receivables credit risk exposure by geographical area (gross)**[1] | | |
| South Africa | **305** | 21 |
| Europe | **1,170** | 847 |
| Asia | **1,290** | 5,483 |
| | **2,765** | 6,351 |
| **Trade receivables credit risk exposure by currency (gross)**[2] | | |
| Rand | **305** | 21 |
| US Dollar | **2,460** | 6,330 |
| | **2,765** | 6,351 |
| **Ageing of trade receivables (gross)** | | |
| Not past due | **2,478** | 6,277 |
| Past due 1 to 30 days | **–** | 95 |
| Past due 31 to 60 days | **–** | – |
| Past due 61 to 90 days | **–** | – |
| Past due more than 90 days | **287** | 249 |
| | **2,765** | 6,621 |
| **Expected credit loss rate (%) for trade receivables measured at amortised cost** | | |
| Not past due | **1** | – |
| Past due 1 to 30 days | **–** | 27 |
| Past due 31 to 60 days | **–** | – |
| Past due 61 to 90 days | **–** | – |
| Past due more than 90 days | **91** | 98 |

1 Trade receivables by geographical area comprise amounts at amortised cost of R305 million from South Africa, R250 million from Europe and R507 million from Asia.
2 Trade receivables by currency comprise amounts at amortised cost of R305 million in Rand and R757 million in US Dollar.

Trade receivables are non-interest-bearing and are generally on terms of 30 days. Refer to note 34.1 for the trade and other receivables classification.

The group's export trade receivables internal ratings range from secured to moderate risk, while the external rating is BBB+ (2023: BBB+ to BBB), based on Standard & Poor's (S&P) Global and Moody's Investors Service ratings. The domestic customers' internal ratings range from secured to moderate risk, and externally BBB- (2023: BBB-). A provision for credit losses of R292 million (2023: R270 million) was raised against trade receivables. The group calculates expected credit losses for trade receivables which, incorporates forward looking information. The group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 60 days. Trade and other receivables that have been outstanding for a period longer than 90 days, or where there is a dispute, were considered and provided accordingly.

An expected credit loss reversal of R19 million (2023: R105 million charge) was recognised during the year against other receivables.

Set out below is the movement in the allowance for expected credit losses on trade and other receivables:

| Rand million | 2024 | 2023 |
|---|---|---|
| **Balance at the beginning of the year** | **679** | 533 |
| Movement in expected credit losses raised during the year | **3** | 146 |
| Trade receivables | **22** | 41 |
| Other receivables | **(19)** | 105 |
| **Balance at the end of the year** | **682** | 679 |

# Notes to the annual financial statements continued

## for the year ended 31 December

### 8. Cash and cash equivalents

| Rand million | 2024 | 2023 |
|---|---|---|
| Balance at the end of the year | **16,913** | 17,722 |

Included in cash and cash equivalents is an amount of R1,758 million (2023: R2,241 million) held to cover initial margins under derivative contracts. On termination of the derivative contracts, the underlying positions will be closed, with an insignificant impact on the initial margin value, as the variation margin is settled daily.

Short-term cash deposits of R14,119 million (2023: R14,089 million) were placed with subsidiaries of the ultimate holding company during the year under review (refer to note 33). The group held deposits amounting to R395 million (2023: R401 million), which are subject to statutory restrictions and are therefore not available for general use by the group.

| Rand million | 2024 | 2023 |
|---|---|---|
| **Currency analysis of cash and cash equivalents** | | |
| Rand | **2,118** | 1,293 |
| US Dollar | **14,788** | 16,406 |
| Other | **7** | 23 |
| | **16,913** | 17,722 |

Refer to note 34.3 for detailed disclosure regarding the group's approach to liquidity risk management.

### 9. Interest-bearing borrowings

| Rand million | 2024 | 2023 |
|---|---|---|
| Current interest-bearing borrowings | **2,003** | 4,144 |
| | **2,003** | 4,144 |
| **Reconciliation** | | |
| Balance at the beginning of the year | **4,144** | 6,791 |
| Borrowings raised during the year | **39,852** | 11,200 |
| Borrowings repaid | **(41,986)** | (13,782) |
| Finance costs repaid during the year | **(10)** | (75) |
| Finance costs payable | **3** | 10 |
| **Balance at the end of the year** | **2,003** | 4,144 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 9. Interest-bearing borrowings continued

| Rand million | Facility maturity date | Interest rate at 31 December | Facility | Outstanding balance 2024 | Outstanding balance 2023 |
|---|---|---|---|---|---|
| **Unsecured loans** | | | | | |
| Revolving syndicated facility at a variable interest rate of JIBAR plus a margin which varies based on the period of the borrowing (committed)[1, 2,4] | 23 May 2029 | 2024 JIBAR + 160 bps 2023 JIBAR + 185 bps | 8,000 | **–** | – |
| Revolving syndicated facility at a variable interest rate of JIBAR plus a margin which varies based on the period of the borrowing (committed)[2, 3,4] | 15 May 2029 | 2024 JIBAR + 160 bps 2023 JIBAR + 185 bps | 8,000 | **2,000** | 3,000 |
| Call loan facility at floating call rates (uncommitted)[1,2,3] | Open | 2024 JIBAR + 185 bps 2023 JIBAR + 185 bps | 8,200 | **–** | 1,134 |
| Short-term working capital financing facilities[1] | 30 June 2025 | 2024 SOFR + margin[5] 2023 SOFR + margin[5] | 20,790 | **–** | – |
| **Total** | | | 44,990 | **2,000** | 4,134 |

1 These facilities are held with related parties (refer to note 33).
2 The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates with alternative risk-free rates to improve market efficiency and mitigate systemic risk across financial markets. The South African Reserve Bank (SARB) has indicated its intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has confirmed its preference for the adoption of the South African Rand Overnight Index Average (ZARONIA) as the preferred unsecured candidate to replace JIBAR in cash and derivative instruments. In early November 2022, the SARB designated ZARONIA as the successor rate to replace JIBAR. The observation period for ZARONIA ended on 3 November 2023 and the SARB has indicated that market participants may use the published ZARONIA as a reference rate in pricing financial contracts going forward. The SARB has indicated that the transition from JIBAR to ZARONIA is a multi-year initiative and that a formal announcement of the cessation of JIBAR will be made during 2025, and the production of the benchmark should be discontinued before the end of 2026. For those agreements that are on JIBAR, provisions are made to apply an alternative rate when JIBAR is discontinued in 2026.
3 The prior year outstanding balance for borrowings was paid during 2024.
4 During the year, the group amended the committed facilities and extended the maturity date to May 2029.
5 The margin varies from 50 bps to 170 bps (2023: 45 bps to 170 bps) depending on facility value.

The group's debt facilities consist of committed R16 billion (2023: R16 billion) revolving credit facilities which mature in May 2029. An amount of R2.0 billion had been drawn down from the committed facilities as at 31 December 2024 (2023: R3.0 billion). The amount, drawn down at 31 December 2024, was repayable on 30 January 2025, in line with the agreement and therefore was classified as a current liability. Committed facilities are defined as the bank's and related parties' commitment to provide funding, up to the facility limit and until the maturity date of the facility. The facilities roll on a continuous basis unless notice of cancellation, per the facilities' notice period, is provided by the contracting parties. Individual drawdown requests are made, which specify the term of the drawdown. The repayment terms of the drawdowns made during the year were shorter than 12 months.

The group's debt facilities also include an uncommitted facility of R8.2 billion (2023: R8.2 billion). At 31 December 2024, the uncommitted facility had not been drawn down (2023: R1.1 billion was drawn down).

The committed facilities are reviewed and monitored bi-annually. The uncommitted facility is callable on demand. Refer to note 34.3 for details on financial covenants contained in the group's revolving credit facilities.

The short-term working capital financing facilities consist of committed revolving credit facilities of US$510 million (R9.6 billion) and uncommitted facilities of US$600 million (R11.2 billion). These facilities were concluded by SIOC's subsidiaries (Kumba Singapore Pte Limited and Kumba International Trading Limited) during the year to fund their working capital requirements. These facilities, placed with a subsidiary of the ultimate holding company, are reviewed on an annual basis. SIOC, the parent company, will provide guarantees in favour of the lender for amounts drawn under these facilities, up to a maximum of US$820 million (R15.4 billion). The committed and uncommitted facilities were undrawn at 31 December 2024 and 31 December 2023.

# Notes to the annual financial statements continued
## for the year ended 31 December

### 10. Provisions

| Rand million | Employee benefits cash-settled share-based payments | Environ-mental rehabilitation | Decom-missioning | Other | Total |
|---|---|---|---|---|---|
| **2024** | | | | | |
| Non-current provisions | **105** | **2,566** | **519** | **—** | **3,190** |
| Current provisions | **—** | **169** | **37** | **4** | **210** |
| **Total provisions** | **105** | **2,735** | **556** | **4** | **3,400** |
| Balance at the beginning of the year | **57** | **2,968** | **841** | **36** | **3,902** |
| Unwinding of discount (refer to note 25) | **—** | **97** | **24** | **—** | **121** |
| Increase/(decrease) in provision charged to the statement of profit or loss | **40** | **(330)** | **(87)** | **(32)** | **(409)** |
| Decrease in property, plant and equipment (refer to note 2) | **—** | **—** | **(222)** | **—** | **(222)** |
| Exchange differences on translation | **1** | **—** | **—** | **—** | **1** |
| Utilised during the year | **7** | **—** | **—** | **—** | **7** |
| **Balance at 31 December 2024** | **105** | **2,735** | **556** | **4** | **3,400** |
| Expected timing of future cash flows | | | | | |
| Within 1 year | **—** | **169** | **37** | **4** | **210** |
| 2 to 5 years | **105** | **749** | **187** | **—** | **1,041** |
| More than 5 years | **—** | **1,817** | **332** | **—** | **2,149** |
| | **105** | **2,735** | **556** | **4** | **3,400** |
| Estimated undiscounted obligation | **105** | **5,477** | **1,196** | **4** | **6,782** |
| **2023** | | | | | |
| Non-current provisions | 57 | 2,806 | 841 | — | 3,704 |
| Current provisions | — | 162 | — | 36 | 198 |
| Total provisions | 57 | 2,968 | 841 | 36 | 3,902 |
| Balance at the beginning of the year | 55 | 2,470 | 320 | — | 2,845 |
| Unwinding of discount (refer to note 25) | — | 55 | 8 | — | 63 |
| Increase/(decrease) in provision charged to the statement of profit or loss | 4 | 417 | — | 36 | 457 |
| Unused amounts reversed | — | — | — | — | — |
| Capitalised to property, plant and equipment (refer to note 2) | — | 26 | 513 | — | 539 |
| Exchange differences on translation | 2 | — | — | — | 2 |
| Utilised during the year | (4) | — | — | — | (4) |
| **Balance at 31 December 2023** | 57 | 2,968 | 841 | 36 | 3,902 |
| Expected timing of future cash flows | | | | | |
| Within 1 year | — | 162 | — | 36 | 198 |
| 2 to 5 years | 57 | 565 | 492 | — | 1,114 |
| More than 5 years | — | 2,241 | 349 | — | 2,590 |
| | 57 | 2,968 | 841 | 36 | 3,902 |
| Estimated undiscounted obligation | 57 | 5,931 | 1,463 | 36 | 7,487 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

10. Provisions continued

### Cash-settled share-based payments

At 31 December 2024, the provision represented share awards of Anglo American plc shares made by the group to certain employees.

### Environmental rehabilitation

Provision is made for environmental rehabilitation costs where either a legal or constructive obligation is recognised as a result of past events. Estimates are based upon costs that are reviewed regularly and adjusted as appropriate for new circumstances.

### Decommissioning

The decommissioning provision relates to decommissioning of property, plant and equipment where either a legal or constructive obligation is recognised as a result of past events. Estimates are based upon costs that are regularly reviewed and adjusted.

### Compliance with the Global Industry Standard on Tailings Management (GISTM)

The group has made significant progress towards determining the work required for conformance for all tailings dams in the highest priority rankings according to the GISTM and continues to refine designs and costs of conformance with the GISTM. The estimated costs to be incurred for conformance have been recognised within the environmental restoration and decommissioning provisions at 31 December 2024.

### Funding of environmental rehabilitation and decommissioning (refer to note 4)

The group funds the environmental rehabilitation and decommissioning obligations through a combination of the investment held by the Kumba Iron Ore Rehabilitation Trust and guarantees (refer to note 29). The carrying value of the investment held by the trust amounted to R989 million at 31 December 2024 (2023: R877 million).

### Other

Other provisions relate to section 189 restructuring.

### Significant accounting estimates and assumptions

The measurement of the environmental rehabilitation and decommissioning provisions is a key area for which management's judgement is required. Closure provisions are measured at the present value of the expected future cash flows required to perform the rehabilitation and decommissioning. This calculation requires the use of certain estimates and assumptions when determining the amount and timing of the future cash flows and the discount rate. Closure provisions are updated at each reporting date for changes in the estimates of the amount or timing of future cash flows, inflationary changes in the expected cash flows, utilisation of prior year provisions and changes in the discount rate. The life-of-asset plan for each mine on which accounting estimates are based only includes Proved and Probable Ore Reserves as disclosed in Kumba's annual Ore Reserves and Mineral Resources statement.

The resultant changes in the provisions are summarised as follows:

| Rand million | Environmental rehabilitation | Decom-missioning | Total |
|---|---|---|---|
| **Change in provision** | **(330)** | **(309)** | **(639)** |
| Revised estimates of closure costs | (142) | (247) | (389) |
| Life-of-asset changes | (188) | (62) | (250) |

The discount rate for Sishen and Kolomela has remained unchanged at 5% (2023: 5%) in real terms.

# Notes to the annual financial statements continued
## for the year ended 31 December

### 10. Provisions continued

The environmental rehabilitation provision decreased by R330 million, resulting from the revised closure cost estimates and changes in the remaining lives of both mines. The decrease of R222 million in the decommissioning provision was recognised within property, plant and equipment and R87 million was recorded within the statement of profit or loss. The movement in the rehabilitation provision was recognised within the statement of profit or loss, increasing profits attributable to the owners of Kumba by R233 million (2023: R232 million decrease). This movement resulted in an increase of R0.73 per share (2023: decrease of R0.72 per share) in profits attributable to the owners of Kumba.

The carrying value of the closure provisions is sensitive to changes in the estimates and assumptions used in its measurement. If the real discount rates for Sishen and Kolomela mines had been 1% higher than management's estimate, the provision would have decreased by R328 million (2023: R359 million). On the other hand, if the discount rate had been 1% lower than management's estimate, the provision would have increased by R389 million (2023: R421 million).

### 11. Deferred tax liabilities

| Rand million | 2024 | 2023 |
|---|---|---|
| **Deferred tax liabilities** | | |
| Reconciliation: | | |
| Balance at the beginning of the year | **11,860** | 10,529 |
| Prior year adjustment | **(46)** | 7 |
| Current year charge | **2,292** | 1,324 |
| **Balance at the end of the year** | **14,106** | 11,860 |
| **Deferred tax liabilities attributable to the following temporary differences:** | | |
| Property, plant and equipment | **15,033** | 13,105 |
| Environmental rehabilitation provision | **(738)** | (802) |
| Decommissioning provision | **(150)** | (227) |
| Environmental rehabilitation trust asset | **267** | 237 |
| Leave pay accrual | **(108)** | (116) |
| Share-based payments | **316** | 288 |
| Provisions[1] | **(487)** | (561) |
| Prepayments | **25** | 32 |
| Lease liabilities | **(52)** | (96) |
| **Total deferred tax liabilities** | **14,106** | 11,860 |

[1] The amounts comprise the following provisions: bad debts, holiday bonus and annual bonus.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 12. Trade and other payables and contract liabilities

| Rand million | 2024 | 2023 |
|---|---|---|
| Trade payables[1] | **6,960** | 6,513 |
| Other payables[2] | **1,894** | 2,514 |
| Leave pay accrual | **417** | 432 |
| **Total trade and other payables (excluding contract liabilities)** | **9,271** | 9,459 |
| Contract liabilities[3] | **449** | 553 |
| **Total trade and other payables (including contract liabilities)** | **9,720** | 10,012 |
| **Currency analysis of trade and other payables and contract liabilities** | | |
| Rand | **8,797** | 8,214 |
| US Dollar | **884** | 1,651 |
| Other[4] | **39** | 147 |
| | **9,720** | 10,012 |

1 The balance consists of trade payables measured at amortised cost of R6,667 million (2023: R6,356 million) and trade payables measured at fair value of R293 million (2023: R157 million).
2 Other payables mainly comprise a short-term incentive accrual of R507 million (2023: R700 million), unclaimed dividends of R267 million (2023: R296 million), freight costs payable of R406 million (2023: R933 million) , mineral royalty payable of R93 million (2023: R153 million receivable) and an accrual for employee benefit costs of R77 million (2023: R157 million).
3 The full amount of R553 million in relation to the contract liabilities at 31 December 2023 was recognised as revenue during 2024.
4 "Other" mainly comprises payables denominated in Pound Sterling.

Trade payables are non-interest-bearing and are generally on 60-days payment terms.

# Notes to the annual financial statements continued
## for the year ended 31 December

### 13. Revenue

| Rand million | 2024 | 2023 |
|---|---|---|
| Sale of iron ore | 66,818 | 73,142 |
| Services rendered – shipping | 8,182 | 5,912 |
| **Total revenue from contracts with customers** | **75,000** | 79,054 |
| Revenue from other sources[1] | (6,471) | 7,180 |
| **Total revenue as per statement of profit or loss** | **68,529** | 86,234 |
| **Geographical analysis of revenue from contracts with customers** | | |
| Domestic – South Africa | 1 | 1 |
| Export | 74,999 | 79,053 |
| China | 40,204 | 41,118 |
| Rest of Asia | 18,150 | 15,800 |
| Europe | 16,109 | 21,507 |
| Middle East and North Africa | 536 | 628 |
| **Total revenue from contracts with customers** | **75,000** | 79,054 |

1 Revenue from other sources comprises net loss on financial instruments of R5,252 million (2023: R5,935 million (net gain)) and subsequent movements in provisionally priced sales of R1,219 million (net loss) (2023: R1,245 million (net gain)). The net loss on financial instruments includes net gains or losses on derivatives relating to undelivered physical cargo of R1,123 million (net loss) (2023: R7 million (net gain)).

Revenue from contracts with customers comprises sales of iron ore and shipping services rendered.

**Disaggregation of revenue from contracts with customers:**

| | Products | | Services | |
|---|---|---|---|---|
| Rand million | Sishen mine | Kolomela mine | Shipping operations | Total |
| **2024** | | | | |
| Total segment revenue (refer to note 1) | 44,070 | 16,277 | 8,182 | 68,529 |
| *Add:* Revenue from other sources (loss) | 4,610 | 1,861 | – | 6,471 |
| **Revenue from contracts with customers** | **48,680** | **18,138** | **8,182** | **75,000** |
| **2023** | | | | |
| Total segment revenue (refer to note 1) | 59,520 | 20,802 | 5,912 | 86,234 |
| *Less:* Revenue from other sources | (5,155) | (2,025) | – | (7,180) |
| **Revenue from contracts with customers** | 54,365 | 18,777 | 5,912 | 79,054 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 14. Operating expenses

| Rand million | Notes | 2024 | 2023 |
|---|---|---|---|
| **Cost by nature:** | | | |
| Raw materials and consumables | | **2,011** | 2,636 |
| Net movement in finished product and WIP inventories | | **1,575** | (3,279) |
| Net increase in/(reversal of) write-down inventory provision | | **71** | (63) |
| Contractors' expenses | | **3,460** | 5,156 |
| Deferred stripping costs capitalised | | **(3,238)** | (1,588) |
| Staff costs | | **6,706** | 6,981 |
| Salaries and wages | | **5,698** | 6,048 |
| Equity-settled share-based payments | | **155** | 211 |
| Cash-settled share-based payments | | **44** | 4 |
| Termination benefits | | **149** | 68 |
| Pension and medical aid contributions | 16 | **660** | 650 |
| Mineral royalty | | **1,631** | 2,424 |
| Transportation and selling costs | | **7,913** | 7,529 |
| Shipping services rendered | | **7,998** | 5,656 |
| Sub-lease rentals received | | **(59)** | (65) |
| Depreciation of property, plant and equipment | | **5,713** | 5,005 |
| Mineral properties | 2 | **11** | 11 |
| Residential buildings | 2 | **106** | 107 |
| Buildings and infrastructure | 2 | **450** | 337 |
| Machinery, plant and equipment | 2 | **3,349** | 3,030 |
| Mineral exploration, site preparation and development | 2 | **1,644** | 1,318 |
| Right-of-use assets | 3 | **153** | 202 |
| Repairs and maintenance | | **3,453** | 4,167 |
| Legal fees | | **28** | 33 |
| Consulting fees | | **438** | 463 |
| Auditors' remuneration | | **17** | 17 |
| Audit fees | | **14** | 15 |
| Other services | | **3** | 2 |
| Insurance cost | | **225** | 245 |
| Technical services and project studies | | **240** | 196 |
| Lease expenses | 3 | **686** | 1,276 |
| Other expenses[1] | | **2,267** | 3,345 |
| Petroleum products | | **2,860** | 3,667 |
| Net gain on disposal and scrapping of property, plant and equipment | | **(1)** | (1) |
| Net finance gains | 17 | **(350)** | (643) |
| Energy costs | | **745** | 670 |
| Own work capitalised[2] | | **(73)** | (148) |
| Corporate costs | | **1,789** | 1,704 |
| **Total operating expenses** | | **46,105** | 45,383 |

1 "Other expenses" includes administrative expenses, equipment hire, shuttle services, professional fees and general labour.
2 Relates to operating expenses incurred during the year that were capitalised to property, plant and equipment. These costs met the qualifying criteria for capitalisation.

# Notes to the annual financial statements continued
for the year ended 31 December

## 15. Other items included in operating profit

| Rand million | 2024 | 2023 |
|---|---|---|
| **Operating profit includes the following amounts:** | | |
| Staff costs (excluding directors' and prescribed officers' remuneration) | **6,611** | 6,901 |
| Employee expenses | **6,263** | 6,618 |
| Net restructuring costs | **149** | 68 |
| Share-based payment expenses | **199** | 215 |
| Directors' emoluments (refer to note 35) | **41** | 37 |
| Executive directors | **30** | 26 |
| Emoluments received as directors of the Company | **18** | 18 |
| Bonuses and cash incentives | **12** | 8 |
| Non-executive directors – emoluments received as directors of the Company | **11** | 11 |
| Prescribed officers' remuneration (excluding executive directors – refer to note 35) | **55** | 43 |

## 16. Employee benefits: defined contribution funds

### 16.1 Retirement fund

At the end of 2024 and 2023, the following independent funds providing pension and other benefits were in existence:

- Kumba Iron Ore Selector Provident Fund[1]
- Iscor Employees Umbrella Provident Fund

Members pay contributions of 7% and an employer's contribution of 12% is expensed as incurred. All funds are governed by the South African Pension Funds Act of 1956. Membership of each fund and employer contributions to each fund were as follows:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Working members (number) | Employer contributions (Rand million) | Working members (number) | Employer contributions (Rand million) |
| Kumba Iron Ore Selector Provident Fund | **3,055** | **243** | 3,043 | 245 |
| Iscor Employees Umbrella Provident Fund | **2,608** | **148** | 2,859 | 144 |
| **Total** | **5,663** | **391** | 5,902 | 389 |

1 Fund was renamed from Kumba Iron Ore Selector Pension and Provident Funds to Kumba Iron Ore Selector Provident Fund during the year.

Due to the nature of these funds, the accrued liabilities equate to the total assets under control of these funds.

### 16.2 Medical funds

The group contributes to medical aid schemes for the benefit of permanent employees and their dependants. The contributions charged against income amounted to R269 million (2023: R261 million). The group has no obligation to fund post-retirement medical aid contributions for current or retired employees.

## 17. Net finance gains

| Rand million | 2024 | 2023 |
|---|---|---|
| Finance gains recognised in operating profit | | |
| Net foreign currency gains[1] | **(218)** | (575) |
| Net fair value gains on financial assets measured at FVTPL[2] | **(132)** | (68) |
| Net finance gains | **(350)** | (643) |

1 This amount consists of R190 million realised losses (2023: R467 million gains) on foreign currency and R408 million unrealised gains (2023: R108 million) on foreign currency.

2 This amount mainly comprised a R112 million fair value gain (2023: R81 million) on investments held by the environmental trust (refer to note 4) and an R18 million fair value gain (2023: R13 million loss) on a long-term loan receivable measured at FVTPL.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 18. Net finance (income)/costs

| Rand million | Notes | 2024 | 2023 |
|---|---|---|---|
| Interest expense | | 434 | 659 |
| Finance costs on leases | 3 | 30 | 46 |
| Unwinding of discount on provisions | 10 | 121 | 63 |
| Borrowing costs capitalised | 2 | (75) | (151) |
| Total finance costs | | 510 | 617 |
| Total finance income | | (800) | (685) |
| Interest received on cash and cash equivalents | | (683) | (685) |
| Other interest received[1] | | (117) | – |
| **Net finance income** | | (290) | (68) |

1 Other interest received relates to interest received from SARS.

### 19. Taxation

| Rand million | 2024 | 2023 |
|---|---|---|
| **Taxation expense** | | |
| Current taxation | 5,129 | 9,611 |
| Deferred taxation | 2,246 | 1,331 |
| | 7,375 | 10,942 |
| **Charges to the statement of profit or loss** | | |
| South African normal taxation | | |
| Current year | 4,617 | 9,137 |
| Prior year | 156 | (39) |
| Foreign taxation[1] | | |
| Current year | 360 | 513 |
| Prior year | (4) | 513 |
| **Income taxation** | 5,129 | 9,611 |
| **Deferred taxation** | | |
| Current year | 2,292 | 1,324 |
| Prior year | (46) | 7 |
| | 7,375 | 10,942 |

There was no tax adjustment required for the group relating to Pillar 2 taxes for the year ended 31 December 2024.

| | 2024 | 2023 |
|---|---|---|
| | % | % |
| Taxation as a percentage of profit before taxation | 27.7 | 26.9 |
| Taxation effect of: | | |
| Rate difference between South African and foreign subsidiaries[1] | (0.1) | 0.1 |
| Disallowable expenditure[2] | (0.2) | (0.1) |
| Prior year over provision | (0.4) | 0.1 |
| Standard taxation rate | 27.0 | 27.0 |

1 This relates to tax incurred in the United Kingdom where the tax rate is 25%.
2 This relates mostly to learnership costs, legal fees, non-deductible outside services costs, consulting fees and donations.

# Notes to the annual financial statements continued
## for the year ended 31 December

### 20. Earnings and headline earnings per share

Attributable earnings per share is calculated by dividing the profit or loss attributable to shareholders of Kumba by the weighted average number of ordinary shares in issue for the year, excluding ordinary shares purchased by the group and held as treasury shares.

For the diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potential dilutive ordinary shares as a result of share options granted to employees under the employee share incentive schemes. A calculation is performed to determine the number of shares that could have been acquired at fair value, determined as the average annual market share price of the Company's shares based on the monetary value of the subscription rights attached to the outstanding share options.

| Rand million | 2024 | 2023 |
|---|---|---|
| Profit attributable to equity holders of Kumba | **14,699** | 22,725 |
| **Number of shares** | | |
| Weighted average number of ordinary shares in issue | **320,883,243** | 320,956,591 |
| Potential dilutive effect of outstanding share options[1] | **789,464** | 754,400 |
| Diluted weighted average number of ordinary shares in issue | **321,672,707** | 321,710,991 |

[1] The dilution adjustment of 789,464 shares at 31 December 2024 (2023: 754,400) is a result of the share options granted under the various employee share incentive schemes. Refer to Annexure 3 for details of the group's share option schemes.

**Reconciliation of headline earnings**
The calculation of HEPS is based on the basic earnings per share calculation adjusted for the following items:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| Rand million | Gross adjustment | Net attributable | Gross adjustment | Net attributable |
| Profit attributable to equity holders of Kumba | **14,699** | **14,699** | 22,725 | 22,725 |
| Impairment reversal | **(3,940)** | **(2,203)** | – | – |
| Net gain on disposal and scrapping of property, plant and equipment | **(1)** | **(1)** | (1) | (1) |
| | **10,758** | **12,495** | 22,724 | 22,724 |
| Taxation effect of adjustments | **1,052** | **–** | – | – |
| Non-controlling interest in adjustments | **685** | **–** | – | – |
| **Headline earnings** | **12,495** | **12,495** | 22,724 | 22,724 |

| Rand | 2024 | 2023 |
|---|---|---|
| **Attributable earnings per share** | | |
| Basic | **45.81** | 70.80 |
| Diluted | **45.70** | 70.64 |
| **Headline earnings per share** | | |
| Basic | **38.94** | 70.80 |
| Diluted | **38.84** | 70.63 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 21. Share capital and share premium (including treasury shares)

| Number of shares | 2024 | 2023 |
|---|---|---|
| **Authorised** | | |
| Ordinary shares of R0.01 each | **500,000,000** | 500,000,000 |
| **Issued** | | |
| Ordinary shares of R0.01 each | **322,085,974** | 322,085,974 |
| **Reconciliation of issued shares** | | |
| Number of shares at the beginning of the year | **322,085,974** | 322,085,974 |
| Number of shares at the end of the year | **322,085,974** | 322,085,974 |
| **Reconciliation of shares held in reserve (unissued shares)** | | |
| Authorised shares at the beginning of the year not issued | **177,914,026** | 177,914,026 |
| **Unissued shares at the end of the year** | **177,914,026** | 177,914,026 |

No new shares were issued during 2024 and 2023.

The unissued shares are under the control of the directors of Kumba until the next annual general meeting. All issued shares are fully paid up. There are no rights, preferences or restrictions attached to these shares.

#### Reconciliation of treasury shares held

| Number of shares | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | **1,134,326** | 1,168,612 |
| Purchased during the year | **527,646** | 465,211 |
| Issued to employees under the Bonus Share Plan (BSP), Bonus and Retention Share Plan (BRP) and the SIOC Employee Share Ownership Plan Trust (Semela) | **(444,994)** | (499,497) |
| **Number of treasury shares at the end of the year** | **1,216,978** | 1,134,326 |

All treasury shares are held in respect of employee share schemes and are available for utilisation for the purposes of these schemes, as disclosed in note 22. At 31 December 2024, all treasury shares were held as conditional share awards under the BSP, BRP, Karolo and Semela.

Total treasury shares purchased during the year were acquired by the SIOC Employee Share Ownership Plan Trust (Semela) (328,164 shares) and SIOC, a subsidiary of Kumba (199,482 shares). No treasury shares reverted to "authorised but unissued" during the year.

| Rand million | 2024 | 2023 |
|---|---|---|
| **Reconciliation of share capital and premium (net of treasury shares)** | | |
| Balance at the beginning of the year | **(232)** | (251) |
| Net movement in treasury shares under employee share incentive schemes | **42** | 19 |
| Purchase of treasury shares under employee share incentive schemes[1] | **(241)** | (223) |
| Shares issued to employees under employee share incentive schemes | **283** | 242 |
| Balance at the end of the year | **(190)** | (232) |
| Comprises: | | |
| Share capital | **3** | 3 |
| Share premium | **364** | 364 |
| Treasury shares | **(557)** | (599) |
| **Balance at the end of the year** | **(190)** | (232) |

[1] The average price paid for the purchase of the shares in 2024 was R457.38 per share (2023: R478.86 per share).

# Notes to the annual financial statements continued
## for the year ended 31 December

### 22. Equity-settled share-based payment reserve

| Rand million | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | **357** | 355 |
| Equity-settled share-based payment expense | **155** | 211 |
| Employee share incentive schemes: | | |
| Karolo | **38** | 99 |
| BSP | **—** | 3 |
| Semela | **55** | 16 |
| PSP | **(9)** | 3 |
| BRP | **71** | 90 |
| Vesting of shares under employee share incentive schemes | **(220)** | (209) |
| **Balance at the end of the year** | **292** | 357 |

Refer to Annexure 3: Equity-settled share-based payment schemes for the description, detailed movements and valuation assumptions for each share scheme for the year under review.

### 23. Non-controlling interests

| Rand million | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | **16,203** | 12,771 |
| Profit for the year | **4,576** | 7,080 |
| Exxaro Resources Limited | **3,978** | 6,155 |
| SIOC Community Development Trust | **598** | 925 |
| Dividends paid | **(4,302)** | (3,894) |
| Exxaro Resources Limited | **(3,741)** | (3,386) |
| SIOC Community Development Trust | **(561)** | (508) |
| Interest in movement in equity reserves | **8** | 246 |
| Foreign currency translation reserve | **8** | 246 |
| | **16,485** | 16,203 |

Details relating to non-controlling interests are disclosed in note 33.

### 24. Cash generated from operations

| Rand million | 2024 | 2023 |
|---|---|---|
| **Operating profit** | **26,361** | 40,705 |
| Adjusted for: | | |
| Depreciation of property, plant, equipment and right-of-use assets | **5,713** | 5,005 |
| Movement in provisions | **(403)** | 480 |
| Unrealised foreign currency revaluations and fair value adjustments | **(801)** | (907) |
| Profit on disposal and scrapping of property, plant and equipment | **(1)** | (1) |
| Impairment reversal | **(3,940)** | — |
| Movement in non-current financial assets and prepayments | **11** | 204 |
| Equity-settled share-based payment expenses | **155** | 211 |
| **Cash flows from operations** | **27,095** | 45,697 |
| Working capital movements: | | |
| Decrease/(increase) in inventories | **2,283** | (4,629) |
| Decrease/(increase) in trade and other receivables | **5,281** | (4,260) |
| Increase in trade and other payables | **132** | 1,449 |
| **Cash generated from operations[1]** | **34,791** | 38,257 |

[1] The group presents statement of cash flows using the direct method. The above note has been included as additional information.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 25. Net finance income/(expense)

| Rand million | Notes | 2024 | 2023 |
|---|---|---|---|
| Net finance income per the statement of profit or loss | | **290** | 68 |
| Adjusted for: | | | |
| Notional interest on provisions | 10 | **121** | 63 |
| Borrowing costs capitalised | 2 | **(75)** | (151) |
| Movement in interest receivable | | **17** | (11) |
| Movement in interest payable | | **(7)** | (65) |
| | | **346** | (96) |
| Finance income received | | **817** | 674 |
| Finance costs paid | | **(471)** | (770) |
| | | **346** | (96) |

### 26. Taxation paid

| Rand million | 2024 | 2023 |
|---|---|---|
| Taxation liabilities/(assets) at the beginning of the year | **206** | (560) |
| Income taxation per the statement of profit or loss (refer to note 19) | **5,129** | 9,611 |
| Translation of taxation for foreign operations | **(8)** | 11 |
| Taxation assets/(liabilities) at the end of the year | **551** | (206) |
| **Taxation paid per the statement of cash flows** | **5,878** | 8,856 |
| **Comprising normal taxation:** | | |
| South Africa | **5,313** | 8,392 |
| Foreign operations | **565** | 464 |
| | **5,878** | 8,856 |

### 27. Dividends paid

| Rand million | 2024 | 2023 |
|---|---|---|
| Dividends paid to owners of Kumba | **13,840** | 12,529 |
| Dividends paid to non-controlling shareholders | **4,302** | 3,894 |
| **Total dividends per the statement of changes in equity** | **18,142** | 16,423 |

### 28. Additions to property, plant and equipment

| Rand million | 2024 | 2023 |
|---|---|---|
| Investment to expand operations | **1,260** | 3,055 |
| Investments to maintain operations | **4,502** | 5,300 |
| Deferred stripping costs capitalised | **3,238** | 1,588 |
| Total capital expenditure for the year | **9,000** | 9,943 |
| Decrease/(increase) in capital creditors[1] | **673** | (81) |
| Additions per the statement of cash flows | **9,673** | 9,862 |

[1] This amount relates to capital expenditure incurred during the year which had not been paid as at the reporting date, net of any prior year capital expenditure paid during the year.

# Notes to the annual financial statements continued
for the year ended 31 December

## 29. Guarantees and regulatory update

### 29.1 Guarantees

| Rand million | 2024 | 2023 |
|---|---|---|
| Environmental closure liability guarantees obtained in favour of the DMRE | **6,521** | 5,122 |
| Operational guarantees obtained in favour of the DMRE | **8** | 8 |
| Other guarantees | **40** | — |
| | **6,569** | 5,130 |

Environmental obligations

Total guarantees provided in favour of the DMRE in respect of the group's undiscounted environmental closure liabilities at 31 December 2024 were R6.5 billion (2023: R5.1 billion). In May 2024, additional guarantees amounting to R1,395 million were provided in favour of the DMRE in respect of the shortfall at 31 December 2023.

Undiscounted closure costs decreased by R721 million during the year which, together with the increase of R112 million in the trust fund investment and an additional guarantee of R5 million issued during the year, has resulted in a surplus of R838 million in respect of guarantees provided to the DMRE for both mines.

### 29.2 Regulatory update

National Environmental Management Act (NEMA)

The Minister of Forestry, Fisheries and the Environment has determined that requirements for making financial provision to manage, rehabilitate and remediate environmental impacts from mining operations will be regulated under NEMA and no longer under the current Mineral and Petroleum Resources Development Act. This agreement has been formalised by amending the relevant environmental, water and mining legislation. The financial provisioning regulations were published on 20 November 2015, and further proposed material amendments were gazetted on 10 November 2017, 17 May 2019 and 30 August 2021. The effective date for NEMA regulations has been extended to a date yet to be published. These amendments are expected to result in the provision of additional funding for the undiscounted closure costs.

## 30. Commitments

### Lease commitments

This relates to future cash outflows that Kumba is exposed to that are not reflected in the measurement of the lease liabilities. This includes exposure from variable lease payments for certain equipment items and lease payments for low-value equipment items.

| Rand million | 2024 | 2023 |
|---|---|---|
| **The undiscounted future cash outflows not reflected in the measurement of the lease liabilities are as follows:** | | |
| Plant and equipment | | |
| Within 1 year | **49** | 52 |
| Between 1 and 2 years | **10** | 49 |
| Between 2 to 5 years | **—** | 11 |
| **Total lease commitments** | **59** | 112 |

### Shipping commitments

Refer to note 33 for the group's shipping commitments to its fellow subsidiary, Anglo American Shipping Pte Limited.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 31. Contingent liabilities

As previously reported, during 2018, SARS issued the group with additional income tax assessments, covering the 2012 to 2014 years of assessment, relating to a tax audit on the deductibility of certain expenditure incurred. The group objected to these assessments after consultation with external tax and legal advisers. SARS disallowed the objection.

Subsequently, the group appealed against the outcome which was referred ADR proceedings in an attempt to resolve the matter. The ADR proceedings were held and subsequently terminated in 2020. The group proceeded to the Tax Court in 2020 to appeal against the assessments issued by SARS on this matter. The trial at the Tax Court commenced during May 2022 and was completed in June 2022 and the judgment was handed down on 31 March 2023. The Tax Court dismissed SIOC's appeal, however, conceded on certain tax deductions, and understatement penalties and interest.

SIOC filed an appeal against the Tax Court judgment, to the extent that it was in SARS's favour, directly to the SCA. SARS opposed SIOC's appeal and filed a cross-appeal against the judgment to the extent that it was in SIOC's favour.

On 14 September 2020, SARS informed the group of its intention to audit the 2015 to 2018 years of assessment. As the 2015 and 2018 years of assessment have prescribed, both years must be excluded from the audit. Furthermore, during May 2023, SARS informed SIOC that the audit of the 2019, 2020 and 2021 tax years was put on hold pending the outcome of the litigation. The appeal and the audits concern the same subject matter. The outcome of the appeal is likely to determine a substantial number, if not all, of the issues to be traversed in the audit. SARS has therefore agreed to hold the audit in abeyance pending the outcome of the appeal to the SCA. SIOC and SARS have agreed on and signed prescription extension agreements for the 2016, 2017, 2019, 2020 and 2021 years of assessment, only in relation to the matters included in the above appeal.

The matter was heard by the SCA on 6 November 2024 and the judgment has not yet been handed down.

Based on the external legal and tax advice obtained, the group believes that these matters have been appropriately disclosed in the financial statements for the year ended 31 December 2024.

### 32. Events after the reporting period

#### 32.1 Dividends

A final cash dividend of R19.90 per share was declared by the Board on 17 February 2025 from profits accrued during the financial year ended 31 December 2024. The total cash dividend for the year amounted to R38.67 per share. The estimated total cash flow of the final Kumba dividend, payable on 17 March 2025, is R6.4 billion.

#### 32.2 Other

The directors are not aware of any other matters or circumstances arising since the end of the year and up to the date of this report, not otherwise dealt with in this report.

# Notes to the annual financial statements continued
for the year ended 31 December

## 33. Related-party transactions

During the year, the Company and its subsidiaries, in the ordinary course of business, entered into various sales and purchases of goods and service transactions with the group's related parties, as detailed below. The effect of these transactions is included in the results of the group.

### Shareholders
The principal shareholders of the Company are detailed under shareholder analysis on pages 113 to 115.

### Ultimate holding company
Anglo American plc is the ultimate holding company of the group, through its 100% held subsidiary, Anglo South Africa Proprietary Limited.

### Subsidiaries of ultimate holding company
The Company regularly transacts with its fellow subsidiaries. The most significant transactions are the shipping arrangements entered into with Anglo American Shipping Private Limited (and Anglo American Marketing Limited, until 2021), the clearing of funds being repatriated to South Africa that are placed on short-term deposit with Anglo American Capital Proprietary Limited and corporate office recharges for services performed.

Anglo American SA Finance Limited acts as an agent for the Company and the group in respect of all foreign exchange transactions and performs a back-office treasury function for the group. Short-term cash deposits are placed with the entity, and funds are drawn down from this entity in the form of borrowings when required, resulting in both interest paid and interest received from Anglo American SA Finance Limited.

### Holding company
Anglo South Africa Proprietary Limited holds a 69.71% interest in the Company (2023: 69.71%).

### Fellow subsidiaries
The Company regularly transacts with Anglo Corporate Services South Africa Proprietary Limited in respect of centralised services provided to Anglo American group companies.

### Subsidiaries of the Company
Details of investments in and loans to subsidiaries are disclosed in Annexure 1.

### Associates and joint ventures
Details of investments in associates and joint ventures are disclosed in Annexure 2.

### Entities with significant influence over SIOC
Exxaro is SIOC's 20.37% black economic empowerment shareholder, representing Exxaro's legal shareholding in SIOC. Details of dividends paid to Exxaro as well as its proportionate share of earnings for the year are detailed in note 23.

### Special purpose entities (SPEs)
The group controls the following SPEs which are consolidated:

| Entity | Nature of business |
|---|---|
| Kumba Iron Ore Rehabilitation Trust | Trust fund for mine closure |
| Kumba BSP Trust | Share incentive scheme administrator |
| SIOC Employee Benefit Trust (Karolo) | Share incentive scheme administrator |
| SIOC Employee Share Ownership Trust (Semela) | Share incentive scheme administrator |

### Directors, senior management and prescribed officers
Details relating to the remuneration and shareholdings (including share options) of the Company's directors and the group's Executive Committee and prescribed officers are disclosed in note 35.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 33. Related-party transactions continued

**Transactions and balances held with related parties**

| Rand million | 2024 | 2023 |
|---|---|---|
| **Anglo American SA Finance Proprietary Limited** | | |
| Short-term deposit held with Anglo American SA Finance Proprietary Limited | | |
| – Deposit balance | 1,101 | — |
| – Weighted average interest rate (%) | 9.37 | 8.29 |
| Interest earned during the year | 86 | 38 |
| Interest receivable | 1 | 11 |
| Uncommitted facilities held with Anglo American SA Finance Proprietary Limited | 8,200 | 8,200 |
| Utilised portion of the uncommitted facility (note 9) | 8 | 1,134 |
| Interest incurred during the year | 20 | 134 |
| Interest payable | 2 | 3 |
| **Anglo American Capital plc** | | |
| Short-term deposit held with Anglo American Capital plc | | |
| – Deposit balance | 13,018 | 14,089 |
| – Weighted average interest rate (%) | 5.17 | 5.00 |
| Interest earned during the year | 491 | 511 |
| Committed debt facilities held with Anglo American Capital plc | 9,552 | 12,963 |
| Uncommitted debt facilities held with Anglo American Capital plc | 11,238 | 11,111 |
| Commitment fees incurred during the year | 48 | 98 |
| **Anglo Corporate Services South Africa Proprietary Limited** | | |
| Purchase of goods and services: Corporate operations (including shared services) | 1,376 | 992 |
| Insurance receivable | 90 | 100 |
| Trade payables | 1,522 | 819 |
| Long-term receivables | 115 | 118 |
| **Anglo American Marketing Limited** | | |
| Cash and cash equivalents held with Anglo American Marketing Limited | 1,758 | 2,241 |
| Net (loss)/gain on trading activities realised | (5,215) | 5,867 |
| Trade receivables | 39 | 224 |
| Sale of goods and services | 1,614 | 773 |
| Trade payables | 150 | 84 |
| Purchases of services | 421 | 361 |
| **Anglo American Shipping Pte Limited** | | |
| Shipping services provided by Anglo American Shipping Pte Limited | 7,998 | 5,656 |
| Shipping commitments (maturity analysis is provided below)[1] | 173 | 792 |
| Net (loss)/gain on trading activities[1] | (37) | 68 |
| Other payables | 406 | 150 |
| Trade and other receivables | 431 | — |
| **Anglo American Rand Capital** | | |
| Committed debt facilities held with Anglo American Rand Capital | 8,000 | 8,000 |
| Commitment fees incurred during the year[1] | 44 | 92 |
| Interest incurred during the year | — | 121 |
| **Anglo South Africa Proprietary Limited** | | |
| Dividends paid to Anglo South Africa Proprietary Limited | 9,648 | 8,734 |
| **Exxaro Resources Limited** | | |
| Dividends paid to Exxaro Resources Limited | 3,741 | 3,386 |
| Purchase of goods and services[2] | 2 | 265 |
| **Essential Prospects 101 Proprietary Limited** | | |
| Cost recoveries for services rendered | 108 | 107 |

1 The disclosure in the comparative period has been updated to include all other material items of income or expenses to provide more information about related party trading activities.
2 Goods purchased and services incurred from Exxaro Resources Limited consisted of ferrosilicon purchases and directors' fees.

# Notes to the annual financial statements continued
for the year ended 31 December

## 33. Related-party transactions continued

### Maturity analysis of shipping services commitments:

| Rand million | 2024 | 2023 |
|---|---|---|
| Future commitments under contracts for affreightment are as follows: | | |
| Within 1 year | 173 | 642 |
| 1 to 2 years | — | 150 |
| 2 to 5 years | — | — |
| | 173 | 792 |

Anglo American Shipping Pte Ltd enters into contracts of affreightment with shipping service providers and then enters into back-to-back arrangements with Kumba in respect of all the contracts on the same terms and conditions. The commitments disclosed above represent the Kumba group's future commitments.

### Entities with significant non-controlling interests

SIOC is the only consolidated subsidiary with non-controlling interests. SIOC is incorporated in South Africa.

These non-controlling interests are as follows:
Exxaro Resources Proprietary Limited 20.37% (2023: 20.37%)
SIOC Community Development Trust 3.06% (2023: 3.06%)

The non-controlling interests in the consolidated financial statements are as follows:

| Rand million | 2024 | 2023 |
|---|---|---|
| Profit for the year allocated to non-controlling interests | 4,576 | 7,080 |
| Accumulated non-controlling interests at the end of the year | 16,485 | 16,203 |

| Rand million | 2024 | 2023 |
|---|---|---|
| **Statement of profit or loss** | | |
| Revenue | 56,225 | 74,582 |
| Operating expenses | (36,103) | (37,774) |
| Impairment reversal | 3,940 | — |
| Expected credit losses on financial assets | (16) | (137) |
| Operating profit | 24,046 | 36,671 |
| Net finance income | (245) | (361) |
| Income from investments | 4,694 | 4,076 |
| Profit before taxation | 28,495 | 40,386 |
| Taxation | (6,997) | (10,395) |
| **Profit for the year** | 21,498 | 29,991 |
| **Statement of financial position** | | |
| Non-current assets | 67,762 | 60,990 |
| Current assets | 20,702 | 24,665 |
| **Total assets** | 88,464 | 85,655 |
| Shareholders' equity | 60,494 | 57,137 |
| Non-current liabilities | 17,395 | 15,871 |
| Current liabilities | 10,575 | 12,647 |
| **Total equity and liabilities** | 88,464 | 85,655 |
| **Statement of cash flows** | | |
| Cash flows from operating activities | 30,958 | 30,016 |
| Cash flows utilised in investing activities | (9,623) | (9,850) |
| Cash flows utilised in financing activities | (20,490) | (19,331) |
| **Net increase in cash and cash equivalents** | 845 | 835 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 34. Financial risk management

The group is exposed to credit risk, liquidity risk and market risk (commodity price risk, foreign exchange risk and interest rate risk) from the use of financial instruments. Overall responsibility for establishment and oversight of the risk management framework rests with the Board of directors. The Board, through its various sub-committees, is responsible for the development, monitoring and communication of the processes for managing risk across the group.

The group maintains an integrated, enterprise-wide risk management programme. The group applies a logical, systematic and repetitive methodology to identify, analyse, assess, treat and monitor all risks, whether they are insurable or not. The risk management process is continuous, with well-defined steps that support better decision-making by contributing a greater insight into risks and their impacts. Risks from all sources are identified and once they pass the materiality threshold, a formal process begins in which various factors and consequences are identified and the correlation with other risks and the current risk mitigating strategy is reviewed. One of the challenges is to ensure that mitigating strategies are geared to deliver reliable and timely risk information to support better decision-making.

The risk assessment and reporting criteria are designed to provide the Executive Committee, via the Management Risk Committee and the Board, with a consistent, enterprise-wide perspective of the key risks. The reports, which are submitted monthly to the Executive Committee and quarterly to the Management Risk Committee and the Board, include an assessment of the likelihood and impact of risks materialising, as well as risk mitigation initiatives and their effectiveness, risk appetite and tolerance.

In conducting its review of the effectiveness of risk management, the Board considers the key findings from the ongoing monitoring and reporting processes within the combined assurance framework as well as from management. The Board also takes into account material changes and trends in the risk profile and considering whether the control system, including reporting, adequately supports the Board in achieving its risk management objectives.

SIOC, in conjunction with Anglo American SA Finance Proprietary Limited, provides a treasury function to the group, co-ordinates access to domestic and international financial markets, and manages the financial risks relating to the group's operations.

The group utilises derivative instruments to manage certain market risk exposures, however, it chooses not to designate derivatives as hedges for accounting purposes. Such derivatives are classified as FVTPL and the fair value movements are recorded in the group's statement of profit or loss.

These derivatives allow the group to more closely align prices achieved from sales transactions with reference prices set by the group. The iron ore derivatives are entered into by the group's marketing team. Derivatives are linked to sales made to customers. Margin accounts are used to manage risks related to the derivatives. The initial margins under derivative contract with a related party, which are required to be held for trading, are included in cash and cash equivalents (refer to note 8).

The use of derivative instruments is subject to limits and the positions are regularly monitored and reported to the Executive Committee.

# Notes to the annual financial statements continued
for the year ended 31 December

## 34. Financial risk management continued

### 34.1 Measurement basis of financial instruments

| Rand million | Notes | FVTPL[1] | Amortised cost | Total |
|---|---|---|---|---|
| **2024** | | | | |
| **Financial assets** | | | | |
| Investments held by the environmental trust | 4 | **989** | **–** | **989** |
| Trade receivables | 7 | **1,703** | **770** | **2,473** |
| Long-term other receivables | 5 | **58** | **–** | **58** |
| Equity investments at FVTPL | | **9** | **–** | **9** |
| Other receivables (excluding VAT and prepayments) | 7 | **29** | **525** | **554** |
| Cash and cash equivalents | 8 | **–** | **16,913** | **16,913** |
| **Financial liabilities** | | | | |
| Lease liabilities | 3 | **–** | **(193)** | **(193)** |
| Interest-bearing borrowings | 9 | **–** | **(2,003)** | **(2,003)** |
| Trade payables | 12 | **(293)** | **(6,667)** | **(6,960)** |
| Other payables | 12 | **(7)** | **(1,888)** | **(1,895)** |
| | | **2,488** | **7,457** | **9,945** |
| **2023** | | | | |
| **Financial assets** | | | | |
| Investments held by the environmental trust | 4 | 877 | – | 877 |
| Trade receivables | 7 | 5,435 | 916 | 6,351 |
| Long-term other receivables | 5 | 40 | – | 40 |
| Equity investments at FVTPL | | 9 | – | 9 |
| Other receivables (excluding VAT, prepayments and mineral royalty receivable) | 7 | – | 1,370 | 1,370 |
| Cash and cash equivalents | 8 | – | 17,722 | 17,722 |
| **Financial liabilities** | | | | |
| Lease liabilities | 3 | – | (355) | (355) |
| Interest-bearing borrowings | 9 | – | (4,144) | (4,144) |
| Trade payables | 12 | (157) | (6,356) | (6,513) |
| Other payables | 12 | – | (2,514) | (2,514) |
| | | 6,204 | 6,639 | 12,843 |

[1] These financial assets and financial liabilities are mandatorily measured at FVTPL.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

34. Financial risk management continued

### 34.2 Credit risk

Credit risk is the risk of financial loss to the group if a counterparty to a financial instrument fails to meet its contractual obligations. The group is exposed to counterparty risk from the investments made by the environmental trust, outstanding customer balances, cash deposits with financial institutions and related parties. The objective of managing credit risk is to avoid losses due to a default by a counterparty, or to minimise losses in the event of a default.

#### 34.2.1 Credit risk policy: Investments and cash and cash equivalents

The group's policy is to strictly limit exposure to individual counterparties by reference to published short-term and long-term credit ratings from recognised credit rating agencies. The group invests in high-quality investments with reputable service providers with long-term investment credit ratings ranging between AA and AA+, based on external credit rating agencies.

The group's exposure and the credit ratings of its counterparties are continuously monitored. The policy requires diversification of credit exposures among these financial institutions and defines acceptable daily settlement limits. Where cash is held by related parties, those related parties manage the external investment of cash in accordance with the group's treasury policy by investing in liquidity funds, bank deposits and government instruments. The related parties are ultimately wholly owned subsidiaries of the ultimate holding company, which has a credit rating of BBB+ based on S&P Global Ratings and Moody's Investors Service ratings.

Individual limits for counterparties whose ratings fall within the credit rating guidelines of the group's policy are approved by the Chief Financial Officer, and for counterparties with ratings outside of the policy guidelines, the limits must be approved by the Board.

#### 34.2.2 Credit risk policy: Trade and other receivables

The group's credit policy is used for the management of counterparty risk associated with trade receivables originating from export and domestic sales contracts. This policy seeks to mitigate and minimise the risk of financial loss should customers become unable to meet their obligations to the group. It defines the requirement for sanctions and compliance reviews, the application of secure payment terms, primarily letters of credit from acceptable banks, as well as credit risk assessments and the establishment of credit limits prior to contracting. Credit limits are reviewed and approved at least annually and the group's exposure to its counterparties is regularly monitored at the appropriate level.

#### 34.2.3 Credit risk exposure

The carrying amount of financial assets represents the group's maximum credit risk exposure.

| Rand million | Notes | 2024 | 2023 |
|---|---|---|---|
| Trade receivables | 7 | **2,473** | 6,351 |
| Cash and cash equivalents | 8 | **16,913** | 17,722 |
| Investment held by the environmental trust | 4 | **989** | 877 |
| Other receivables (excluding VAT, prepayments and mineral royalty receivable) | 7 | **554** | 1,370 |

*Trade and other receivables*

The group applies the simplified expected credit loss model for its trade receivable measured at amortised cost, as permitted by IFRS 9 *Financial Instruments*. The expected credit losses on trade and other receivables are estimated for customers on an individual basis by reference to past default experience, credit profiles and financial metrics, adjusted as appropriate for current observable data (refer to note 7).

Other receivables were considered to have similar risk characteristics. No significant increase in credit risk related to other receivables was identified and therefore the expected credit losses were measured at a 12-month expected credit loss applying the general approach.

# Notes to the annual financial statements continued
## for the year ended 31 December

### 34. Financial risk management continued

#### 34.2.3 Credit risk exposure continued

*Cash and cash equivalents*

The group held cash and cash equivalents of R16,913 million at 31 December 2024 (2023: R17,722 million). Cash and cash equivalents amounting to R14,119 million (2023: R14,089 million) and R1,758 million (2023: R2,241 million) were held with related parties who provide a treasury or trading service to the group (refer to note 33). Where cash is held with Anglo American group companies, the related treasury companies manage the external investment of cash in accordance with the Anglo American group treasury policy by investing in liquidity funds, bank deposits and government instruments. The funds are managed according to strict policy guidelines with pre-approved limits and counterparties, and are readily available and can be accessed and withdrawn within a period of one to two days.

The group treasury companies are ultimately wholly owned subsidiaries of Anglo American plc, which has a credit rating of BBB+.

#### 34.2.4 Collateral

The group does not hold any other material collateral in respect of its financial assets subject to credit risk.

### 34.3 Liquidity risk

Liquidity risk is the risk that the group will be unable to meet its financial obligations as they become due. The objectives of the group's liquidity risk management processes are to maintain adequate cash and credit facilities to meet all short-term obligations and ensure that the group can meet all known and forecast strategic commitments.

The group's treasury function must maintain cash and committed facilities to meet at least 125% of all known and forecast commitments for the next 18 months using debt instruments as deemed appropriate. As a general rule, it is the group's policy that no security be provided. However, exceptions are allowed on a case-by-case basis where it is required for a transaction to proceed. Facilities creating security or encumbrances over assets need the prior consent of the group's Chief Financial Officer. The group's credit facilities are detailed in note 9.

The group's revolving credit facilities contain financial covenants which state that:
- the ratio of SIOC's consolidated net debt to SIOC's consolidated tangible net worth must not exceed 0.8:1.0
- SIOC's consolidated tangible net worth must not be less that R20 billion at the end of each reporting period

Net debt is defined in the covenant as SIOC's consolidated borrowings less SIOC's unrestricted cash, Kumba International Trading Limited and Kumba Singapore Pte Limited's unrestricted cash in excess of US$20 million plus its financial indebtedness at the time. Tangible net worth is defined as total equity less any intangible assets.

In line with the agreements, the financial covenants were tested at 30 June 2024 and 31 December 2024 and the group was not in breach of any of its financial covenants during the year and as at 31 December 2024.

The group's debt facilities consist of SIOC's committed R16 billion (2023: R16 billion) revolving credit facilities, which mature in 2029, and SIOC's uncommitted facility of R8.2 billion (2023: R8.2 billion). As at 31 December 2024, R2.0 billion (2023: R3.0 billion) had been drawn from the committed facilities and the uncommitted facility was undrawn (2023: R1.1 billion).

In addition, during the 2024 financial year, SIOC's wholly owned subsidiaries, Kumba Singapore Pte Limited and Kumba International Trading Limited, amended and extended their short-term working capital financing facilities which mature in June 2025.The facilities consist of a US$510 million (R9.6 billion) committed facility and a US$600 million (R11.2 billion) uncommitted facility. Both facilities were undrawn at 31 December 2024 and 31 December 2023.

Guarantees obtained in favour of third parties must be approved by the group's Executive Committee up to R500 million, and by the Board if the value exceeds R500 million. During the year, the group provided additional guarantees amounting to R1,395 million (2023: R275 million) in respect of the shortfall for the environmental rehabilitation provisions. As at 31 December 2024, total guarantees obtained in favour of third parties amounted to R6.6 billion (2023: R5.1 billion) (refer to note 29).

At 31 December 2024, the expected cash flows from trade and other receivables maturing in the short term and cash and cash equivalents were sufficient to meet the obligations associated with the group's financial liabilities as at that date.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 34. Financial risk management continued

### 34.3 Liquidity risk continued

The table below analyses the group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity profile of the group's financial liabilities

| Rand million | Note | Within 6 months | 6 to 12 months | 1 to 2 years | 3 or more years | Total contractual cash flows |
|---|---|---|---|---|---|---|
| **2024** | | | | | | |
| **Financial liabilities** | | | | | | |
| **At amortised cost:** | | | | | | |
| Lease liabilities[1] | 3 | **67** | **67** | **57** | **27** | **218** |
| Interest-bearing borrowings | 9 | **2,003** | **–** | **–** | **–** | **2,003** |
| Trade payables | 12 | **6,667** | **–** | **–** | **–** | **6,667** |
| Other payables | 12 | **2,304** | **–** | **–** | **–** | **2,304** |
| | | **11,041** | **67** | **57** | **27** | **11,192** |
| **2023** | | | | | | |
| **Financial liabilities** | | | | | | |
| **At amortised cost:** | | | | | | |
| Lease liabilities[1] | 3 | 98 | 98 | 133 | 81 | 410 |
| Interest-bearing borrowings | 9 | 4,144 | – | – | – | 4,144 |
| Trade payables | 12 | 6,356 | – | – | – | 6,356 |
| Other payables | 12 | 2,946 | – | – | – | 2,946 |
| | | 13,544 | 98 | 133 | 81 | 13,856 |

[1] This represents the contractual undiscounted cash flows.

### 34.4 Market risk

Market risk includes foreign exchange risk, interest rate risk and commodity price risk.

All derivative activities are for risk management purposes only and not to engage in speculative transactions. Hedging is conducted in strict compliance with the group's treasury risk policy. The group does not apply any form of hedge accounting.

#### 34.4.1 Foreign exchange risk

The group's earnings are exposed to movements in exchange rates. Kumba's iron ore export prices are determined in US Dollars and the group negotiates iron ore prices in that currency with customers. Currency movements of the US Dollar against the Rand therefore could have a significant effect on the financial position and results of Kumba. Certain operating costs and capital expenditure are also denominated in foreign currencies. The Company's functional currency for the preparation of financial accounts is the South African Rand. The group is therefore exposed to foreign exchange risk in respect of non-Rand cash flows for revenues, operating costs and capital expenditure. The group aligned both its export and import hedging policies with that of the Anglo American group. In line with the policy, hedging requires approval subject to the limit defined in the treasury policy. The hedging of foreign currency exposures on the group's behalf via suppliers and third parties is also prohibited.

# Notes to the annual financial statements continued
for the year ended 31 December

## 34. Financial risk management continued

### 34.4 Market risk continued

#### 34.4.1 Foreign exchange risk continued

It is the group's policy to be fully exposed to operating cost and revenue currency risk, i.e. not to hedge foreign currency operating costs and revenues. The objective of managing currency risk on capital expenditure is to broadly offset foreign currency capital expenditure with the future streams of foreign currency denominated revenues, i.e. natural or economic hedging. Net US Dollar export proceeds are repatriated and sold on a weekly basis or invested into the US$ bank account at the ruling spot price. The average Rand/US$ exchange rate for 2024 of US$1: R18.33 (2023: US$1: R18.45) was used to translate the statement of profit or loss and statement of cash flows, while the statement of financial position was translated at the closing rate on the last day of the reporting year using an exchange rate of US$1: R18.73 (2023: US$: R18.52). The group's financial instrument exposure to currency risk, excluding derivatives, is summarised below:

| Rand million | Notes | Rand | US Dollar | Other | Total |
|---|---|---|---|---|---|
| **2024** | | | | | |
| **Financial assets** | | | | | |
| **Fair value through profit or loss:** | | | | | |
| Investments held by the environmental trust | 4 | **989** | **–** | **–** | **989** |
| Long-term other receivables | 5 | **58** | **–** | **–** | **58** |
| Equity investment at FVTPL | | **9** | **–** | **–** | **9** |
| Trade receivables | 7 | **–** | **1,703** | **–** | **1,703** |
| Other receivables | | **–** | **29** | **–** | **29** |
| **Amortised cost:** | | | | | |
| Trade receivables | 7 | **33** | **737** | **–** | **770** |
| Other receivables | 7 | **2,715** | **12** | **–** | **2,727** |
| Cash and cash equivalents | 8 | **2,118** | **14,788** | **7** | **16,913** |
| **Financial liabilities** | | | | | |
| **Fair value through profit or loss:** | | | | | |
| Trade payables | 12 | **–** | **(293)** | **–** | **(293)** |
| Other payables | | **–** | **(7)** | **–** | **(7)** |
| **Amortised cost:** | | | | | |
| Interest-bearing borrowings | 9 | **(2,003)** | **–** | **–** | **(2,003)** |
| Lease liabilities | 3 | **(193)** | **–** | **–** | **(193)** |
| Trade and other payables | 12 | **(8,797)** | **(584)** | **(39)** | **(9,420)** |
| **Net exposure** | | **(5,071)** | **16,385** | **(32)** | **11,282** |
| **2023** | | | | | |
| **Financial assets** | | | | | |
| **Fair value through profit or loss:** | | | | | |
| Investments held by the environmental trust | 4 | 877 | – | – | 877 |
| Long-term other receivables | 5 | 40 | – | – | 40 |
| Equity investment at FVTPL | | 9 | – | – | 9 |
| Trade receivables | 7 | – | 5,435 | – | 5,435 |
| **Amortised cost:** | | | | | – |
| Trade receivables | 7 | 21 | 895 | – | 916 |
| Other receivables | 7 | 2,958 | 536 | – | 3,494 |
| Cash and cash equivalents | 8 | 1,293 | 16,406 | 23 | 17,722 |
| **Financial liabilities** | | | | | – |
| **Fair value through profit or loss:** | | | | | |
| Trade and other payables | | – | (157) | – | (157) |
| **Amortised cost:** | | | | | |
| Interest-bearing borrowings | 9 | (4,144) | – | – | (4,144) |
| Lease liabilities | 3 | (355) | – | – | (355) |
| Trade and other payables | 12 | (8,214) | (1,494) | (147) | (9,855) |
| **Net exposure** | | (7,515) | 21,621 | (124) | 13,982 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

34. Financial risk management continued

### 34.4 Market risk continued

34.4.1 Foreign exchange risk continued

*Sensitivity analysis*

A movement in exchange rates of 5%, with all other variables held constant, against the US Dollar would have increased/decreased profit or loss and equity by the amounts shown below, based on the net US Dollar denominated financial instrument balances at 31 December 2024. The analysis has been performed on the same basis followed for 2023.

This analysis considers the impact of changes in foreign exchange rates on profit or loss and equity, excluding foreign exchange translation differences resulting from the translation of group entities that have a functional currency different from the presentation currency, into the group's presentation currency (and recognised in the FCTR).

| | Impact on total comprehensive income and shareholders' equity | |
|---|---|---|
| **Rand million** | **Increase** | **Decrease** |
| **2024** | | |
| US Dollar | **46** | **(42)** |
| **2023** | | |
| US Dollar | 62 | (56) |

34.4.2 Interest rate risk

The group's earnings are exposed to movements in floating interest rates on investments and floating rate debt when drawn. The Company is not exposed to fair value interest rate risk as the Company does not have any fixed interest-bearing financial instruments carried at fair value.

The group's policy is to borrow at floating rates of interest and managing interest rate risks on borrowings to minimise the after-tax cost of debt to the group. Fixed rate debt requires approval from the Board. Cash is primarily at floating rates of interest, subject to tax, legal, currency and liquidity constraints, with the primary purpose of preserving the capital value of cash and maintaining adequate liquidity levels.

*Sensitivity analysis*

Changes in market interest rates affect the interest income or expense of floating rate financial instruments. If the interest rate increased by 50 basis points, the profit would decrease by R1 million (2023: R1 million). On the other hand, if the interest rate decreased by 50 basis points, the profits would increase by R1 million at 31 December 2024 (2023: R1 million).

34.4.3 Commodity price risk

The Company's earnings are exposed to movements in the prices of iron ore that it produces and the commodities that it purchases, for example, energy and material costs. The Company's policy is to sell its products at prevailing market prices and is generally not to hedge commodity price risk, though some hedging may be undertaken for strategic reasons. In such cases, the Company generally uses forward contracts and other derivative instruments to hedge the price risk.

Certain of the group's sales are provisionally priced, meaning that the selling price is determined normally 30 days after delivery of the iron ore sold to the customer, based on quoted market prices stipulated in the contract, and as a result are susceptible to future price movements. As at 31 December 2024, R1,684 million (2023: R5,139 million) of the trade receivables balance was subject to price movements, and R260 million (2023: R157 million) of the trade payables balance was subject to price movements.

# Notes to the annual financial statements continued
for the year ended 31 December

## 34. Financial risk management continued

### 34.4 Market risk continued

#### 34.4.3 Commodity price risk continued

*Sensitivity analysis*

A movement in the iron ore prices of 10%, with all other variables held constant, would have increased/decreased profit or loss and equity as shown below, based on the balance of trade receivables that are subject to provisional pricing at 31 December 2024 and 31 December 2023.

| | Impact on total comprehensive income and shareholders' equity | |
|---|---|---|
| **Rand million** | **Increase** | **Decrease** |
| **2024** | | |
| Iron ore price | **167** | **(167)** |
| **2023** | | |
| Iron ore price | 519 | (519) |

### 34.5 Fair value estimation

The carrying value of financial instruments not carried at fair value, which include trade receivables, cash and cash equivalents, trade payables, other payables, lease liabilities and interest-bearing borrowings, approximates fair value because of the short period to maturity of these instruments or as a result of market-related variable interest rates. The table below presents the group's assets and liabilities that are measured at fair value:

| Rand million | Level 1[1] | Level 2[2] | Level 3[3] |
|---|---|---|---|
| **2024** | | | |
| Investments held by the environmental trust[4] | **–** | **989** | **–** |
| Long-term prepayments and other receivables | **–** | **–** | **58** |
| Equity investment at FVTPL | **–** | **–** | **9** |
| Trade receivables[5] | **–** | **1,703** | **–** |
| Trade payables[6] | **–** | **(293)** | **–** |
| | **–** | **2,399** | **67** |
| **2023** | | | |
| Investments held by the environmental trust | – | 877 | – |
| Long-term prepayments and other receivables | – | – | 40 |
| Equity investment at FVTPL | – | – | 9 |
| Trade receivables[4] | – | 5,435 | – |
| Trade payables[5] | – | (157) | – |
| | – | 6,155 | 49 |

1 Level 1 fair value measurements are derived from unadjusted quoted prices in active markets for identical assets or liabilities.
2 Level 2 fair value measurements are derived from inputs other than quoted prices included within level 1, that are observable either directly or indirectly (i.e. derived from prices).
3 Level 3 fair value measurements are derived from valuation techniques where at least one input (which could have a significant effect on the instrument's valuation) is not based on observable market data. Where inputs can be observed from market data without undue cost or effort, the observed input is used. Otherwise, management determines a reasonable estimate for the input.
4 Refer to note 4 for further details of the investments held by the environmental trust.
5 This includes the provisionally priced receivables carried at fair value through profit and loss.
6 This mainly consists of provisionally priced amounts that have moved to a payable position carried at fair value through profit and loss.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

34. Financial risk management continued

### 34.5 Fair value estimation continued

Fair value gains and losses recognised in operating profit are disclosed in note 17.

The trade receivables are measured at fair value using market-related inputs. The measurement is therefore classified within level 2 of the fair value hierarchy. The inputs used in the model are the forward iron ore price on the inception date as well as the iron ore price on the date the fair value calculation is performed.

There were no transfers between the levels for the year ended 31 December 2024 and 31 December 2023.

All resulting fair value estimates are included in level 1 or level 2, except for the long-term other receivable and equity investment at fair value through profit or loss that are level 3 financial assets. The movements in the fair value of the level 3 financial assets are shown as follows:

| Rand million | 2024 | 2023 |
|---|---|---|
| **Balance at the beginning of the year** | **49** | 62 |
| Fair value gain/(loss) for the year | **18** | (13) |
| **Balance at the end of the year** | **67** | 49 |

The long-term other receivables at 31 December 2024 relate to exploration projects. The fair value was determined using the market approach, which applies available market information of sales transactions for similar recent projects. The significant unobservable inputs used in the valuation model related to the size and grade of the ore deposit determined by geological exploration results.

There were no changes made to any of the valuation techniques applied at 31 December 2024.

### 34.6 Capital management

The group strives to maintain strong credit ratings. In managing its capital, the group's priority is to ensure a robust statement of financial position to provide resilience in times of volatility and enable the group to take advantage of opportunities when they arise, and return excess capital to shareholders unless there are compelling value-accretive opportunities for investment. The group maintains a healthy appetite for moderate gearing in the event of attractive merger and acquisition opportunities. The priority is not to use debt as a cushion for margin stress brought by market volatility. The group's capital expenditure is to be funded from cash generated from operations. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

The group's cash and cash equivalents and debt at the statement of financial position date were as follows:

| Rand million | 2024 | 2023 |
|---|---|---|
| Cash and cash equivalents | **16,913** | 17,722 |
| Interest-bearing borrowings | **(2,003)** | (4,144) |
| Lease liabilities | **(193)** | (355) |
| **Net cash** | **14,717** | 13,223 |
| **Total equity** | **69,300** | 68,222 |

The group has entered into two debt facilities that dictate certain requirements in respect of capital management as listed below. The group has complied with the contractual financial covenants at 31 December 2024 and during the year, as illustrated below:

| | 2024 | 2023 |
|---|---|---|
| Net cash/(debt): equity (%) | | |
| – Target | **<80** | <80 |
| – Actual | **11** | 8 |
| Consolidated tangible net worth | | |
| – Target | **>R20 billion** | >R20 billion |
| – Actual (Headroom) | **R49.5 billion** | R48.6 billion |

# Notes to the annual financial statements continued
for the year ended 31 December

## 35. Directors' and prescribed officers' remuneration

### 2024 Single figure remuneration

| | Guaranteed pay and benefits | | | Additional payments | | Long-term incentive | | | |
|---|---|---|---|---|---|---|---|---|---|
| R'000 | Base salary | Benefits | Total guaranteed pay 2024 | Additional payments | Cash bonus accrued (payable in March 2025) | Deferred bonus arrange-ment (DBA) | Long-term incentive plan (LTIP) | Total long-term incentive | Total emolu-ments 2024 |
| Notes | | 10 | | 11 | 12 | 13 | | | |
| **Executive directors** | | | | | | | | | |
| ND Zikalala[1] | 8,955 | 1,218 | **10,173** | **623** | **8,408** | 8,408 | 2,503 | **10,911** | **30,115** |
| BA Mazarura[2] | 6,735 | 324 | **7,059** | **—** | **3,352** | 3,352 | 1,155 | **4,507** | **14,918** |
| **Sub-total** | 15,690 | 1,542 | **17,232** | **623** | **11,760** | 11,760 | 3,658 | **15,418** | **45,033** |
| **Prescribed officers[15]** | | | | | | | | | |
| V Kumar[2,5] | 395 | 36 | **431** | **—** | **173** | 173 | 674 | **847** | **1,451** |
| SA Martin[2,4,14] | 1,193 | 107 | **1,300** | **4,782** | **507** | 507 | 366 | **873** | **7,462** |
| SB Mbatha[3] | 2,302 | 348 | **2,650** | **68** | **1,229** | 1,229 | — | **1,229** | **5,176** |
| GM Mc Gavigan[2,4,6] | 1,649 | 162 | **1,811** | **4,929** | **706** | 706 | 453 | **1,159** | **8,605** |
| PG Nortje[7] | 4,335 | 460 | **4,795** | **3,325** | **1,984** | 1,984 | 388 | **2,372** | **12,476** |
| P Ramchander[2,4] | 3,343 | 492 | **3,835** | **378** | **1,582** | 1,582 | 498 | **2,080** | **7,875** |
| S Ramgoolam[9] | 3,266 | 304 | **3,570** | **2,285** | **1,851** | 1,851 | — | **1,851** | **9,557** |
| AD Roux[8] | 2,263 | 164 | **2,427** | **3,002** | **1,963** | 1,963 | 516 | **2,479** | **9,871** |
| NM Sibanyoni | 3,169 | 470 | **3,639** | **—** | **1,428** | 1,428 | 464 | **1,892** | **6,959** |
| **Sub-total** | 21,915 | 2,543 | **24,458** | **18,769** | **11,423** | 11,423 | 3,359 | **14,782** | **69,432** |
| **Total** | 37,605 | 4,085 | **41,690** | **19,392** | **23,183** | 23,183 | 7,017 | **30,200** | **114,465** |

1 The additional payment relates to a dividend equivalent payment pertaining to Anglo American plc shares (JSE) that vested on 1 March 2024.
2 40.6% of the LTIP shares awarded in 2022, with a performance period ending 31 December 2024, have vested based on performance condition testing.
3 Acted in the Chief Technical Officer role from 1 March 2024 to 30 June 2024, before her appointment in the role with effect from 1 July 2024. The additional payment includes her acting allowance for this four-month period. The remuneration reported is only from the period when she acted in this role.
4 The additional payment includes the dividend equivalent relating to the 2021 LTIP share awards that vested on 1 March 2024.
5 Transferred to Anglo Corporate Services South Africa on 1 February 2024. The prorated DBA will be awarded in Anglo American JSE shares and is included in the long-term incentive figure.
6 He left the group on 31 July 2024. As part of the separation agreement, he did not receive remuneration for the two months sabbatical period preceding his exit. Additional payments include payments related to his voluntary separation. His prorated long-term incentive payment related to the 2024 performance year will be made in cash as per amended Bonus and Retention Plan policy.
7 The long-term incentive figure includes 16.2% of the Anglo American LTIP shares awarded in 2022 when he was employed by De Beers Consolidated Mines, a subsidiary of the ultimate holding company. These awards vested based on performance condition testing. Additional payments include a retention award, with a three-year lock-in clause.
8 Appointed as the Senior General Manager Northern Cape on 1 July 2024. Additional payment includes a retention award, with a three-year lock-in clause. The remuneration reported is only from the date of his appointment in the Senior General Manager Northern Cape role.
9 Additional payments include a retention award, with a three-year lock-in clause.
10 Benefits include the employer's contribution to the UIF, retirement fund and medical aid fund.
11 Inclusive of retention awards, dividend equivalent payments, leave encashment, safety achievement recognition payments as well as termination payments, where applicable.
12 The short-term incentive is based on the performance outcomes which are measured against the 2024 performance scorecard and will be paid in March 2025. For individuals who transferred or terminated on "good leaver status", the incentive payment is prorated accordingly.
13 The long-term incentive includes the face value of the DBA shares awarded in March 2025, which were awarded in terms of the Bonus and Retention Share Plan and derived from the 2024 short-term incentive value.
14 Left the group on 30 April 2024. Payments related to his voluntary separation are included under additional payment.
15 F Patel has been excluded as she is no longer a prescribed officer.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 35. Directors' and prescribed officers' remuneration continued

#### 2023 Single figure remuneration

| | Guaranteed pay and benefits | | | Additional payments | | | | | Long-term incentive | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R'000 | Base salary | Benefits | Total guaranteed pay 2023 | Circumstantial payments | Dividend equivalent | Termination payments | Cash bonus accrued (paid in March 2024) | Deferred bonus arrangement (DBA) | Long-term incentive plan (LTIP) | Total long-term incentive | Total emoluments 2023 |
| Notes | | 1 | | 2 | | | 3 | 4 | | | |
| **Executive directors** | | | | | | | | | | | |
| ND Zikalala[5] | 8,449 | 1,140 | 9,589 | – | 1,906 | – | 5,845 | 5,845 | 3,438 | 9,283 | 26,623 |
| TM Mkhwanazi[6,7] | – | – | – | – | – | – | – | – | 5,141 | 5,141 | 5,141 |
| BA Mazarura[6] | 6,354 | 300 | 6,654 | 107 | – | – | 2,611 | 2,611 | 2,009 | 4,620 | 13,992 |
| **Sub-total** | 14,803 | 1,440 | 16,243 | 107 | 1,906 | – | 8,456 | 8,456 | 10,588 | 19,044 | 45,756 |
| **Prescribed officers** | | | | | | | | | | | |
| V Kumar[6,8] | 4,471 | 401 | 4,872 | – | 723 | – | 1,588 | 1,588 | 1,583 | 3,171 | 10,354 |
| PC Madlala[9] | 1,173 | 151 | 1,324 | – | – | 376 | 435 | – | – | – | 2,135 |
| SA Martin[6,10] | 3,377 | 297 | 3,674 | 122 | 436 | – | 1,193 | 1,193 | 1,189 | 2,382 | 7,807 |
| GM Mc Gavigan[6,10] | 3,777 | 295 | 4,072 | 151 | 484 | – | 1,325 | 1,325 | 1,320 | 2,645 | 8,677 |
| PG Nortje[11] | 1,932 | 194 | 2,126 | 934 | – | – | 1,242 | 1,242 | 1,517 | 2,759 | 7,061 |
| P Ramchander[6,12] | 3,154 | 459 | 3,613 | 67 | 473 | – | 1,174 | 1,174 | 1,170 | 2,344 | 7,671 |
| S Ramgoolam | 2,942 | 270 | 3,212 | 66 | – | – | 1,059 | 1,059 | – | 1,059 | 5,396 |
| NM Sibanyoni | 2,990 | 439 | 3,429 | – | – | – | 1,112 | 1,112 | – | 1,112 | 5,653 |
| F Patel | 2,545 | 328 | 2,873 | – | – | – | 947 | 947 | – | 947 | 4,767 |
| **Sub-total** | 26,361 | 2,834 | 29,195 | 1,340 | 2,116 | 376 | 10,075 | 9,640 | 6,779 | 16,419 | 59,521 |
| **Total** | 41,164 | 4,274 | 45,438 | 1,447 | 4,022 | 376 | 18,531 | 18,096 | 17,367 | 35,463 | 105,277 |

1 The benefits include employer contributions to the retirement and medical aid funds.
2 Includes leave encashment.
3 The short-term incentive is based on Kumba's performance, which is measured against the performance scorecard. This incentive is expected to be paid in March 2024.
4 The face value of DBA shares (awarded in terms of the Bonus and Retention Share Plan) awarded in March 2023 is derived from the 2022 scorecard.
5 40.0% of the Anglo American plc LTIP shares awarded in 2021, when she was employed in De Beers Managed Operations, a subsidiary of the ultimate holding company, have vested based on a performance condition testing. Additional payments relate to a dividend equivalent pertaining to Anglo American plc shares that vested on 1 March 2023.
6 41.2% of the LTIP shares awarded in 2021, with a performance period ending 31 December 2023, have vested based on performance condition testing.
7 No salary accrued or was paid during 2023 as he transferred within the Anglo American group on 31 December 2021 to become the CEO of Bulk Commodities. LTIP share vesting is not accelerated and remains subject to a performance condition testing.
8 40.0% of the Anglo American LTIP shares awarded in 2021, when he was employed by Anglo American Coal SA (now known as Thungela Resources), have vested based on performance condition testing. The dividend equivalent relates to the Anglo American plc LTIP shares that vested on 1 March 2023. He has been transferred to Anglo Corporate Services South Africa on 1 February 2024. The DBA will be awarded in Anglo American JSE shares and is included in the long-term incentive figure.
9 Acting Head of Human Resources from 1 January 2022 to 31 July 2022. The termination payments relate to a leave payout upon his retirement on 31 July 2023. The short-term incentive is a pro rata payment to be made in March 2024.
10 The dividend equivalent relates to 2020 LTIP share awards that vested on 1 March 2023.
11 Appointed 1 July 2023. Circumstantial payment reflects to the retention award paid, subject to a three-year retention period. 40.0% of the Anglo American plc LTIP shares awarded in 2021, when employed by De Beers Consolidated Mines, have vested based on a performance condition testing. The dividend equivalent relates to the Anglo American plc LTIP shares that have vested on 1 March 2023.
12 40.0% of the Anglo American LTIP shares awarded in 2021, when he was employed by Anglo American Corporate Services SA, have vested based on performance condition testing. The dividend equivalent relates to the Anglo American plc LTIP shares that vested on 1 March 2023.

# Notes to the annual financial statements continued
for the year ended 31 December

## 35. Directors' and prescribed officers' remuneration continued

### 2024 Single figure remuneration

| R'000 | Fees | | Total emoluments |
|---|---|---|---|
| | Directors' fees | Committee fees | |
| **Non-executive directors** | | | |
| MS Bomela | **1,474** | **–** | **1,474** |
| TP Goodlace[1] | **2,071** | **–** | **2,071** |
| A Jeawon | **395** | **607** | **1,002** |
| MA Jenkins | **395** | **618** | **1,013** |
| NB Langa-Royds | **395** | **797** | **1,192** |
| TM Mkhwanazi[3] | **395** | **398** | **793** |
| NV Mokhesi[2] | **202** | **311** | **513** |
| SS Ntsaluba | **395** | **827** | **1,222** |
| MJ Tsele[4] | **395** | **581** | **976** |
| MTS Walker[3,5] | **299** | **302** | **601** |
| **Total** | **6,416** | **4,441** | **10,857** |

1 The Chairperson of the Board chairs the Nominations and Governance Committee. He does not receive additional remuneration in respect of the committees he serves on.
2 Appointed as independent non-executive director with effect from 1 July 2024.
3 Fees are paid to Anglo American plc.
4 Fees are paid to the Independent Development Corporation.
5 Appointed as non-executive director with effect from 1 April 2024.

### 2023 Single figure remuneration

| R'000 | Fees | | Total emoluments |
|---|---|---|---|
| | Directors' fees | Committee fees | |
| **Non-executive directors** | | | |
| MS Bomela[1] | 890 | 484 | 1,374 |
| TP Goodlace[2] | 1,932 | – | 1,932 |
| A Jeawon[3] | 369 | 599 | 968 |
| MA Jenkins | 369 | 677 | 1,046 |
| D Wanblad[4] | 144 | 74 | 218 |
| TM Mkhwanazi[4] | 368 | 378 | 746 |
| SM Kuijlaars[4,5] | 128 | 125 | 253 |
| NB Langa-Royds | 369 | 849 | 1,218 |
| SS Ntsaluba | 369 | 874 | 1,243 |
| BP Sonjica[6] | 368 | 818 | 1,186 |
| MJ Tsele[7] | 368 | 552 | 920 |
| **Total** | 5,674 | 5,430 | 11,104 |

1 Appointed as the lead independent non-executive director from 1 July 2023.
2 The Chairperson of the Board also chairs the Nominations and Governance Committee and the Strategy and Investment Committee. However, the Chairperson does not receive additional remuneration in respect of the committees he serves on.
3 Appointed with effect from 1 January 2023.
4 Fees were paid to Anglo American plc.
5 Appointed with effect from 31 May 2023 and resigned from the Board on 1 October 2023.
6 Retired on 31 December 2023.
7 Fees were paid to the Independent Development Corporation.

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 35. Directors' and prescribed officers' remuneration continued

**2024 Single figure remuneration**

| R'000 | Fees | | |
|---|---|---|---|
| | Directors' fees | Committee fees | Total emoluments |
| **Non-executive directors** | | | |
| MS Bomela | 1,474 | – | 1,474 |
| TP Goodlace[1] | 2,071 | – | 2,071 |
| A Jeawon | 395 | 607 | 1,002 |
| MA Jenkins | 395 | 618 | 1,013 |
| NB Langa-Royds | 395 | 797 | 1,192 |
| TM Mkhwanazi[3] | 395 | 398 | 793 |
| NV Mokhesi[2] | 202 | 311 | 513 |
| SS Ntsaluba | 395 | 827 | 1,222 |
| MJ Tsele[4] | 395 | 581 | 976 |
| MTS Walker[3,5] | 299 | 302 | 601 |
| **Total** | 6,416 | 4,441 | 10,857 |

1 The Chairperson of the Board chairs the Nominations and Governance Committee. He does not receive additional remuneration in respect of the committees he serves on.
2 Appointed as independent non-executive director with effect from 1 July 2024.
3 Fees are paid to Anglo American plc.
4 Fees are paid to the Independent Development Corporation.
5 Appointed as non-executive director with effect from 1 April 2024.

**2023 Single figure remuneration**

| R'000 | Fees | | |
|---|---|---|---|
| | Directors' fees | Committee fees | Total emoluments |
| **Non-executive directors** | | | |
| MS Bomela[1] | 890 | 484 | 1,374 |
| TP Goodlace[2] | 1,932 | – | 1,932 |
| A Jeawon[3] | 369 | 599 | 968 |
| MA Jenkins | 369 | 677 | 1,046 |
| D Wanblad[4] | 144 | 74 | 218 |
| TM Mkhwanazi[4] | 368 | 378 | 746 |
| SM Kuijlaars[4,5] | 128 | 125 | 253 |
| NB Langa-Royds | 369 | 849 | 1,218 |
| SS Ntsaluba | 369 | 874 | 1,243 |
| BP Sonjica[6] | 368 | 818 | 1,186 |
| MJ Tsele[7] | 368 | 552 | 920 |
| **Total** | 5,674 | 5,430 | 11,104 |

1 Appointed as the lead independent non-executive director from 1 July 2023.
2 The Chairperson of the Board also chairs the Nominations and Governance Committee and the Strategy and Investment Committee. However, the Chairperson does not receive additional remuneration in respect of the committees he serves on.
3 Appointed with effect from 1 January 2023.
4 Fees were paid to Anglo American plc.
5 Appointed with effect from 31 May 2023 and resigned from the Board on 1 October 2023.
6 Retired on 31 December 2023.
7 Fees were paid to the Independent Development Corporation.

# Notes to the annual financial statements continued
## for the year ended 31 December

### 35. Directors' and prescribed officers' remuneration continued

**Interests of executive directors and prescribed officers – unvested awards and cash flow**

The interests of the executive directors and of prescribed officers in shares of the Company granted in terms of the various long-term incentive schemes as at 31 December 2024 are shown in the following tables below:

| | | | Number of shares | | | | | R'000 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Scheme | Award date | Next date of vesting | Opening balance on 1 January 2024 | Granted during 2024 | Forfeited during 2024 | Vesting during 2024 | Closing balance on 31 December 2024 | Value of receipts | Estimated fair value on 31 December 2024 | Estimated fair value of cumulative dividend equivalents at 31 December 2024 |
| Executive directors[1] | | | | | 10 | | | 8 | 9 | |
| **ND Zikalala** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2022 | 1 March 2025 | **3,247** | **–** | **–** | **1,082** | **2,165** | **700** | **703** | **–** |
| DBA | 1 March 2023 | 1 March 2025 | **9,297** | **–** | **–** | **–** | **9,297** | **399** | **3,017** | **–** |
| DBA | 1 March 2024 | 1 March 2026 | **–** | **10,956** | **–** | **–** | **10,956** | **471** | **3,556** | **–** |
| LTIP[2] | 1 March 2022 | 1 March 2025 | **19,011** | **–** | **–** | **–** | **19,011** | **–** | **2,503** | **–** |
| LTIP[2] | 1 March 2023 | 1 March 2026 | **24,422** | **–** | **–** | **–** | **24,422** | **–** | **5,681** | **1,200** |
| LTIP[2] | 1 March 2024 | 1 March 2027 | **–** | **29,373** | **–** | **–** | **29,373** | **–** | **5,877** | **757** |
| Anglo American plc share awards (JSE)[3] | | | | | | | | | | |
| DBA | 12 March 2021 | | **1,284** | **–** | **–** | **1,284** | **–** | **545** | **–** | **–** |
| DBA | 20 May 2021 | | **262** | **–** | **–** | **262** | **–** | **111** | **–** | **–** |
| LTIP | 12 March 2021 | | **14,500** | **–** | **9,527** | **4,973** | **–** | **2,073** | **–** | **–** |
| LTIP | 16 June 2021 | | **61** | **–** | **41** | **20** | **–** | **8** | **–** | **–** |
| **Sub-total** | | | **72,084** | **40,329** | **9,568** | **7,621** | **95,224** | **4,307** | **21,337** | **1,957** |
| **TM Mkhwanazi[11]** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2019 | | **8,179** | **–** | **–** | **8,179** | **–** | **4,601** | **–** | **–** |
| DBA | 1 March 2020 | 1 March 2025 | **7,443** | **–** | **–** | **–** | **7,443** | **320** | **2,415** | **–** |
| DBA | 1 March 2021 | | **7,162** | **–** | **–** | **7,162** | **–** | **4,029** | **–** | **–** |
| DBA | 1 March 2022 | 1 March 2025 | **13,841** | **–** | **–** | **4,613** | **9,228** | **2,992** | **2,995** | **–** |
| LTIP | 1 March 2021 | | **20,510** | **–** | **12,057** | **8,453** | **–** | **4,551** | **–** | **–** |
| Anglo American plc share awards (JSE) | | | | | | | | | | |
| DBA[4] | 1 March 2020 | 1 March 2025 | **18,383** | **–** | **–** | **9,191** | **9,192** | **4,075** | **5,056** | **–** |
| **Sub-total** | | | **75,518** | **–** | **12,057** | **37,598** | **25,863** | **20,568** | **10,466** | **–** |
| **BA Mazarura[11]** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | | **1,938** | **–** | **–** | **1,938** | **–** | **1,088** | **–** | **–** |
| DBA | 1 March 2022 | 1 March 2025 | **3,930** | **–** | **–** | **1,310** | **2,620** | **848** | **850** | **–** |
| DBA | 1 March 2023 | 1 March 2025 | **3,049** | **–** | **–** | **–** | **3,049** | **131** | **989** | **–** |
| DBA | 1 March 2024 | 1 March 2026 | **–** | **4,893** | **–** | **–** | **4,893** | **210** | **1,588** | **–** |
| LTIP | 1 March 2021 | | **8,015** | **–** | **4,712** | **3,303** | **–** | **1,774** | **–** | **–** |
| LTIP[2] | 1 March 2022 | 1 March 2025 | **8,771** | **–** | **–** | **–** | **8,771** | **–** | **1,155** | **–** |
| LTIP[2] | 1 March 2023 | 1 March 2026 | **14,085** | **–** | **–** | **–** | **14,085** | **–** | **3,276** | **692** |
| LTIP[2] | 1 March 2024 | 1 March 2027 | **–** | **14,521** | **–** | **–** | **14,521** | **–** | **2,905** | **374** |
| **Sub-total** | | | **39,788** | **19,414** | **4,712** | **6,551** | **47,939** | **4,051** | **10,763** | **1,066** |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 35. Directors' and prescribed officers' remuneration continued

**Interests of executive directors and the prescribed officers – unvested awards and cash flow continued**

| | | | Number of shares | | | | | R'000 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Scheme** | **Award date** | **Next date of vesting** | **Opening balance on 1 January 2024** | **Granted during 2024** | **Forfeited during 2024** | **Vesting during 2024** | **Closing balance on 31 December 2024** | **Value of receipts** | **Estimated fair value on 31 December 2024** | **Estimated fair value of cumulative dividend equivalents at 31 December 2024** |
| Prescribed officers | | | | | | | | | | |
| **V Kumar** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | | 1,256 | – | – | 1,256 | – | 707 | – | – |
| DBA | 1 March 2022 | 1 March 2025 | 2,869 | – | – | 956 | 1,913 | 620 | 621 | – |
| DBA | 1 March 2023 | 1 March 2025 | 2,226 | – | – | – | 2,226 | 96 | 722 | – |
| LTIP | 1 March 2021 | | 4,681 | – | 2,751 | 1,930 | – | 1,039 | – | – |
| LTIP | 1 March 2022 | 1 March 2025 | 5,122 | – | – | – | 5,122 | – | 968 | 293 |
| LTIP | 1 March 2023 | 1 March 2026 | 6,580 | – | – | – | 6,580 | – | 1,530 | 323 |
| **Sub-total** | | | **22,734** | **–** | **2,751** | **4,142** | **15,841** | **2,462** | **3,841** | **616** |
| **SA Martin[6]** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | | 1,117 | – | – | 1,117 | – | 628 | – | – |
| DBA | 1 March 2022 | | 2,156 | – | – | 2,156 | – | 1,109 | – | – |
| DBA | 1 March 2023 | | 1,673 | – | – | 1,673 | – | 820 | – | – |
| DBA | 1 March 2024 | | – | 2,237 | – | 2,237 | – | 1,096 | – | – |
| LTIP | 1 March 2021 | | 3,518 | – | 2,068 | 1,450 | – | 781 | – | – |
| LTIP | 1 March 2022 | 1 March 2025 | 3,850 | – | 1,071 | – | 2,779 | – | 525 | 159 |
| LTIP | 1 March 2023 | 1 March 2026 | 4,945 | – | 3,022 | – | 1,923 | – | 447 | 94 |
| LTIP | 1 March 2024 | 1 March 2027 | – | 5,098 | 4,818 | – | 280 | – | 56 | 7 |
| **Sub-total** | | | **17,259** | **7,335** | **10,979** | **8,633** | **4,982** | **4,434** | **1,028** | **260** |
| **SB Mbatha[12]** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | | 250 | – | – | 250 | – | 141 | – | – |
| DBA | 1 March 2022 | 1 March 2025 | 1,626 | – | – | 542 | 1,084 | 351 | 352 | – |
| DBA | 1 March 2023 | 1 March 2025 | 1,939 | – | – | – | 1,939 | 83 | 629 | – |
| DBA | 1 March 2024 | 1 March 2026 | – | 1,824 | – | – | 1,824 | 78 | 592 | – |
| **Sub-total** | | | **3,815** | **1,824** | **–** | **792** | **4,847** | **653** | **1,573** | **–** |
| **GM Mc Gavigan[7]** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | | 1,240 | – | – | 1,240 | – | 698 | – | – |
| DBA | 1 March 2022 | | 2,393 | – | – | 2,393 | – | 1,119 | – | – |
| DBA | 1 March 2023 | | 1,856 | – | – | 1,856 | – | 779 | – | – |
| DBA | 1 March 2024 | | – | 2,483 | – | 2,483 | – | 1,043 | – | – |
| LTIP | 1 March 2021 | | 3,904 | – | 2,295 | 1,609 | – | 866 | – | – |
| LTIP | 1 March 2022 | 1 March 2025 | 4,272 | – | 830 | – | 3,442 | – | 650 | 197 |
| LTIP | 1 March 2023 | 1 March 2026 | 5,489 | – | 2,894 | – | 2,595 | – | 604 | 127 |
| LTIP | 1 March 2024 | 1 March 2027 | – | 5,658 | 4,872 | – | 786 | – | 157 | 20 |
| **Sub-total** | | | **19,154** | **8,141** | **10,891** | **9,581** | **6,823** | **4,505** | **1,411** | **344** |

# Notes to the annual financial statements continued
for the year ended 31 December

## 35. Directors' and prescribed officers' remuneration continued

### Interests of executive directors and the prescribed officers – unvested awards and cash flow continued

| | | | Number of shares | | | | | R'000 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Scheme | Award date | Next date of vesting | Opening balance on 1 January 2024 | Granted during 2024 | Forfeited during 2024 | Vesting during 2024 | Closing balance on 31 December 2024 | Value of receipts | Estimated fair value on 31 December 2024 | Estimated fair value of cumulative dividend equivalents at 31 December 2024 |
| **PG Nortje** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2024 | 1 March 2026 | – | 2,328 | – | – | 2,328 | 100 | 756 | – |
| LTIP | 1 March 2024 | 1 March 2027 | – | 7,424 | – | – | 7,424 | – | 1,486 | 191 |
| Anglo American plc share awards (JSE)[5] | | | | | | | | | | |
| DBA | 12 March 2021 | | 882 | – | – | 882 | – | 375 | – | – |
| DBA | 20 May 2021 | | 360 | – | – | 360 | – | 153 | – | – |
| DBA | 10 March 2022 | 1 March 2025 | 1,689 | – | – | 574 | 1,115 | 261 | 613 | – |
| DBA | 10 March 2023 | 1 March 2025 | 1,876 | – | – | – | 1,876 | 29 | 1,032 | – |
| LTIP | 12 March 2021 | | 6,400 | – | 4,205 | 2,195 | – | 915 | – | – |
| LTIP | 4 June 2021 | | 27 | – | 18 | 9 | – | 4 | – | – |
| LTIP | 11 March 2022 | 1 March 2025 | 4,360 | – | – | – | 4,360 | – | 388 | 61 |
| LTIP | 10 March 2023 | 1 March 2026 | 6,800 | – | – | – | 6,800 | – | 2,115 | 160 |
| **Sub-total** | | | 22,394 | 9,752 | 4,223 | 4,020 | 23,903 | 1,837 | 6,390 | 412 |
| **P Ramchander** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | | 946 | – | – | 946 | – | 532 | – | – |
| DBA | 1 March 2022 | 1 March 2025 | 2,390 | – | – | 797 | 1,593 | 517 | 517 | – |
| DBA | 1 March 2023 | 1 March 2025 | 1,645 | – | – | – | 1,645 | 71 | 534 | – |
| DBA | 1 March 2024 | 1 March 2026 | – | 2,199 | – | – | 2,199 | 94 | 714 | – |
| LTIP | 1 March 2021 | | 3,459 | – | 2,033 | 1,426 | – | 768 | – | – |
| LTIP | 1 March 2022 | 1 March 2025 | 3,785 | – | – | – | 3,785 | – | 715 | 217 |
| LTIP | 1 March 2023 | 1 March 2026 | 4,863 | – | – | – | 4,863 | – | 1,131 | 239 |
| LTIP | 1 March 2024 | 1 March 2027 | – | 5,013 | – | – | 5,013 | – | 1,003 | 129 |
| **Sub-total** | | | 17,088 | 7,212 | 2,033 | 3,169 | 19,098 | 1,982 | 4,614 | 585 |
| **S Ramgoolam** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | | 755 | – | – | 755 | – | 425 | – | – |
| DBA | 1 March 2022 | 1 March 2025 | 1,462 | – | – | 487 | 975 | 316 | 316 | – |
| DBA | 1 March 2023 | 1 March 2025 | 1,285 | – | – | – | 1,285 | 55 | 417 | – |
| DBA | 1 March 2024 | 1 March 2026 | – | 1,985 | – | – | 1,985 | 85 | 644 | – |
| LTIP | 1 March 2023 | 1 March 2026 | 4,388 | – | – | – | 4,388 | – | 1,021 | 216 |
| LTIP | 1 March 2024 | 1 March 2027 | – | 4,737 | – | – | 4,737 | – | 948 | 122 |
| **Sub-total** | | | 7,890 | 6,722 | – | 1,242 | 13,370 | 881 | 3,346 | 338 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 35. Directors' and prescribed officers' remuneration continued

**Interests of executive directors and the prescribed officers – unvested awards and cash flow continued**

| | | | Number of shares | | | | | R'000 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Scheme | Award date | Next date of vesting | Opening balance on 1 January 2024 | Granted during 2024 | Forfeited during 2024 | Vesting during 2024 | Closing balance on 31 December 2024 | Value of receipts | Estimated fair value on 31 December 2024 | Estimated fair value of cumulative dividend equivalents at 31 December 2024 |
| **AD Roux**[13] | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | | **938** | **–** | **–** | **938** | **–** | **528** | **–** | **–** |
| DBA | 1 March 2022 | 1 March 2025 | **2,282** | **–** | **–** | **761** | **1,521** | **493** | **494** | **–** |
| DBA | 1 March 2023 | 1 March 2025 | **2,722** | **–** | **–** | **–** | **2,722** | **117** | **883** | **–** |
| DBA | 1 March 2024 | 1 March 2026 | **–** | **2,560** | **–** | **–** | **2,560** | **110** | **831** | **–** |
| LTIP | 1 March 2021 | | **3,582** | **–** | **2,105** | **1,477** | **–** | **795** | **–** | **–** |
| LTIP | 1 March 2022 | 1 March 2025 | **3,920** | **–** | **–** | **–** | **3,920** | **–** | **741** | **224** |
| LTIP | 1 March 2023 | 1 March 2026 | **5,035** | **–** | **–** | **–** | **5,035** | **–** | **1,171** | **247** |
| LTIP | 1 March 2024 | 1 March 2027 | **–** | **5,534** | **–** | **–** | **5,534** | **–** | **1,107** | **143** |
| **Sub-total** | | | **18,479** | **8,094** | **2,105** | **3,176** | **21,292** | **2,043** | **5,227** | **614** |
| **NM Sibanyoni** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2022 | 1 March 2025 | **1,324** | **–** | **–** | **441** | **883** | **286** | **287** | **–** |
| DBA | 1 March 2023 | 1 March 2025 | **1,530** | **–** | **–** | **–** | **1,530** | **66** | **497** | **–** |
| DBA | 1 March 2024 | 1 March 2026 | **–** | **2,085** | **–** | **–** | **2,085** | **90** | **677** | **–** |
| LTIP | 1 March 2022 | 1 March 2025 | **3,522** | **–** | **–** | **–** | **3,522** | **–** | **665** | **202** |
| LTIP | 1 March 2023 | 1 March 2026 | **4,610** | **–** | **–** | **–** | **4,610** | **–** | **1,072** | **226** |
| LTIP | 1 March 2024 | 1 March 2027 | **–** | **4,752** | **–** | **–** | **4,752** | **–** | **951** | **123** |
| **Sub-total** | | | **10,986** | **6,837** | **–** | **441** | **17,382** | **442** | **4,149** | **551** |
| **Total** | | | **327,189** | **110,002** | **59,319** | **86,966** | **295,778** | **48,162** | **73,987** | **6,725** |

1 Kumba share awards are granted in terms of the Bonus and Retention Share Plan (DBA) and Performance Share Plan (LTIP).
2 Post the vesting of the awards, an additional two-year holding period, subject to clawback conditions, will apply. Awards made until December 2022 do not qualify for any dividend equivalents during the performance period.
3 Anglo American plc (JSE) shares previously awarded when she was employed by De Beers Managed Operations, a subsidiary of the ultimate holding company.
4 Anglo American plc (JSE) forfeitable shares were awarded related to his position as a member of the Anglo American Group Management Committee, prior to his appointment on 1 January 2022 as the Chief Executive of Bulk Commodities, a division of Anglo American plc group.
5 Anglo American plc (JSE) shares previously awarded when he was employed by De Beers Consolidated Mines.
6 Accelerated vesting of DBA share awards due to his voluntary separation on 30 April 2024. Pro rata forfeiture of LTIP awards as a result of his voluntary separation during the performance period. LTIP awards remain subject to the performance conditions and normal vesting period.
7 Accelerated vesting of DBA share awards due to his voluntary separation on 31 July 2024. Pro rata forfeiture of LTIP awards as a result of his voluntary separation during the performance period. LTIP awards remain subject to the performance conditions and normal vesting period.
8 Includes dividend payments received during the year as well as the face value of all share vestings during 2024.
9 Sum total of the estimated fair value of unvested DBA shares, 2022 LTIP award (actual vesting of 40.57% and 16.15% for Anglo American plc shares), 2023 and 2024 LTIP awards (estimated vesting of 60%) as well as concomitant accumulated dividend equivalent payments. The value is based on a three-day VWAP on 31 December 2024 of R324.53 for Kumba Iron Ore Ltd, R550.04 for Anglo American plc (JSE) shares.
10 Shares forfeited due to performance conditions not met in full.
11 Shares vested as a result of performance conditions being met. The shares are subject to an additional two-year holding period during which clawback conditions apply.
12 Kumba DBA shares awarded related to the previous position she held prior to her appointment as the Chief Transformation Officer.
13 Kumba DBA and LTIP shares awarded related to the previous position he held prior to his appointment as the Senior General Manager for the Northern Cape hub.

# Notes to the annual financial statements continued
## for the year ended 31 December

### 35. Directors' and prescribed officers' remuneration continued

**Interests of executive directors and the prescribed officers – unvested awards and cash flow continued**

The interests of the executive directors and of prescribed officers in shares of the Company granted in terms of the various long-term incentive schemes as at 31 December 2023 are shown in the following tables below:

| | | | Number of shares | | | | | R'000 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Scheme | Award date | Earliest date of vesting | Opening balance on 1 January 2023 | Granted during 2023 | Forfeited during 2023 | Vesting during 2023 | Closing balance on 31 December 2023 | Value of receipts | Estimated fair value on 31 December 2023 | Estimated fair value of cumulative dividend equivalents at 31 December 2023 |
| Executive directors[1] | | | | | | | | | | |
| **ND Zikalala** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2022 | 1 March 2024 | 3,247 | — | — | — | 3,247 | 126 | 1,975 | — |
| DBA | 1 March 2023 | 1 March 2025 | — | 9,297 | — | — | 9,297 | 362 | 5,654 | — |
| LTIP[5] | 1 March 2022 | 1 March 2025 | 19,011 | — | — | — | 19,011 | — | 6,534 | — |
| LTIP[5] | 1 March 2023 | 1 March 2026 | — | 24,422 | — | — | 24,422 | — | 8,544 | 570 |
| Anglo American plc share awards (JSE) | | | | | | | | | | |
| DBA | 9 March 2020 | 9 March 2023 | 4,084 | — | — | 4,084 | — | 2,679 | — | — |
| DBA | 12 March 2021 | 12 March 2024 | 1,944 | — | — | 660 | 1,284 | 464 | 781 | — |
| DBA | 20 May 2021 | 12 March 2024 | 396 | — | — | 134 | 262 | 94 | 159 | — |
| LTIP | 6 May 2020 | 9 March 2023 | 25,200 | — | 7,182 | 18,018 | — | 11,820 | — | — |
| LTIP | 12 March 2021 | 12 March 2024 | 14,500 | — | — | — | 14,500 | — | 689 | 689 |
| LTIP | 16 June 2021 | 22 February 2022 | 168 | — | 31 | 76 | 61 | 50 | 3 | 3 |
| **Sub-total** | | | 68,550 | 33,719 | 7,213 | 22,972 | 72,084 | 15,595 | 24,339 | 1,262 |
| **TM Mkhwanazi** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 9 April 2018 | 1 March 2023 | 6,288 | — | — | 6,288 | — | 3,016 | — | — |
| DBA | 1 March 2019 | 1 March 2024 | 8,179 | — | — | — | 8,179 | 318 | 4,974 | — |
| DBA | 1 March 2020 | 1 March 2025 | 22,330 | — | — | 14,887 | 7,443 | 7,431 | 4,527 | — |
| DBA | 1 March 2021 | 1 March 2024 | 10,742 | — | — | 3,580 | 7,162 | 1,996 | 4,356 | — |
| DBA | 1 March 2022 | 1 March 2024 | 13,841 | — | — | — | 13,841 | 538 | 8,418 | — |
| LTIP[5,6] | 11 August 2020 | 1 March 2023 | 36,430 | — | 24,262 | 12,168 | — | 5,837 | — | — |
| LTIP[5] | 1 March 2021 | 1 March 2024 | 20,510 | — | — | — | 20,510 | — | 5,141 | — |
| Anglo American plc share awards (JSE) | | | | | | | | | | |
| DBA[7] | 1 March 2020 | 1 March 2024 | 27,574 | — | — | 9,191 | 18,383 | 6,470 | 11,180 | — |
| **Sub-total** | | | 145,894 | — | 24,262 | 46,114 | 75,518 | 25,606 | 38,596 | — |
| **BA Mazarura** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2020 | 1 March 2023 | 6,977 | — | — | 6,977 | — | 3,347 | — | — |
| DBA | 1 March 2021 | 1 March 2024 | 2,907 | — | — | 969 | 1,938 | 540 | 1,179 | — |
| DBA | 1 March 2022 | 1 March 2024 | 3,930 | — | — | — | 3,930 | 153 | 2,390 | — |
| DBA | 1 March 2023 | 1 March 2025 | — | 3,049 | — | — | 3,049 | 119 | 1,854 | — |
| LTIP[5,6] | 11 August 2020 | 1 March 2023 | 13,558 | — | 9,029 | 4,529 | — | 2,172 | — | — |
| LTIP[5] | 1 March 2021 | 1 March 2024 | 8,015 | — | — | — | 8,015 | — | 2,009 | — |
| LTIP[5] | 1 March 2022 | 1 March 2025 | 8,771 | | — | — | 8,771 | — | 3,014 | — |
| LTIP[5] | 1 March 2023 | 1 March 2026 | — | 14,085 | — | — | 14,085 | — | 4,927 | 329 |
| **Sub-total** | | | 44,158 | 17,134 | 9,029 | 12,475 | 39,788 | 6,331 | 15,373 | 329 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 35. Directors' and prescribed officers' remuneration continued

**Interests of executive directors and the prescribed officers – unvested awards and cash flow continued**

| | | | Number of shares | | | | | R'000 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Scheme** | **Award date** | **Earliest date of vesting** | Opening balance on 1 January 2023 | Granted during 2023 | Forfeited during 2023 | Vesting during 2023 | Closing balance on 31 December 2023 | Value of receipts | Estimated fair value on 31 December 2023 | Estimated fair value of cumulative dividend equivalents at 31 December 2023 |
| Prescribed officers | | | | | | | | | | |
| **PG Nortje**[7] | | | | | | | | | | |
| Anglo American plc share awards (JSE)[7] | | | | | | | | | | |
| DBA | 9 March 2020 | 1 March 2023 | 3,239 | – | – | 3,239 | – | 2,125 | – | – |
| DBA | 12 March 2021 | 1 March 2024 | 1,336 | – | – | 454 | 882 | 319 | 536 | – |
| DBA | 20 May 2021 | 1 March 2024 | 545 | – | – | 185 | 360 | 130 | 219 | – |
| DBA | 10 March 2022 | 1 March 2024 | 1,689 | – | – | – | 1,689 | 40 | 1,027 | – |
| DBA | 10 March 2023 | 1 March 2025 | – | 1,876 | – | – | 1,876 | 45 | 1,141 | – |
| LTIP | 6 May 2020 | 1 March 2023 | 44 | – | 13 | 31 | – | 20 | – | – |
| LTIP | 6 May 2020 | 1 March 2023 | 10,400 | – | 2,964 | 7,436 | – | 4,878 | – | – |
| LTIP | 12 March 2021 | 1 March 2024 | 6,400 | – | – | – | 6,400 | – | 304 | 304 |
| LTIP | 4 June 2021 | 1 March 2024 | 27 | – | – | – | 27 | – | 1 | 1 |
| LTIP | 11 March 2022 | 1 March 2025 | 4,360 | – | – | – | 4,360 | – | 216 | 216 |
| LTIP | 10 March 2023 | 1 March 2026 | – | 6,800 | – | – | 6,800 | – | 185 | 185 |
| **Sub-total** | | | 28,040 | 8,676 | 2,977 | 11,345 | 22,394 | 7,557 | 3,629 | 706 |
| **V Kumar** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | 1 March 2024 | 1,884 | – | – | 628 | 1,256 | 350 | 764 | – |
| DBA | 1 March 2022 | 1 March 2024 | 2,869 | – | – | – | 2,869 | 112 | 1,745 | – |
| DBA | 1 March 2023 | 1 March 2025 | – | 2,226 | – | – | 2,226 | 87 | 1,354 | – |
| LTIP | 1 March 2021 | 1 March 2024 | 4,681 | – | – | – | 4,681 | – | 1,583 | 407 |
| LTIP | 1 March 2022 | 1 March 2025 | 5,122 | – | – | – | 5,122 | – | 2,063 | 302 |
| LTIP | 1 March 2023 | 1 March 2026 | – | 6,580 | – | – | 6,580 | – | 2,302 | 154 |
| Anglo American plc share awards (JSE)[7] | | | | | | | | | | |
| DBA | 9 March 2020 | 1 March 2023 | 3,763 | – | – | 3,763 | – | 2,469 | – | – |
| DBA | 6 May 2020 | 1 March 2023 | 944 | – | – | 944 | – | 619 | – | – |
| LTIP | 6 May 2020 | 1 March 2023 | 11,000 | – | 4,163 | 6,837 | – | 4,485 | – | – |
| LTIP | 4 June 2021 | 1 March 2023 | 46 | – | 18 | 28 | – | 18 | – | – |
| **Sub-total** | | | 30,309 | 8,806 | 4,181 | 12,200 | 22,734 | 8,140 | 9,811 | 863 |
| **PC Madlala** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2020 | 1 March 2023 | 2,290 | – | – | 2,290 | – | 1,098 | – | – |
| DBA | 1 March 2021 | 1 March 2023 | 931 | – | – | 931 | – | 451 | – | – |
| DBA[8] | 1 March 2022 | 1 March 2023 | 1,414 | – | – | 1,414 | – | 687 | – | – |
| **Sub-total** | | | 4,635 | – | – | 4,635 | – | 2,236 | – | – |

# Notes to the annual financial statements continued
for the year ended 31 December

## 35. Directors' and prescribed officers' remuneration continued

### Interests of executive directors and the prescribed officers – unvested awards and cash flow continued

| | | | Number of shares | | | | | R'000 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Scheme | Award date | Earliest date of vesting | Opening balance on 1 January 2023 | Granted during 2023 | Forfeited during 2023 | Vesting during 2023 | Closing balance on 31 December 2023 | Value of receipts | Estimated fair value on 31 December 2023 | Estimated fair value of cumulative dividend equivalents at 31 December 2023 |
| **SA Martin** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2020 | 1 March 2023 | 3,524 | – | – | 3,524 | – | 1,690 | – | – |
| DBA | 1 March 2021 | 1 March 2024 | 1,675 | – | – | 558 | 1,117 | 311 | 679 | – |
| DBA | 1 March 2022 | 1 March 2024 | 2,156 | – | – | – | 2,156 | 84 | 1,311 | – |
| DBA | 1 March 2023 | 1 March 2025 | – | 1,673 | – | – | 1,673 | 65 | 1,018 | – |
| LTIP | 11 August 2020 | 1 March 2023 | 6,248 | – | 4,161 | 2,087 | – | 1,001 | – | – |
| LTIP | 1 March 2021 | 1 March 2024 | 3,518 | – | – | – | 3,518 | – | 1,189 | 308 |
| LTIP | 1 March 2022 | 1 March 2025 | 3,850 | – | – | – | 3,850 | – | 1,550 | 227 |
| LTIP | 1 March 2023 | 1 March 2026 | – | 4,945 | – | – | 4,945 | – | 1,730 | 115 |
| **Sub-total** | | | 20,971 | 6,618 | 4,161 | 6,169 | 17,259 | 3,151 | 7,477 | 650 |
| **GM Mc Gavigan** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2020 | 1 March 2023 | 3,911 | – | – | 3,911 | – | 1,876 | – | – |
| DBA | 1 March 2021 | 1 March 2024 | 1,859 | – | – | 619 | 1,240 | 345 | 754 | – |
| DBA | 1 March 2022 | 1 March 2024 | 2,393 | – | – | – | 2,393 | 93 | 1,455 | – |
| DBA | 1 March 2023 | 1 March 2025 | – | 1,856 | – | – | 1,856 | 72 | 1,129 | – |
| LTIP | 11 August 2020 | 1 March 2023 | 6,934 | – | 4,618 | 2,316 | – | 1,111 | – | – |
| LTIP | 1 March 2021 | 1 March 2024 | 3,904 | – | – | – | 3,904 | – | 1,320 | 341 |
| LTIP | 1 March 2022 | 1 March 2025 | 4,272 | – | – | – | 4,272 | – | 1,721 | 252 |
| LTIP | 1 March 2023 | 1 March 2026 | – | 5,489 | – | – | 5,489 | – | 1,920 | 128 |
| **Sub-total** | | | 23,273 | 7,345 | 4,618 | 6,846 | 19,154 | 3,497 | 8,299 | 721 |
| **P Ramchander** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | 1 March 2024 | 1,418 | – | – | 472 | 946 | 263 | 575 | – |
| DBA | 1 March 2022 | 1 March 2024 | 2,390 | – | – | – | 2,390 | 93 | 1,454 | – |
| DBA | 1 March 2023 | 1 March 2025 | – | 1,645 | – | – | 1,645 | 64 | 1,000 | – |
| LTIP | 1 March 2021 | 1 March 2024 | 3,459 | – | – | – | 3,459 | – | 1,170 | 302 |
| LTIP | 1 March 2022 | 1 March 2025 | 3,785 | – | – | – | 3,785 | – | 1,524 | 223 |
| LTIP | 1 March 2023 | 1 March 2026 | – | 4,863 | – | – | 4,863 | – | 1,702 | 114 |
| Anglo American plc share awards (JSE)[9] | | | | | | | | | | |
| DBA | 9 March 2020 | 1 March 2023 | 2,900 | – | – | 2,900 | – | 1,902 | – | – |
| LTIP | 6 May 2020 | 1 March 2023 | 7,200 | – | 2,725 | 4,475 | – | 2,936 | – | – |
| LTIP | 4 June 2021 | 1 March 2023 | 30 | – | 12 | 18 | – | 12 | – | – |
| **Sub-total** | | | 21,182 | 6,508 | 2,737 | 7,865 | 17,088 | 5,270 | 7,425 | 639 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 35. Directors' and prescribed officers' remuneration continued

**Interests of executive directors and the prescribed officers – unvested awards and cash flow continued**

| | | | Number of shares | | | | | R'000 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Scheme** | **Award date** | **Earliest date of vesting** | Opening balance on 1 January 2023 | Granted during 2023 | Forfeited during 2023 | Vesting during 2023 | Closing balance on 31 December 2023 | Value of receipts | Estimated fair value on 31 December 2023 | Estimated fair value of cumulative dividend equivalents at 31 December 2023 |
| **S Ramgoolam** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2020 | 1 March 2023 | 2,381 | – | – | 2,381 | – | 1,142 | – | – |
| DBA | 1 March 2021 | 1 March 2024 | 1,132 | – | – | 377 | 755 | 210 | 459 | – |
| DBA | 1 March 2022 | 1 March 2024 | 1,462 | – | – | – | 1,462 | 57 | 889 | – |
| DBA | 1 March 2023 | 1 March 2025 | – | 1,285 | – | – | 1,285 | 50 | 782 | – |
| LTIP | 1 March 2023 | 1 March 2026 | – | 4,388 | – | – | 4,388 | – | 1,535 | 102 |
| **Sub-total** | | | 4,975 | 5,673 | – | 2,758 | 7,890 | 1,459 | 3,665 | 102 |
| **NM Sibanyoni** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2022 | 1 March 2024 | 1,324 | – | – | – | 1,324 | 52 | 805 | – |
| DBA | 1 March 2023 | 1 March 2025 | – | 1,530 | – | – | 1,530 | 60 | 931 | – |
| LTIP | 1 March 2022 | 1 March 2025 | 3,522 | – | – | – | 3,522 | – | 1,418 | 207 |
| LTIP | 1 March 2023 | 1 March 2026 | – | 4,610 | – | – | 4,610 | – | 1,613 | 108 |
| **Sub-total** | | | 4,846 | 6,140 | – | – | 10,986 | 112 | 4,767 | 315 |
| **F Patel** | | | | | | | | | | |
| Kumba share awards | | | | | | | | | | |
| DBA | 1 March 2021 | 1 March 2024 | 1,245 | – | – | 415 | 830 | 231 | 505 | – |
| DBA | 1 March 2022 | 1 March 2024 | 1,711 | – | – | – | 1,711 | 67 | 1,041 | – |
| DBA | 1 March 2023 | 1 March 2025 | – | 1,327 | – | – | 1,327 | 52 | 807 | – |
| **Sub-total** | | | 2,956 | 1,327 | – | 415 | 3,868 | 350 | 2,353 | – |
| **Total** | | | 399,789 | 101,946 | 59,178 | 133,794 | 308,763 | 79,304 | 125,734 | 5,587 |

1 Kumba share awards granted in terms of the Bonus and Retention Share Plan (DBA) and Performance Share Plan (LTIP).
2 Shares forfeited due to performance conditions not met in full (actual vesting of 4.00% and 5.00% for Anglo American plc shares).
3 Includes dividend payments received in March 2023 and August 2022 as well as face value of all share vestings during 2023.
4 Sum total of the estimated fair value of unvested DBA shares, 2021 LTIP award (actual vesting of 10.00% and 10.00% for Anglo American plc shares), 2022 and 2023 LTIP awards (estimated vesting of 60%). The value is based on a three-day VWAP on 31 December 2023 of R608.19 for Kumba Iron Ore Limited, R471.38 for Anglo American plc (JSE) shares.
5 Post vesting of the awards, an additional two-year holding period, subject to clawback conditions, will apply. Do not qualify for any dividend equivalents during the restricted performance period.
6 Shares vested as a result of performance conditions being met. Shares are subject to an additional two-year holding period during which clawback conditions apply.
7 Anglo American plc (JSE) shares previously awarded when employed by Anglo American Coal SA.
8 Accelerated vesting due to retirement on 31 July 2023.
9 Anglo American plc (JSE) shares previously awarded when employed by Anglo American Corporate Services SA.

# Notes to the annual financial statements continued
for the year ended 31 December

## 35. Directors' and prescribed officers' remuneration continued

**Interests of executive directors and the prescribed officers – unvested awards and cash flow continued**

**Directors' beneficial interest in Kumba**

The aggregate beneficial interest of the directors of the Company, and their immediate families (none of whom has a holding greater than 1% in the issued shares of the Company), as at 31 December 2024, are detailed below. There have been no changes to the shareholding since 31 December 2024 to the date of approval of these annual financial statements.

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Capacity and name** | **Direct shareholding** | **Long-term incentive scheme shares** | **Total beneficial interest** | Direct shareholding | Long-term incentive scheme shares | Total beneficial interest |
| Executive directors | | | | | | |
| ND Zikalala[1] | **568** | **22,418** | **22,986** | – | 12,544 | 12,544 |
| BA Mazarura[2] | **–** | **18,394** | **18,394** | – | 19,554 | 19,554 |
| **Sub-total** | **568** | **40,812** | **41,380** | – | 32,098 | 32,098 |
| Non-executive directors | | | | | | |
| TM Mkhwanazi[2] | **95,788** | **37,292** | **133,080** | 78,725 | 65,517 | 144,242 |
| **Sub-total** | **95,788** | **37,292** | **133,080** | 78,725 | 65,517 | 144,242 |
| **Total** | **96,356** | **78,104** | **174,460** | 78,725 | 97,615 | 176,340 |

1 Long-term incentive scheme reflects the DBA awards granted under the rules of the BRP as disclosed in the tables above.
2 Long-term incentive scheme relates to DBA awards granted under the rules of the BRP as disclosed in the tables above and includes vested LTIP shares subject to a holding period as per the rules of the PSP.

# Annexure 1 cont.

Kumba Iron Ore Company

## Statement of financial position
as at 31 December

| Rand million | Notes | 2024 | 2023 |
|---|---|---|---|
| ASSETS | | | |
| Investment (shares at cost) | 1 | **3** | 3 |
| Loans to subsidiaries | 1 | **215** | 256 |
| Deferred tax assets | | **1** | 1 |
| **Non-current assets** | | **219** | 260 |
| Cash and cash equivalents | 2 | **398** | 420 |
| Current tax asset | 9 | **—** | 14 |
| **Current assets** | | **398** | 434 |
| **Total assets** | | **617** | 694 |
| EQUITY AND LIABILITIES | | | |
| Share capital and premium | 3 | **367** | 367 |
| Reserves | | **49** | 100 |
| Accumulated loss | | **(82)** | (70) |
| **Total equity** | | **334** | 397 |
| LIABILITIES | | | |
| Other payables | 4 | **271** | 297 |
| Current tax liabilities | 9 | **12** | — |
| **Current liabilities** | | **283** | 297 |
| **Total liabilities** | | **283** | 297 |
| **Total equity and liabilities** | | **617** | 694 |

# Statement of profit or loss and other comprehensive income

## for the year ended 31 December

| Rand million | Notes | 2024 | 2023 |
|---|---|---|---|
| Revenue | 5 | **13,840** | 12,529 |
| Net operating expenses | 6 | **(61)** | (119) |
| **Operating profit** | | **13,779** | 12,410 |
| Finance income | | **99** | 101 |
| **Profit before taxation** | | **13,878** | 12,511 |
| Taxation | 7 | **(50)** | (30) |
| **Profit for the year** | | **13,828** | 12,481 |
| **Total comprehensive income for the year** | | **13,828** | 12,481 |

The Company did not have any other comprehensive income during the year other than the profit for the year, therefore no separate statement of other comprehensive income is presented for the years ended 31 December 2024 and 31 December 2023.

# Annexure 1 cont.

## Statement of changes in equity
for the year ended 31 December

| Rand million | Share capital (note 3) | Share premium (note 3) | Equity-settled share-based payment reserve | Retained earnings/ (accumulated loss) | Total |
|---|---|---|---|---|---|
| **Balance at 31 December 2022** | 3 | 364 | 94 | (17) | 444 |
| Equity-settled share-based payments | – | – | 35 | – | 35 |
| Vesting of shares under employee share incentive schemes | – | – | (29) | (5) | (34) |
| Total comprehensive income for the year | – | – | – | 12,481 | 12,481 |
| Dividends paid | – | – | – | (12,529) | (12,529) |
| **Balance at 31 December 2023** | **3** | **364** | **100** | **(70)** | **397** |
| Equity-settled share-based payments | **–** | **–** | **(14)** | **–** | **(14)** |
| Vesting of shares under employee share incentive schemes | **–** | **–** | **(37)** | **–** | **(37)** |
| Total comprehensive income for the year | **–** | **–** | **–** | **13,828** | **13,828** |
| Dividends paid | **–** | **–** | **–** | **(13,840)** | **(13,840)** |
| **Balance at 31 December 2024** | **3** | **364** | **49** | **(82)** | **334** |

Refer to Annexure 3: Equity-settled share-based payment reserve for a description, detailed movements and the valuation assumptions of the share scheme for the year under review.

# Statement of cash flows
## for the year ended 31 December

| Rand million | Notes | 2024 | 2023 |
|---|---|---|---|
| **Cash flows utilised in operating activities** | | | |
| Cash generated from operations[1] | 8 | **13,739** | 12,418 |
| Finance income received | | **99** | 101 |
| Dividends paid | | **(13,840)** | (12,529) |
| Taxation paid | 9 | **(24)** | (27) |
| | | **(26)** | (37) |
| **Cash flows from investing activities** | | | |
| Loan granted to subsidiary | 1 | **(8)** | (54) |
| Loans repaid by subsidiary | 1 | **49** | 148 |
| | | **41** | 94 |
| **Cash flows utilised in financing activities** | | | |
| Vesting of shares under employee share incentive schemes | | **(37)** | (34) |
| | | **(37)** | (34) |
| Net (decrease)/increase in cash and cash equivalents | | **(22)** | 23 |
| Cash and cash equivalents at the beginning of the year | | **420** | 397 |
| **Cash and cash equivalents at the end of the year** | 2 | **398** | 420 |

1 This amount includes R13,840 million (2023: R12,529 million) in respect of dividends received from SIOC.

# Annexure 1 cont.

## Notes to the annual financial statements
for the year ended 31 December

### 1. Interests in subsidiaries

| Rand million | 2024 | 2023 |
|---|---|---|
| **Reflected as non-current assets, consist of:** | | |
| Investments (shares at cost) | **3** | 3 |
| Loans to subsidiaries | **215** | 256 |
| Loan to SIOC | **153** | 202 |
| Loan to KIO Investment Holdings Proprietary Limited | **62** | 54 |
| Net interests in subsidiaries | **218** | 259 |

Investments in subsidiaries are accounted for at cost.

The loan to SIOC bears interest at a variable market-related rate of 6.5%. SIOC has sufficient cash flows to cover the debt highlighted by the dividends declared in the current year.

The loan to KIO Investment Holdings is an interest-free loan and does not have any repayment terms and will be repaid after 12 months.

An expected credit loss in this regard is considered to be insignificant and forward looking information does not indicate that this will change.

For further details of interests in significant subsidiaries, refer to Annexure 1.

### 2. Cash and cash equivalents

| Rand million | 2024 | 2023 |
|---|---|---|
| Cash and cash equivalents | **398** | 420 |
| **Currency analysis of cash and cash equivalents** | | |
| Rand | **398** | 420 |

The Company held deposits amounting to R395 million (31 December 2023: R401 million), which are subject to statutory restrictions and are therefore not available for general use by the Company.

**Credit risk**
Cash and cash equivalents are held with financial institutions with long-term investment grade credit rating of BBB (2023: BBB), based on external credit rating agencies and with the capacity for payment of financial commitments considered strong.

**Fair value of cash and cash equivalents**
The carrying amount of cash and cash equivalents approximate their fair value because of the short period to maturity of these instruments.

# Notes to the annual financial statements continued
## for the year ended 31 December

### 3. Share capital and share premium

| Number of shares | 2024 | 2023 |
|---|---|---|
| **Authorised** | | |
| 500,000,000 ordinary shares of R0.01 each | **500,000,000** | 500,000,000 |
| **Issued** | | |
| Ordinary shares of R0.01 each | **322,085,974** | 322,085,974 |
| **Reconciliation of issued shares** | | |
| Number of shares at the beginning of the year | **322,085,974** | 322,085,974 |
| **Number of shares at the end of the year** | **322,085,974** | 322,085,974 |

For further details, refer to note 21 of the group consolidated financial statements.

| Rand million | 2024 | 2023 |
|---|---|---|
| **Reconciliation of share capital and premium** | | |
| Share capital | **3** | 3 |
| Share premium | **364** | 364 |
| | **367** | 367 |

### 4. Other payables

| Rand million | 2024 | 2023 |
|---|---|---|
| Unclaimed dividends[1] | **267** | 296 |
| Other payables | **4** | 1 |
| **Balance at the end of the year** | **271** | 297 |

[1] Balance relates to dividends unclaimed by shareholders.

### 5. Revenue

| Rand million | 2024 | 2023 |
|---|---|---|
| Dividends received from subsidiary (refer to note 10) | **13,840** | 12,529 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 6. Net operating expenses

| Rand million | 2024 | 2023 |
|---|---|---|
| **Cost by nature** | | |
| Salaries and wages | **36** | 34 |
| Equity-settled share-based payments | **(14)** | 35 |
| Pension, medical and termination costs | **1** | 1 |
| General charges | **67** | 75 |
| Cost recoveries[1] | **(29)** | (26) |
| | **61** | 119 |
| **The above costs are stated after including:** | | |
| Directors' remuneration[2] | **41** | 37 |
| Executive directors | | |
| Emoluments received as directors of the Company | **18** | 18 |
| Bonuses and cash incentives | **12** | 8 |
| Non-executive directors – emoluments as directors of the Company | **11** | 11 |

1 This relates to management fees receivable from SIOC.
2 Refer to note 35 in the group consolidated financial statements for details of remunerations paid to directors.

### 7. Taxation

| Rand million | 2024 | 2023 |
|---|---|---|
| **Charge to income** | | |
| South African normal tax | | |
| Current year | **25** | 29 |
| Prior year | **25** | – |
| Deferred tax | **–** | 1 |
| **Total** | **50** | 30 |

| | % | % |
|---|---|---|
| **Reconciliation of taxation rates** | | |
| Taxation as a percentage of profit before taxation | **0.4** | 0.2 |
| Taxation effect of: | | |
| Disallowable expenditure[1] | **(0.1)** | (0.2) |
| Exempt income[2] | **26.9** | 27.0 |
| Prior year under provision | **(0.2)** | – |
| **Standard tax rate** | **27.0** | 27.0 |

1 These percentages comprise many immaterial amounts which have therefore been aggregated; no individual disclosure has been provided.
2 This relates to dividend income received from a subsidiary.

# Notes to the annual financial statements continued
for the year ended 31 December

## 8. Cash generated by operations

| Rand million | 2024 | 2023 |
|---|---|---|
| Operating profit | **13,779** | 12,410 |
| Adjusted for: | | |
| Share-based payment expense | **(14)** | 35 |
| Working capital movements: | | |
| Decrease in other payables | **(26)** | (27) |
| **Cash flows generated from operating activities** | **13,739** | 12,418 |

## 9. Normal taxation paid

| Rand million | 2024 | 2023 |
|---|---|---|
| Current tax asset at the beginning of the year | **(14)** | (16) |
| Amounts charged to the statement of profit or loss | **50** | 29 |
| Current tax (liability)/asset at the end of the year | **(12)** | 14 |
| **Taxation paid during the year per the statement of cash flow** | **24** | 27 |

# Annexure 1 cont.

## Notes to the annual financial statements continued
for the year ended 31 December

### 10. Related-party transactions

During the year, Kumba, in the ordinary course of business, entered into various transactions for the rendering of services to its subsidiary, SIOC, as well as its holding company, Anglo American plc. Certain deposits and borrowings are also placed with the holding company. The holding company also acts as an agent for the Company in respect of all foreign exchange transactions and performs a back office treasury function for the group. The effect of these transactions is included in the results of the group. These transactions occurred under terms that are no less favourable than those arranged with third parties.

**Holding company**
Anglo American plc is Kumba's ultimate holding company. The interest in the group is held through a 69.71% shareholding by Anglo South Africa Proprietary Limited (2023: 69.71%).

**Subsidiaries**
Details of investments in and loans to/from subsidiaries are disclosed in Annexure 1.

**Shareholders**
The principal shareholders of the Company are detailed under the shareholder analysis on pages 113 to 115.

**Related-party transactions:**

| Rand million | 2024 | 2023 |
|---|---|---|
| **Rendering of services** | | |
| SIOC – payroll costs[1] | **18** | 19 |
| **Rendering of services and finance income** | | |
| SIOC – finance income | **64** | 68 |
| SIOC – service recovery fee[2] | **29** | 36 |
| **Amounts owing by related parties** | | |
| SIOC – loan | **153** | 202 |
| KIO Investment Holdings – loan | **62** | 54 |
| **Dividends paid to/(by) Kumba** | | |
| SIOC | **13,840** | 12,529 |
| Holding company | **(9,648)** | (8,734) |

[1] This relates to payroll costs recovered from Kumba by SIOC for work performed for Kumba by SIOC employees.
[2] This relates to management fees receivable from SIOC.

**Directors**
Details relating to the Company's directors' remunerations and shareholdings (including share options) are disclosed in note 35 of the consolidated financial statements.

### 11. Events after the reporting period

**Dividend**
A final cash dividend of R19.90 per share was declared by the Board on 17 February 2025 from profits accrued during the financial year ended 31 December 2024. The total cash dividend for the year amounted to R38.67 per share. The estimated total cash flow of the final Kumba dividend, payable on 17 March 2025, is R6.4 billion.

The directors are not aware of any other matter or circumstance arising since the end of the year and up to the date of this report, not otherwise dealt with in this report.

# Notes to the annual financial statements continued

## for the year ended 31 December

| R'000 | Country of incorpora-tion[1] | Principal place of business[1] | Nature of business[2] | Percentage holding | Nominal issued capital R | Investments at cost 2024 | Investments at cost 2023 | Loans to subsidiaries 2024 | Loans to subsidiaries 2023 |
|---|---|---|---|---|---|---|---|---|---|
| **Direct investments** | | | | | | | | | |
| Sishen Iron Ore Company Proprietary Limited | RSA | RSA | A | 76% | 100 | **3,009** | 3,009 | **153,427** | 201,507 |
| KIO Investment Holdings Proprietary Limited | RSA | RSA | C | 100% | 1,000 | **–** | – | **61,765** | 53,765 |
| **Total investments in subsidiaries** | | | | | | **3,009** | 3,009 | **215,192** | 255,272 |

### Indirect subsidiaries

| | Country of incorporation[1] | Principal place of business[1] | Nature of business[2] | Percentage holding |
|---|---|---|---|---|
| Kumba International Trading Limited | JE | UK | B | 100% |
| Kumba Iron Ore Holdings SARL | NE | LUX | C | 100% |
| Kumba Singapore Private Limited | SNG | SNG | B | 100% |
| Sibelo Resources Development Proprietary Limited | RSA | RSA | C | 100% |
| SIOC Solar SPV Proprietary Limited | RSA | RSA | C | 100% |

### Special purpose entities[3]

| | Country of incorporation[1] | Principal place of business[1] | Nature of business[2] | Percentage holding |
|---|---|---|---|---|
| Kumba Iron Ore Rehabilitation Trust[4] | RSA | RSA | D | 100% |
| Kumba BSP Trust[4] | RSA | RSA | E | 100% |
| SIOC Employee Share Ownership Plan Trust (Semela) | RSA | RSA | E | 100% |
| SIOC Employee Benefit Scheme (Karolo) | RSA | RSA | E | 100% |

1 RSA – South Africa, JE – Jersey, UK – United Kingdom, NE – Netherlands, LUX – Luxembourg, SNG – Singapore.
2 A – Mining, B – Iron ore marketing and sales, C – Dormant, D – Mine closure fund, E – Share incentive scheme administrator.
3 Controlled by Kumba.
4 The trusts have a 28 February year end as it is a requirement from the SARS. Where the financial year ends are not co-terminous with that of the group, financial information has been obtained from published information on management accounts as appropriate.

# Annexure 1 cont.

## Investments in associates and joint ventures
for the year ended 31 December

| R'000 | Country of incorpora-tion[1] | Principal place of business[1] | Nature of business[2] | Number of shares held | Percentage holding | Investment at cost R | Group loan balance 2024 | Group loan balance 2023 | Company loan balance 2024 | Company loan balance 2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Associates** | | | | | | | | | | |
| Unlisted | | | | | | | | | | |
| Essential Prospects 101 Proprietary Limited (Essential) | RSA | RSA | A | 26 | 26% | 50,000 | **13,050** | 11,002 | **13,050** | 11,002 |
| **Total investment in associates** | | | | | | 50,000 | **13,050** | 11,002 | **13,050** | 11,002 |
| **Incorporated joint venture** | | | | | | | | | | |
| Unlisted | | | | | | | | | | |
| Polokwane Iron Ore Company Proprietary Limited (PIOC) | RSA | RSA | A | 4,000 | 50% | 3,740 | * | * | – | – |
| **Total investment in joint venture** | | | | | | 3,740 | – | – | – | – |

1 RSA – South Africa.
2 A – Exploration.
* Impaired in SIOC's separate financial statements.

The associates and joint ventures are equity accounted in the group consolidated financial statements. SIOC's share of Essential's post-acquisition losses of R1 million (2023: R26 million) was recognised in the statement of profit or loss, resulting in a reduction of R1 million (2023: R26 million) to the carrying amount of the investment. The carrying amount of the investment at 31 December 2024 was R23 million (2023: R24 million).

SIOC's share of PIOC's post-acquisition losses is limited to the investment and the loan to PIOC, resulting in a carrying amount of Rnil (2023: Rnil) in respect of the investment and loan to PIOC in the group's statement of financial position. As a result, the impairment of the loan receivable from PIOC had no impact on the group's financial statements.

# Equity-settled share-based payment schemes
for the year ended 31 December

## Employee share incentive schemes

Certain group employees participate in the following share incentive schemes:
- Bonus and Retention Share Plan (BRP)
- Performance Share Plan (PSP)
- Bonus Share Plan (BSP)
- SIOC Employee Benefit Share Scheme (Karolo)
- SIOC Employee Share Ownership Plan Trust (Semela)

### 1. BRP scheme

#### Description of scheme

The BSP scheme, which was approved and adopted by shareholders on 20 March 2009 for a 10-year period, reached its 10th anniversary in March 2019, and was therefore terminated. Consequently, the BRP scheme for executive directors and senior employees was implemented during 2019, replacing the BSP scheme.

The BRP is offered to executive directors and senior managers who have the opportunity and the responsibility to contribute towards Kumba's overall strategic objectives. The BRP has two components:
- a payment of an annual cash bonus
- a forfeitable award of Kumba shares linked to the participant's annual cash bonus award known as bonus shares

The number of bonus shares awarded is determined with reference to the amount of the annual cash bonus an employee receives, which is directly linked to the employee's personal performance and potential. The shares are held in an escrow account and released to the employee three years after the award date (subject to continuous employment). During the three-year period, the employee is entitled to all rights attached to the bonus shares, including dividend entitlements and voting rights.

#### Movement in the number of share awards granted

| | 2024 award | 2023 award | 2022 award | 2021 award | 2020 award |
|---|---|---|---|---|---|
| **Balance at the beginning of the year** | **–** | 158,680 | 139,628 | 63,694 | 7,443 |
| Bonus shares awarded | **181,279** | – | – | – | – |
| Awards forfeited | **(6,295)** | (5,999) | (1,107) | – | – |
| Awards exercised[1] | **(20,674)** | (25,071) | (16,180) | – | – |
| Awards exercised on vesting | **–** | (19,389) | (50,531) | (63,694) | – |
| **Balance at 31 December 2024** | **154,310** | 108,221 | 71,810 | – | 7,443 |
| **Balance at the beginning of the year** | **–** | – | 155,896 | 110,992 | 208,663 |
| Bonus shares awarded | **–** | 167,270 | – | – | – |
| Awards forfeited | **–** | (4,160) | (4,588) | (7,921) | (9,022) |
| Awards exercised[1] | **–** | (4,430) | (11,680) | (39,377) | – |
| Awards exercised on vesting | **–** | – | – | – | (192,198) |
| **Balance at 31 December 2023** | **–** | 158,680 | 139,628 | 63,694 | 7,443 |

[1] This relates to the pro rata portion of the bonus shares granted to employees who are considered good leavers (retirement, retrenchment and medical incapacity) in terms of the share scheme rules.

# Annexure 1 cont.

## Equity-settled share-based payment schemes continued
for the year ended 31 December

1. BRP scheme continued

| | Number of awards | Expiry date |
|---|---|---|
| **Vesting period of awards granted** | | |
| Less than 1 year | **139,696** | **2025** |
| 1 to 2 years | **117,819** | **2026** |
| 2 to 5 years | **84,269** | **2027** |

**Valuation of scheme**

The share awards granted under the BRP are considered equity-settled.

The share-based payment expense is measured using the fair value of the share awards issued under the BRP, which was determined using the Kumba share price on grant date.

| | 2024 award | 2023 award | 2022 award | 2021 award |
|---|---|---|---|---|
| **Fair value assumptions** | | | | |
| Share price on date of grant (Rand) | **533.55** | 518.91 | 628.88 | 655.45 |
| Expected share option life (years) | **3** | 3 | 3 | 3 |
| Expected dividend yield (%) | **5.00** | 5.00 | 5.00 | 5.00 |

The risk-free interest rate for the period within the contractual term of the awards is based on South African government bonds.

The historical volatility of the Kumba share price is used in determining the expected volatility.

2. PSP scheme

**Description of scheme**

The PSP scheme was implemented during 2019. The PSP awards have performance conditions attached to the vesting and do not qualify for shareholder rights over the vesting period. The payment of dividend equivalents will be incorporated into the awards for qualifying prescribed officers and senior managers to offset the loss of dividend rights associated with the conditional share award pre-vesting. No dividend equivalent policy will apply to the executive directors.

# Equity-settled share-based payment schemes continued
for the year ended 31 December

## 2. PSP scheme continued

### Movement in the number of conditional awards granted

| | Number of conditional awards | | | | | |
|---|---|---|---|---|---|---|
| | 2024 award | 2023 award | 2022 award | 2021 award | 2020 award | 2019 award |
| **Balance at the beginning of the year** | **–** | 84,649 | 56,063 | 68,073 | 16,697 | 22,832 |
| Conditional awards issued | **87,614** | – | – | – | – | – |
| Conditional awards forfeited | **(9,690)** | (5,916) | (1,901) | (40,108) | – | (6,108) |
| Conditional awards vested | **–** | – | – | (16,209) | – | (16,724) |
| **Balance at 31 December 2024** | **77,924** | 78,733 | 54,162 | 11,756 | 16,697 | – |
| **Balance at the beginning of the year** | **–** | – | 56,063 | 68,073 | 111,943 | 25,457 |
| Conditional awards issued | **–** | 84,649 | – | – | – | – |
| Conditional awards forfeited | **–** | – | – | – | (74,549) | – |
| Conditional awards vested | **–** | – | – | – | (20,697) | (2,625) |
| **Balance at 31 December 2023** | **–** | 84,649 | 56,063 | 68,073 | 16,697 | 22,832 |

| | Number of conditional awards | Expiry date |
|---|---|---|
| **Vesting period of conditional awards granted** | | |
| Less than 1 year | **70,859** | **2025** |
| 1 to 2 years | **90,489** | **2026** |
| 2 to 5 years | **77,924** | **2027** |

### Valuation of scheme

The conditional awards granted under the PSP are considered equity-settled.

The share-based payment expense is measured using the fair value of the conditional award issued under the PSP, which was determined using the Monte Carlo option pricing model.

| | 2024 award | 2023 award | 2022 award | 2021 award | 2020 award |
|---|---|---|---|---|---|
| **Fair value assumptions** | | | | | |
| Share price on date of grant (Rand) | **533.55** | 518.91 | 628.88 | 655.45 | 537.03 |
| Annualised expected volatility (%) | **40.61** | 51.31 | 48.64 | 49.19 | 50.81 |
| Expected share option life (years) | **3** | 3 | 3 | 3 | 3 |
| Expected dividend yield (%) | **5.00** | 5.00 | 5.00 | 5.00 | 5.00 |
| Risk-free interest rate (%) | **9.10** | 8.30 | 8.20 | 6.20 | 5.50 |

The risk-free interest rate for the period within the contractual term of the awards is based on South African government bonds.

The historical volatility of the Kumba share price is used in determining the expected volatility.

# Annexure 1 cont.

## Equity-settled share-based payment schemes continued
for the year ended 31 December

3. BSP scheme

### Description of scheme

The BSP for executive directors and senior managers was adopted and implemented during 2009 and terminated in March 2019 when it reached its 10th anniversary, as mentioned above. The BSP was offered to senior managers and key Executive Committee members who have the opportunity and the responsibility to contribute towards Kumba's overall strategic objectives. The BSP has two components:

- A payment of an annual cash bonus
- A forfeitable award of shares linked to the participant's annual cash bonus award known as bonus shares

The number of bonus shares awarded was determined with reference to the amount of the annual cash bonus an employee receives, which was directly linked to the employee's personal performance and potential. The shares are held by an escrow agent and released to the employee three years after the award date (subject to continuous employment). During the three-year period, the employee is entitled to all rights attached to the bonus shares including dividend entitlements and voting rights. In certain instances, the shares vest after a period that is longer than three years.

The BSP scheme was replaced by the BRP scheme, as mentioned above. All awards granted since July 2019 are awarded on the BRP scheme.

### Movement in the number of share awards granted

| | 2020 to 2024 awards | 2019 award | 2018 award | 2017 award |
|---|---|---|---|---|
| **Balance at the beginning of the year** | – | 8,179 | – | – |
| Awards exercised on vesting | – | (8,179) | – | – |
| **Balance at 31 December 2024** | – | – | – | – |
| **Balance at the beginning of the year** | – | 8,179 | 6,288 | – |
| Awards exercised on vesting | – | – | (6,288) | – |
| **Balance at 31 December 2023** | – | 8,179 | – | – |

4. SIOC employee benefit share scheme (Karolo)

### Description of scheme

The Karolo scheme became effective in August 2018, comprising an annual grant of free Kumba shares to qualifying employees which will vest after three years. The shares are held by an agent and released to the employee three years after the award date, subject to continuous employment. During the three-year period, the employee is entitled to all rights attached to the bonus shares, including dividend entitlements and voting rights. The Karolo scheme came to an end in August 2022 and was replaced by the Semela scheme (refer to section 5 below for details of the Semela scheme). The last award from the Karolo scheme was made in August 2022.

# Equity-settled share-based payment schemes continued
for the year ended 31 December

## 4. SIOC employee benefit share scheme (Karolo) continued

### Movement in the number of share awards granted

| | 2023 to 2024 awards | 2022 award | 2021 award | 2020 award | 2019 award |
|---|---|---|---|---|---|
| **Balance at the beginning of the year** | – | 219,688 | 176,148 | – | – |
| Awards forfeited | – | (3,468) | (2,460) | – | – |
| Awards exercised[1] | – | (15,377) | (171,726) | – | – |
| Awards exercised on vesting | – | – | (1,962) | – | – |
| **Balance at 31 December 2024** | – | 200,843 | – | – | – |
| **Balance at the beginning of the year** | – | 227,543 | 182,493 | 213,403 | 44 |
| Awards forfeited | – | (6,095) | (4,905) | (3,453) | – |
| Awards exercised[1] | – | (1,760) | (1,440) | – | – |
| Awards exercised on vesting | – | – | – | (209,950) | (44) |
| **Balance at 31 December 2023** | – | 219,688 | 176,148 | – | – |

[1] This relates to the pro rata portion of the Karolo shares granted to employees who are considered good leavers (retirement, retrenchment and medical incapacity) in terms of the share scheme rules.

| | Number of awards | Expiry date |
|---|---|---|
| Vesting period of awards granted: | | |
| Less than 1 year | **200,843** | **2025** |

### Valuation of scheme

The share awards granted under the Karolo scheme are considered equity-settled.

The share-based payment expense is measured using the fair value of the share award issued under the Karolo scheme, which was determined using the grant date share price of Kumba's shares.

| | 2022 awards | 2021 awards | 2020 awards | 2019 award | 2018 award |
|---|---|---|---|---|---|
| **Fair value assumptions** | | | | | |
| Share price on date of grant (Rand) | 488.62 | 614.02 | 549.21 | 435.58 | 280.75 |
| Expected share option life (years) | 3 | 3 | 3 | 3 | 3 |
| Expected dividend yield (%) | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |

The risk-free interest rate for the period within the contractual term of the awards is based on South African government bonds.

The historical volatility of the Kumba share price is used in determining the expected volatility.

# Annexure 1 cont.

## Equity-settled share-based payment schemes continued
for the year ended 31 December

5. SIOC Employee Share Ownership Plan Trust (Semela)

**Description of scheme**

In 2023, the group implemented a new share scheme to replace the Karolo scheme. This new scheme, Semela, consists of two components:

- vesting
- non-vesting

Vesting component

Under the vesting component, participating employees are awarded Kumba shares valued at an inflation-adjusted equivalent of R20,000 per employee on an annual basis, with a three-year vesting period, similar to the Karolo scheme. The first share award under this scheme was made during August 2023.

Non-vesting component

In 2022, the group issued new SIOC shares, an equivalent of 1.2% interest in SIOC to a trust which has been established for the benefit of qualifying employees of SIOC who were employed by SIOC as at May 2022. The group has control over the trust.

Under the Semela non-vesting component, participating employees are entitled to a portion of SIOC dividends in relation to their 1.2% shareholding in SIOC. Participating employees receive their pro rata distribution of SIOC dividends declared, less applicable administrative costs. This scheme does not have any funding requirements attached to it and is expected to exist over the group's remaining life-of-asset.

**Movement in the number of share awards granted:**

| | 2024 award | 2023 award |
|---|---|---|
| **Balance at the beginning of the year** | – | 283,164 |
| Shares awarded | **331,055** | – |
| Awards forfeited | **(1,237)** | (4,571) |
| Awards exercised | **(1,650)** | (19,064) |
| Awards exercised on vesting | – | – |
| **Balance at 31 December 2024** | **328,168** | 259,529 |
| **Balance at the beginning of the year** | – | – |
| Shares awarded | – | 284,853 |
| Awards forfeited | – | (1,002) |
| Awards exercised | – | (687) |
| Awards exercised on vesting | – | – |
| **Balance at 31 December 2023** | – | 284,164 |

| | Number of conditional awards | Expiry date |
|---|---|---|
| Vesting period of awards granted: | | |
| Less than 1 year | – | **2025** |
| 1 to 2 years | **259,529** | **2026** |
| 2 to 5 years | **328,168** | **2027** |

# Equity-settled share-based payment schemes continued
for the year ended 31 December

5. SIOC Employee Share Ownership Plan Trust (Semela) continued

**Valuation of scheme**

The share awards granted under the Semela scheme are considered equity-settled.

The share-based payment expense is measured using the fair value of the share awards issued under the Karolo scheme, which was determined using the grant date share price of Kumba's shares.

| | 2024 awards | 2023 awards |
|---|---|---|
| **Fair value assumptions** | | |
| Share price on date of grant (Rand) | **404.82** | 476.54 |
| Expected share option life (years) | **3** | 3 |
| Expected dividend yield (%) | **5.00** | 5.00 |

The risk-free interest rate for the period within the contractual term of the awards is based on South African government bonds.

The historical volatility of the Kumba share price is used in determining the expected volatility.

The aggregate number of shares, that may be allocated under the BSP, BRP, PSP, Karolo, PSP and Semela, when added to the total number of unvested conditional awards and share options allocated to employees under any other share scheme, may not exceed 31,194,612 shares. At the end of 2024, a total of 29,825,016 shares (2023: 29,889,674 shares) were available for utilisation under the share incentive schemes.

# Annexure 1 cont.

## New and amended standards not yet adopted by the group

A number of new standards and amendments to standards and interpretations are in issue, but not effective for annual periods beginning on 1 January 2024. The group has not early adopted the new or amended standards in preparing these consolidated financial statements.

### Lack of exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

The amendments to IAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency, not being exchangeable into the other currency, affects, or is expected to affect the entity's financial performance, financial position and cash flows.

The amendments are not expected to have a material impact on the consolidated and separate financial statements.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

### Classification and Measurement of Financial Instruments – Amendment to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

The amendments to IFRS 9 and IFRS 7 clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. The amendments clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion adding new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of ESG targets). The amendments make updates to the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments are not expected to have a material impact on the consolidated and separate financial statements.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

### IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

IFRS 18 also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from "profit or loss" to "operating profit or loss" and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18 and the amendments to the other standards are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The group is currently working to identity all impacts the amendments will have on the primary financial statements and notes to the financial statements.

### IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, it cannot have public accountability and must have a parent company (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS Accounting Standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

# Statement of finanial position – US Dollar convenience translation
## (supplementary information) as at 31 December

| US Dollar million | 2024 | 2023 |
|---|---|---|
| **ASSETS** | | |
| Property, plant and equipment | **2,990** | 2,636 |
| Right-of-use assets | **8** | 16 |
| Biological assets | **2** | 2 |
| Investments held by environmental trust | **53** | 47 |
| Investment in associate | **1** | 1 |
| Long-term prepayments and other receivables | **9** | 8 |
| Inventories | **455** | 487 |
| **Non-current assets** | **3,518** | 3,197 |
| Inventories | **513** | 615 |
| Trade and other receivables | **307** | 559 |
| Current tax assets | **31** | 1 |
| Cash and cash equivalents | **903** | 957 |
| **Current assets** | **1,754** | 2,132 |
| **Total assets** | **5,272** | 5,329 |
| **EQUITY AND LIABILITIES** | | |
| Shareholders' equity | **2,817** | 2,806 |
| Non-controlling interests | **880** | 875 |
| **Total equity** | **3,697** | 3,681 |
| **LIABILITIES** | | |
| Lease liabilities | **4** | 10 |
| Provisions | **170** | 200 |
| Deferred tax liabilities | **753** | 640 |
| **Non-current liabilities** | **927** | 850 |
| Lease liabilities | **7** | 10 |
| Interest-bearing borrowings | **107** | 224 |
| Provisions | **11** | 11 |
| Trade and other payables | **498** | 511 |
| Contract liabilities | **24** | 30 |
| Current tax liabilities | **1** | 12 |
| **Current liabilities** | **648** | 798 |
| **Total liabilities** | **1,575** | 1,648 |
| **Total equity and liabilities** | **5,272** | 5,329 |
| **Exchange rate** | | |
| Translated at closing Rand/US$ exchange rate | **18.73** | 18.52 |

Note: The consolidated statement of financial position of Kumba Iron Ore Limited, whose functional currency is the Rand, has been translated into US Dollars. Assets and liabilities have been translated at the closing Rand/US$ exchange rate at 31 December 2024.

# Annexure 1 cont.

## Statement of finanial position – US Dollar convenience translation
(supplementary information) as at 31 December

| US Dollar million | 2024 | 2023 |
|---|---|---|
| Revenue | **3,739** | 4,674 |
| Operating expenses | **(2,515)** | (2,460) |
| Impairment reversal | **215** | — |
| Expected credit losses on financial assets | **—** | (8) |
| **Operating profit** | **1,439** | 2,206 |
| Finance income | **44** | 37 |
| Finance costs | **(28)** | (33) |
| **Profit before taxation** | **1,455** | 2,210 |
| Taxation | **(402)** | (593) |
| **Profit for the year** | **1,053** | 1,617 |
| **Attributable to:** | | |
| Owners of Kumba | **803** | 1,233 |
| Non-controlling interests | **250** | 384 |
| | **1,053** | 1,617 |
| **Earnings per share attributable to the ordinary equity holders of Kumba (US Dollar per share)** | | |
| Basic | **2.50** | 3.84 |
| Diluted | **2.49** | 3.83 |
| **Exchange rate** | | |
| Translated at average Rand/US$ exchange rate | **18.33** | 18.45 |

Note: The financial results of Kumba Iron Ore Limited, whose functional currency is the Rand, has been translated into US Dollars. Income and expenses presented on the statement of profit or loss have been translated at the average Rand/US$ exchange rate for the 2024 financial year.

# Notice of cash dividend

On 17 February 2025, the directors approved a gross final cash dividend of 1,990 cents per share on the ordinary shares from profits accrued during the year ended 31 December 2024. The dividend has been declared from income reserves.

The dividend will be subject to a dividend withholding tax of 20% for all shareholders who are not exempt from or do not qualify for a reduced rate of withholding tax. The net dividend payable to shareholders, subject to withholding tax at a rate of 20%, amounts to 1,592 cents per share.

The issued share capital at the declaration date is 322,085,974 ordinary shares.

**The salient dates are as follows:**

| | |
|---|---|
| Publication of declaration data | Tuesday, 18 February 2025 |
| Last day for trading to qualify and participate in the final dividend | Tuesday, 11 March 2025 |
| Trading ex-dividend commences | Wednesday, 12 March 2025 |
| Record date | Friday, 14 March 2025 |
| Dividend payment date | Monday, 17 March 2025 |

Share certificates may not be dematerialised or rematerialised between Wednesday, 12 March 2025 and Friday, 14 March 2025, both days inclusive. Any change of address or dividend instructions must be provided by the last day for trading.

By order of the Board

**F Patel**
Company Secretary

17 February 2025

# Annexure 1 cont.

## Shareholder analysis

### Register date: 31 December 2024
### Issued share capital: 322,085,974

| | Number of shareholdings | % | Number of shares | % |
|---|---|---|---|---|
| **Shareholder spread** | | | | |
| 1 – 1,000 shares | 16,403 | 89.95 | 2,348,156 | 0.73 |
| 1,001 – 10,000 shares | 1,410 | 7.73 | 4,509,283 | 1.40 |
| 10,001 – 100,000 shares | 336 | 1.84 | 10,993,222 | 3.41 |
| 100,001 – 1,000,000 shares | 79 | 0.43 | 20,384,516 | 6.33 |
| 1,000,001 shares and over | 9 | 0.05 | 283,850,797 | 88.13 |
| **Total** | **18,237** | **100.00** | **322,085,974** | **100.00** |
| **Distribution of shareholders** | | | | |
| Strategic investor | 1 | 0.01 | 224,535,915 | 69.71 |
| Government | 14 | 0.08 | 50,529,556 | 15.69 |
| Banks/brokers | 269 | 1.48 | 23,416,166 | 7.27 |
| Close corporations | 78 | 0.43 | 122,316 | 0.04 |
| Endowment funds | 20 | 0.11 | 42,958 | 0.01 |
| Individuals | 15,639 | 85.74 | 4,917,294 | 1.53 |
| Insurance companies | 128 | 0.70 | 891,287 | 0.28 |
| Investment companies | 18 | 0.10 | 44,220 | 0.01 |
| Medical schemes | 17 | 0.09 | 353,106 | 0.11 |
| Mutual funds | 365 | 2.00 | 10,894,935 | 3.38 |
| Private companies | 390 | 2.14 | 1,756,703 | 0.55 |
| Retirement funds | 300 | 1.65 | 3,023,833 | 0.94 |
| Share trusts | 5 | 0.03 | 821,037 | 0.25 |
| Trusts | 993 | 5.44 | 736,648 | 0.23 |
| **Total** | **18,237** | **100.00** | **322,085,974** | **100.00** |
| **Public/non-public shareholders** | | | | |
| **Non-public shareholders** | **25** | **0.14** | **268,007,603** | **83.20** |
| Directors, associates and Executive Committee of the Company | 17 | 0.10 | 204,779 | 0.06 |
| Strategic holdings | 2 | 0.01 | 266,034,530 | 82.59 |
| Related party holdings | 6 | 0.03 | 1,768,294 | 0.55 |
| **Public shareholders** | **18,212** | **99.86** | **54,078,371** | **16.80** |
| **Total** | **18,237** | **100.00** | **322,085,974** | **100.00** |

| | Number of shares | % |
|---|---|---|
| **Beneficial shareholders holding 2% or more** | | |
| Anglo South Africa Proprietary Limited | 224,535,915 | 69.71 |
| Industrial Development Corporation of South Africa Limited | 41,498,615 | 12.88 |
| Government Employees Pension Fund[1] | 8,536,271 | 2.65 |
| **Total** | **274,570,801** | **85.24** |

[1] includes various funds detailed on page 115.

# Shareholder analysis cont.

## Register date: 31 December 2024
## Issued share capital: 322,085,974

### Breakdown of non-public holdings

| | Number of shares | % |
|---|---|---|
| **Directors, associates and executives of the Company** | | |
| **Mkhwanazi, TM (non-executive director)** | **133,080** | **0.04** |
| Mkhwanazi, TM | 78,725 | 0.02 |
| Mkhwanazi, TM | 37,292 | 0.01 |
| Mkhwanazi, TM | 17,063 | 0.01 |
| **Zikalala, ND (Chief Executive)** | **22,986** | **0.01** |
| Zikalala, ND | 22,418 | 0.01 |
| Zikalala, ND | 568 | 0.00 |
| **Mazarura, BA (Chief Financial Officer)** | **18,394** | **0.01** |
| Mazarura, BA | 18,394 | 0.01 |
| **Ramchander, P** | **7,346** | **0.00** |
| Ramchander, P | 5,437 | 0.00 |
| Ramchander, P | 1,909 | 0.00 |
| **Roux, AD** | **6,803** | **0.00** |
| Roux, AD | 6,803 | 0.00 |
| **Mbatha, SB** | **4,847** | **0.00** |
| Mbatha, SB | 4,847 | 0.00 |
| **Sibanyoni, NM** | **4,739** | **0.00** |
| Sibanyoni, NM | 4,498 | 0.00 |
| Sibanyoni, NM | 241 | 0.00 |
| **Ramgoolam, S** | **4,245** | **0.00** |
| Ramgoolam, S | 4,245 | 0.00 |
| **Nortje, PG** | **2,339** | 0.00 |
| Nortje, PG | 2,328 | 0.00 |
| Nortje, PG | 11 | 0.00 |
| **Total** | **204,779** | **0.06** |

| | | |
|---|---|---|
| **Strategic holdings** | | |
| Anglo American | 224,535,915 | 69.71 |
| Industrial Development Corporation of South Africa Limited | 41,498,615 | 12.88 |
| **Total** | **266,034,530** | **82.59** |

# Annexure 1 cont.

# Shareholder analysis cont.

## Register date: 31 December 2024
## Issued share capital: 322,085,974

### Breakdown of related party shareholdings

| | Number of shares | % |
|---|---|---|
| **Related party holdings** | | |
| **Mercantile Shareholder Nominees – Exxaro** | **947,257** | **0.29** |
| Mercantile Shareholder Nominees – Exxaro | 947,257 | 0.29 |
| **SIOC Employee Share Ownership Plan - Allocated** | **589,700** | **0.18** |
| SIOC Employee Share Ownership Plan - Allocated | 589,700 | 0.18 |
| **SIOC Employee Share Ownership Plan – Unallocated** | **1,565** | **0.00** |
| SIOC Employee Share Ownership Plan - Unallocated | 1,565 | 0.00 |
| **Kumba BSP Trust - Unallocated** | **2,513** | **0.00** |
| Kumba BSP Trust - Unallocated | 2,513 | 0.00 |
| **SIOC Employee Benefit Trust – Allocated** | **201,899** | **0.06** |
| SIOC Employee Benefit Trust – Allocated | 201,899 | 0.06 |
| **SIOC Employee Benefit Trust – Unallocated** | **25,360** | **0.01** |
| SIOC Employee Benefit Trust – Unallocated | 25,360 | 0.01 |
| **Total** | **1,768,294** | **0.55** |

### Breakdown of beneficial shareholders holding 2% or more

| | Number of shares | % |
|---|---|---|
| **Beneficial shareholders** | | |
| **Anglo American** | **224,535,915** | **69.71** |
| Anglo American South Africa Proprietary Limited | 224,535,915 | 69.71 |
| **Industrial Development Corporation of South Africa Limited** | **41,498,615** | **12.88** |
| Industrial Development Corporation of South Africa Limited | 41,498,615 | 12.88 |
| **Government Employee Pension Fund** | **8,536,271** | **2.65** |
| Government Employees Pension Fund – Public Investment Corporation | 6,983,703 | 2.16 |
| Government Employees Pension Fund - Argon Asset Management | 383,932 | 0.12 |
| Government Employees Pension Fund - Ninety One | 375,196 | 0.12 |
| Government Employees Pension Fund - M&G Investments | 250,714 | 0.08 |
| Government Employees Pension Fund - Perpetua Investment Managers | 145,274 | 0.05 |
| Government Employees Pension Fund - All Weather Capital | 140,950 | 0.04 |
| Government Employees Pension Fund - ALUWANI Capital Partners | 137,925 | 0.04 |
| Government Employees Pension Fund - Benguela Global Fund Managers | 50,431 | 0.02 |
| Government Employees Pension Fund - Excelsia Capital | 34,264 | 0.01 |
| Government Employees Pension Fund - Differential Capital | 33,882 | 0.01 |
| **Total** | **274,570,801** | **85.24** |

# Supplementary non-IFRS financial measures

The annual results contain certain non-IFRS financial measures in respect of the group's financial performance, the statement of financial position and cash flows presented in order to provide users with relevant information and measures used by the group to assess performance. The nature of these measures may not fairly represent the issuer's financial position, changes in equity, results of operations or cash flows. The information was extracted from the audited annual financial statements.

Non-IFRS financial measures are financial measures other than those defined or specified under all relevant IFRS Accounting Standards. To the extent that these measures are not extracted from IFRS Accounting Standards disclosure included in the annual financial statements for the year ended 31 December 2024, these measures constitute pro forma financial information in terms of the Listings Requirements of the JSE Limited and are the responsibility of the Board of directors. They are presented for illustrative purposes and to provide users with relevant information and measures used by the Company to assess its operating and financial performance, cash flow performance, and to enable offshore stakeholders to interpret the financial performance in a universally measured currency. In addition, these measures may not be comparable to similarly titled measures used by other companies. The underlying information used in the presentation of the pro forma financial information has been prepared using the group's accounting policies that comply with IFRS Accounting Standards.

This pro forma information has been reported on by the external auditor. Their unqualified reporting accountant's reasonable assurance report prepared in terms of ISAE 3420 is included on pages 118 to 119.

The following sets out the non-IFRS financial measures disclosed throughout the annual financial statements and where they are reconciled.

## EBITDA and adjusted EBITDA

EBITDA is a measure of operating performance and is used to identify trends of controllable expenses in the business. Adjusted EBITDA is a measure of the group's core earnings adjusted for non-recurring items, such as impairment charges or reversal of prior year impairment charges.

| Rand million | 2024 | 2023 |
|---|---|---|
| Operating profit per statement of profit or loss | **26,361** | 40,705 |
| *Add back:* | | |
| Depreciation | **5,713** | 5,005 |
| **EBITDA** | **32,074** | 45,710 |
| *Less:* | | |
| Impairment reversal | **(3,940)** | – |
| **Adjusted EBITDA** | **28,134** | 45,710 |

## Attributable free cash flow

Attributable free cash flow measures the group's ability to generate cash for the period under review. The table below illustrates attributable free cash flow for the year ended 31 December:

| Rand million | 2024 | 2023 |
|---|---|---|
| Cash generated from operations | **34,791** | 38,257 |
| *Less:* Additions to property, plant and equipment | **(9,673)** | (9,862) |
| *Less:* Finance costs paid | **(471)** | (770) |
| *Less:* Taxation paid | **(5,878)** | (8,856) |
| *Less:* Dividends paid to non-controlling shareholders | **(4,302)** | (3,894) |
| **Attributable free cash flow** | **14,467** | 14,875 |

# Annexure 1 cont.

# Supplementary non-IFRS financial measures cont.

## Net asset value attributable to owners of Kumba

Net asset value attributable to owners represents the worth of one share as at 31 December:

| | 2024 | 2023 |
|---|---|---|
| Shareholders' equity (Rand million) | **52,815** | 52,019 |
| Divided by: Ordinary shares in issue | **322,085,974** | 322,085,974 |
| **Net assets attributable to owners of Kumba (Rand per share)** | **163.98** | 161.51 |

## Net cash

Net cash illustrates the group's cash position after deducting borrowings and lease liabilities as at 31 December:

| Rand million | 2024 | 2023 |
|---|---|---|
| Cash and cash equivalents | **16,913** | 17,722 |
| *Less:* Interest-bearing borrowings | **(2,003)** | (4,144) |
| *Less:* Lease liabilities | **(193)** | (355) |
| **Net cash** | **14,717** | 13,223 |

## US Dollar convenience translation statements

The Company, whose functional currency is the Rand, has translated its statement of financial position and statement of profit or loss into US Dollar to enable offshore stakeholders to interpret the group's financial performance in a universally measured currency. Refer to Annexures 5 and 6 on pages 110 and 111, respectively.

**Independent Auditor's Assurance Report on the compilation of Pro Forma Financial Information included in the Annual Financial Statements for the year ended 31 December 2024**

To the Directors of Kumba Iron Ore Limited

We have completed our assurance engagement to report on the compilation of the Pro Forma Financial Information of Kumba Iron Ore Limited (the "Company") by the directors. The Pro Forma Financial Information, as set out on pages 132 to 133 of the Annual Financial Statements for the year ended 31 December 2024 consists of non-IFRS financial measures and constant currency financial information (the "Pro Forma Financial Information"). The applicable criteria on the basis of which the directors have compiled the Pro Forma Financial Information are specified in the Listings Requirements of the JSE Limited ("the JSE Listings Requirements") and described in the supplementary non-IFRS financial measures section of the Annual Financial Statements for the year ended 31 December 2024 (the "Applicable Criteria").

The Pro Forma Financial Information has been compiled by the directors solely for illustrative purposes and to provide users with the relevant information and measures used by the Company to assess its operating and financial performance, cashflow performance, and to enable offshore stakeholders to interpret the financial performance in a universally measured currency.

As part of this process, information about the Company's financial position and financial performance has been extracted by the directors from the Company's financial statements for the year ended 31 December 2024, on which an audit opinion was issued on 17 February 2025.

***Directors' responsibility for the Pro Forma Financial Information***

The directors are responsible for compiling the Pro Forma Financial Information on the basis of the Applicable Criteria.

***Our Independence and Quality Management***

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors*, issued by the Independent Regulatory Board for Auditors' (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

The firm applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements,* which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

***Auditor's responsibility***

Our responsibility is to express an opinion, as required by the JSE Listings Requirements, about whether the Pro Forma Financial Information has been compiled, in all material respects, by the directors, on the basis of the Applicable Criteria, based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the Pro Forma Financial Information has been compiled, in all material respects, on the basis specified in the Applicable Criteria.

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T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

# Annexure 1 cont.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of the Pro Forma Financial Information included in the Annual Financial Statements is solely for illustrative purposes and to provide users with the relevant information and measures used by the Company to assess its operating and financial performance, cashflow performance, and to enable offshore stakeholders to interpret the financial performance in a universally measured currency.

A reasonable assurance engagement to report on whether the Pro Forma Financial Information has been compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the directors in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Company, the events in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Opinion***

In our opinion, the Pro Forma Financial Information has been compiled, in all material respects, on the basis of the Applicable Criteria.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: B Laher
Registered Auditor
Johannesburg, South Africa

17 February 2025

The examination of controls over the maintenance and integrity of the Group's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

# Glossary of terms and acronyms

| | |
|---|---|
| **Adjusted EBITDA** | Operating profit before deducting depreciation, amortisation and impairment charges and before adding |
| **ADR** | Alternative dispute resolution |
| **AIDS** | Acquired immunodeficiency syndrome |
| **ART** | Antiretroviral therapy |
| **Attributable free cash flow** | The amount of cash available to finance returns to shareholders or growth after servicing debt, providing a |
| **B-BBEE** | Broad-based black economic empowerment |
| **BEE** | Black economic empowerment |
| **BRP** | Bonus and Retention Share Plan |
| **BSP** | Bonus Share Plan |
| **C1 unit cost** | All direct cash costs incurred in the mining and production of iron ore |
| **CAT** | Central Africa Time |
| **CFR** | Cost and freight |
| **CGU** | Cash-generating unit |
| **CO2e** | Carbon dioxide equivalent |
| **CODM** | Chief operating decision-maker |
| **Covid-19** | Coronavirus (SARS-CoV2) disease of 2019 |
| **DBA** | Deferred bonus arrangement |
| **DMRE** | Department of Mineral Resources and Energy |
| **dmt** | Dry metric tonne |
| **EBITDA** | Earnings before interest, tax, depreciation and amortisation |
| **ECD** | Early childhood development |
| **Employees living with** | Included in the calculation, all permanent employees, fixed term employees as well as trainees in our |
| **EPS** | Earnings per share |
| **ESG** | Environmental, social and governance |
| **ESOP** | Employee Share Ownership Plan |
| **EU** | European Union |
| **FCTR** | Foreign currency translation reserve |
| **Fe** | Iron |
| **FOB** | Free-on-board |
| **FVTPL** | Fair value through profit or loss |
| **GBV** | Gender-based violence |
| **GHG** | Greenhouse gas |
| **GISTM** | Global Industry Standard on Tailings Management |
| **GJ** | Gigajoule |
| **HEPS** | Headline earnings per share |
| **Historically disadvantaged** | Included in the calculation, all permanent employees, fixed term employees as well as trainees in our |
| **HIV** | Human immunodeficiency virus |
| **HME** | Heavy mobile equipment |
| **IAS** | International Accounting Standards |
| **IASB** | International Accounting Standards Board |
| **ICMM** | International Council of Mining and Metals |
| **IFRS Accounting Standards** | International Financial Reporting Standards as issued by the IASB |
| **IODEX** | Platts Iron Ore Index |
| **IOEC** | Iron Ore Export Channel |
| **IRMA** | Initiative for Responsible Mining Assurance |
| **JIBAR** | Johannesburg Interbank Average Rate |

# Annexure 1 cont.

## Glossary of terms and acronyms continued

| | |
|---|---|
| **JIG** | A plant that uses jig separators to process minerals and concentrate them by density |
| **JSE** | Johannesburg Stock Exchange |
| **King IV™** | King IV Report on Corporate Governance for South Africa, 2016 |
| **Level 3 – 5 environmental** | Those environmental incidents that we consider to have prolonged impacts on the local environments |
| **LoAP** | Life-of-asset plan |
| **LTI** | Lost-time injury |
| **LTIFR** | Lost-time injury frequency rate – the number of lost-time incidents per 1,000,000 hours worked |
| **LTIP** | Long-term incentive plan |
| **MENA** | Middle East and North Africa region |
| **ML** | Megalitres |
| **MOI** | Memorandum of Incorporation |
| **Mt** | Million tonnes |
| **Mtpa** | Million tonnes per annum |
| **MW** | Megawatt |
| **NEMA** | National Environmental Management Act |
| **Net cash** | Total cash and cash equivalents, less total borrowings and lease liabilities |
| **Net working capital** | Total inventory (including non-current) plus trade and other receivables, less trade and other payables |
| **NGO** | Non-governmental organisation |
| **OEC** | Ore Export Corridor |
| **OUF** | Ore User's Forum |
| **PSP** | Performance Share Plan |
| **PV** | Photovoltaic |
| **ROCE** | Return on adjusted capital employed - calculated as annualised EBIT divided by adjusted average capital |
| **RREE** | Regional renewable energy ecosystem |
| **SAICA** | South African Institute of Chartered Accountants |
| **SAMREC Code** | The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves – |
| **SARB** | South African Reserve Bank |
| **SARS** | South African Revenue Service |
| **SCA** | Supreme Court of Appeal |
| **SENS** | Stock Exchange News Service |
| **SIB** | Stay in business |
| **SIOC** | Sishen Iron Ore Company Proprietary Limited |
| **SOFR** | Secured overnight funding rate |
| **Tangible net worth** | Measures the value of a company's physical assets (excluding intangible assets) minus its liabilities. It is |
| **TB** | Tuberculosis |
| **TCFD** | Task Force for Climate Change and Decarbonisation |
| **TRIFR** | Total recordable injury frequency rate |
| **TSFs** | Tailings storage facilities |
| **UHDMS** | Ultra-high dense media separation |
| **Unit cost** | All costs incurred by the operations in the mining and production of iron ore, including overheads and non- |
| **WHO** | World Health Organisation |
| **WIP** | Work in progress |
| **wmt** | Wet metric tonne |
| **Women in management** | Included in the calculation, all permanent employees, fixed-term employees as well as trainees in our workforce |
| **YES** | Youth Employment Services |
| **ZARONIA** | South African Rand Overnight Index Average |

# Annexure 2

## Brief curricula vitae of directors proposed for re-election/election

### Mrs Mary Sina Bomela (51)

**Independent non-executive director**

MBA, CA(SA), BCom (Hons)

Joined the Board on 1 December 2017

Chairs the Strategy and Investment Committee and the Social, Ethics and Transformation Committee. She is a member of the Audit Committee and the Human Resources and Remuneration Committee and the Nominations and Governance Committee.

Mary was the Chief Executive Officer of the Mineworkers Investment Company (MIC). She currently serves on the boards of Primedia Proprietary Limited, Metrofile Holdings

### Mr Themba Moyeni Mkhwanazi (54)

**Non-executive director**

BEng (Chemical), BEng (Hons)

Joined the Board on 1 January 2022

A member of the Human Resources and Remuneration Committee and the Strategy and Investment Committee.

As Regional Director for Africa & Australia, Themba is responsible for ensuring safe and responsible operations, optimising performance, future options and commercial value across Africa and Australia. He has served as CEO of Bulk Commodities, Kumba Iron Ore and Anglo American's Thermal Coal business in South Africa. He is a Vice-President of the Minerals Council of South Africa . He also serves as a non-executive director on the board of Anglo American Platinum Limited, Vergelegen Wines Proprietary Limited and Aspen Pharmacare Holdings Limited.

### Ms Neo Violet Mokhesi (63)

**Independent non-executive director**

BCom, AMP

Joined the Board on 1 July 2024

A member of the Social, Ethics and Transformation Committee, the Safety, Health and Sustainable Development Committee and the Audit Committee.

She has over 25 years' experience in marketing, corporate affairs, development finance, strategy and corporate governance. Neo was a senior executive at the Industrial Development Corporation, including serving as the executive responsible for market development into the rest of Africa. She currently serves on the boards of Barloworld Limited, Mozal Aluminium Co and Nozala Trust. She previously served on the boards of Clover SA and Scaw Metals.

### Mr Matthew Thomas Samuel Walker (43)

**Non-executive director**

BSc (Hons) Economics and Economic History, CA(Scotland)

Joined the Board on 1 April 2024

A member of the Human Resources and Remuneration Committee and the Strategy and Investment Committee.

He is the CEO of Anglo American's Marketing business and a member of the Anglo American Executive Leadership Team. As CEO of Marketing, he is responsible for optimising the value of the company's products in the market through the implementation of effective sales and trading strategies. Prior to taking up this role in 2023, Matt was Group Head of Corporate Finance, leading capital allocation and integrated planning, as well as the M&A transaction team. Matt joined Anglo American's finance team in 2007 and has held a number of senior finance and other roles across Anglo American, including as CFO of the copper business in Chile. Between 2019 and 2021, he served as Group Treasurer responsible for the Group's bank and debt market funding.

# Annexure 2 cont.

## Brief curricula vitae of Social, Ethics and Transformation Committee members proposed for re-election

### Mr Mary Sina Bomela (51)

**Independent non-executive director**

MBA, CA(SA), BCom (Hons)

Joined the Board on 1 December 2017

Chairs the Strategy and Investment Committee and the Social, Ethics and Transformation Committee. She is a member of the Audit Committee, the Nominations and Governance Committee and the Human Resources and Remuneration Committee.

Mary was the Chief Executive Officer of the Mineworkers Investment Company (MIC). She currently serves on the boards of Primedia Proprietary Limited, Metrofile Holdings Limited and DN Invest Proprietary Limited.

### Mr Terence Philip Goodlace (65)

**Independent non-executive director**

BCom, MBA, NHD (Metalliferous Mining)

Joined the Board on 24 March 2017

Chairs the Board, the Nominations and Governance Committee, the Safety, Health and Sustainable Development Committee and is a member of the Human Resources and Remuneration Committee.

In addition to his role at Kumba Iron Ore Limited, he is also an independent non-executive director at Gold Fields Limited and Andrada Mining Limited. He spent the majority of his career with Gold Fields Limited and he progressed from being a miner through to becoming the Chief Operating Officer in 2008. For five years during this time, he was responsible for creating, implementing and facilitating the strategic and operational planning processes and outcomes for all group operations. This included executive responsibility for Group Mineral Resource Management, Environmental Management and Sustainable Development. He then spent three years as the Chief Executive Officer of Metorex Limited and served on the Impala Platinum Holdings Limited Board for two years as an independent non- executive director and four and a half years as the Chief Executive Officer. He has experience in leading underground and open-pit operations in Africa, South America and Australia.

### Mrs Nomalizo (Ntombi) Beryl Langa-Royds (62)

**Independent non-executive director**

BA (Law), LLB

Joined the Board on 1 December 2017

Chairs the Human Resources and Remuneration Committee and is a member of the Social, Ethics and Transformation Committee and the Nominations and Governance Committee.

She also serves as a non-executive director on the boards of Redefine Properties Limited, Retirement Investments and Savings for Everyone (RISE), Intellidex Holdings Limited and WBD Investment Holdings Company. She is a member of the King Commission's Remuneration Committee and a Trustee of the Institute of Healing of Memories (IHOM) and Women's Development Bank.

### Mr Bothwell Anesu Mazarura (51)

**Executive director**

BCompt (Hons), CA(SA), ACA, CA(Z)

Joined the Board on 1 September 2017

A member of the Social, Ethics and Transformation Committee and the Strategy and Investment Committee.

Befor joning Kumba, he served as Chief Financial Officer and executive director at Wescoal Holdings Limited from July 2016. Bothwell previously held various senior financial roles at Lonmin Plc since 2010. These include Group Head of Finance, Head of Treasury and Acting Chief Financial Officer. Prior to Lonmin Plc, he held a position as a Partner at Deloitte & Touche since 2002.

### Ms Neo Violet Mokhesi (63)

**Independent non-executive director**

BCom, AMP

Joined the Board on 1 July 2024

A member of the Social, Ethics and Transformation Committee, the Safety, Health and Sustainable Development Committee and the Audit Committee.

She has over 25 years' experience in marketing, corporate affairs, development finance, strategy and corporate governance. Neo was a senior executive at the Industrial Development Corporation, including serving as the executive responsible for market development into the rest of Africa. She currently serves on the boards of Barloworld Limited, Mozal Aluminium Co and Nozala Trust. She previously on the boards of Clover SA and Scaw Metals.

### Ms Nompumelelo (Mpumi) Dessederia Zikalala (46)

**Executive director**

BSc (Chemical Engineering)

Joined the Board on 1 January 2022

A member of the Social, Ethics and Transformation Committee, the Safety, Health and Sustainable Development Committee and the Strategy and Investment Committee.

She assumed the role of Chairman of Kumba's operating entity, Sishen Iron Ore Company Proprietary Limited. Mpumi was a De Beers Group bursar and officially joined De Beers in 2001 as a process engineer. As part of her production journey, she worked on process improvement and plant design projects; she also worked in various leadership roles within production management. She was appointed General Manager at De Beers Kimberley Mines in 2007, becoming the first female General Manager in the De Beers Group. In 2010, she was appointed General Manager of De Beers Voorspoed mine and three and a half years later became Senior Vice-President of De Beers Sightholder Sales South Africa.

# Annexure 2 cont.

## Brief curricula vitae of Audit Committee members proposed for re-election

### Mr Sango Siviwe Ntsaluba (64)

**Independent non-executive director**

BCom, BCompt (Hons), Higher Diploma in Tax Law, MCom, CA(SA)

Joined the Board on 5 June 2017

Chairs the Audit Committee and is a member of the Strategy and Investment Committee and the Nominations and Governance Committee.

He is the Chief Executive Officer and founder of Aurelian Capital, having been in the investment business for over 20 years. He co-founded what is now known as SNG-Grant Thornton, one of the leading accounting and auditing firms. He chairs the board of Thungela Resources and sits on the board of Clicks Group Limited. Sango has varied board and executive experience covering areas of transport, logistics, energy, food production and pharmaceuticals, and has served on public sector boards.

### Mrs Mary Sina Bomela (51)

**Independent non-executive director**

MBA, CA(SA), BCom (Hons)

Joined the Board on 1 December 2017

Chairs the Strategy and Investment Committee and the Social, Ethics and Transformation Committee. She is a member of the Audit Committee, the Nominations and Governance Committee and the Human Resources and Remuneration Committee.

Mary was the Chief Executive Officer of the Mineworkers Investment Company (MIC). She currently serves on the boards of Primedia Proprietary Limited, Metrofile Holdings Limited and DN Invest Proprietary Limited.

### Mr Aman Jeawon (55)

**Independent non-executive director**

Bachelor of Accountancy, Postgraduate Diploma in Accountancy (Hons), CA(SA), CD(SA)®

Joined the Board on 1 January 2023

A member of the Audit Committee, the Safety, Health and Sustainable Development Committee and the Strategy and Investment Committee. Aman is a Chartered Accountant and a Chartered Director of South Africa and has over 25 years' experience in the energy, mining and utility sectors. As a Corporate and Finance Executive he gained experience in mergers and acquisitions, deal origination, due diligence, legal and tax reviews, fundraising, private equity and capital structures. In addition to his finance and audit experience, Aman has ESG experience particularly in renewable energy.

Aman is the Executive Chairman of Global Acquity Holdings Proprietary Limited. He has served on the boards of Engen Ltd, South32, SA Coal Holdings Proprietary Limited, Pareto Ltd, ESCAP (SOC) Limited, Pembani Group Proprietary Limited and served as a trustee on the Eskom Pension and Provident Fund board. Aman is a member of the Institute of Independent Directors of Southern Africa and the South African Institute of Chartered Accountants.

## Mrs Michelle Anne Jenkins (64)

### Independent non-executive director

BSc (Hons) Geology, BA (Hons) Accounting, CA(SA)

Joined the Board on 1 November 2019

A member of the Audit Committee, the Human Resources and Remuneration Committee and the Strategy and Investment Committee.

Michelle is a Chartered Accountant with over 20 years' experience in exploration and mining, with an Honours Degree in Geology from the University of the Witwatersrand and a Bachelor of Accounting Science (Honours) from the University of South Africa. Michelle has substantial experience working as a geologist prior to joining KPMG's mining group as a Chartered Accountant. She has held the role of Chief Financial Officer/Financial Director with a number of exploration and mining companies throughout Africa. Michelle provides financial and commercial leadership and, with experience in multiple jurisdictions, has been involved in operating resources ventures and has been instrumental in start-ups, corporate acquisitions and disposals. Michelle offers a wealth of knowledge in resource industry risk management and mitigation and strategic leadership. Most recently, she was Executive: Finance and Administration for ASX/JSE listed Orion Minerals Limited, and on the board of Prieska Copper Zinc Mine Proprietary Limited. Prior to that, she was the Chief Financial Officer of Taurus Gold with gold assets in West Africa. Michelle was also Financial Director of Duration Gold, with assets in Zimbabwe as well as Financial Director within the Clarity Capital Group, a private investment and advisory services company. She serves as an independent non-executive director on the board of Shanta Gold plc.

## Ms Neo Violet Mokhesi (63)

### Independent non-executive director

BCom, AMP

Joined the Board on 1 July 2024

A member of the Social, Ethics and Transformation Committee, the Safety, Health and Sustainable Development Committee and the Audit Committee.

She has over 25 years' experience in marketing, corporate affairs, development finance, strategy and corporate governance. Neo was a senior executive at the Industrial Development Corporation, including serving as the executive responsible for market development into the rest of Africa. She currently serves on the boards of Barloworld Limited, Mozal Aluminium Co and Nozala Trust. She was previously on the boards of Clover SA and Scaw Metals.

# Annexure 3

## Remuneration report

### The Human Resources and Remuneration Committee of the Board (Remco)

#### Role of Remco and terms of reference

Remco guides the Board by ensuring that Kumba's remuneration and employee benefits-related decisions and policies are aligned with its overall goals, while remaining fair and equitable both to employees and shareholders. The Committee's interests and activities are geared towards developing, maintaining and progressing a strong, competitive human resources environment. The Remco terms of references can be accessed on Kumba's website:

▶ **www.angloamericankumba.com/investors/corporate-governance**

▶ **For details on the membership of Remco and attendance of meetings refer to page 118 of the Governance section in the Integrated report.**

#### Remuneration philosophy

Our reward philosophy is based on competitive, fair and transparent remuneration for our employees, and formulated to attract, retain, motivate and reward high-calibre, talented and productive employees. Remuneration components are designed to reward and recognise excellent, collaborative team and individual performance, while aligning with our values, culture and strategic objectives and allowing employees to share in the performance and success of the business and align with our shareholder experience.

**Guaranteed remuneration is aligned with the market median in respect of fixed pay. Variable performance-related pay, both short and long term, is included in the total remuneration offering to ensure market competitiveness, with key and critical skills remunerated at the higher end of median scales. Our top priority is to ensure the fair, equitable and consistent application of our remuneration principles and policies, guided by the King IV™ principles relating to fair and responsible remuneration.**

The Remco is firmly committed to its overarching responsibility of ensuring that the principles of accountability, transparency, sustainability and good governance are enacted in all remuneration-related matters. This includes the critical link between executive remuneration and performance against set strategic objectives, with the aim of creating executive engagement and shareholder value.

In the event that the remuneration policy or implementation report, or both, have been voted against by 25% or more of the voting rights exercised by shareholders in the non-binding advisory vote at the AGM, the Board will delegate representatives to actively engage with dissenting shareholders to address and collate the substantive objections and concerns, and to adapt the policy and/or report as appropriate, taking cognisance of the shareholder feedback and proposals resulting from the engagement, and as approved by the Board.

#### Fair and responsible remuneration

The main principles and practices that drive our commitment to fair and responsible remuneration are:

- adhering to legislative requirements and prescriptions relevant to remuneration and benefits
- undertaking an annual, external market benchmark of our remuneration package competitiveness across grading and job function/category in our industry and nationally
- reviewing and adjusting accordingly any salary anomalies lying below the comparable market median within a predetermined threshold, also taking cognisance of the internal peer group median and parity
- applying structured policies on appointment and salary movement (promotions, demotions and lateral moves), while linking salaries to functional peer group medians to address equal pay for equal work and any income disparities based on gender, race or other demographics
- ensuring that all permanent and fixed-term employees in the Company are eligible to participate in an short-term incentive (STI) scheme, as appropriate
- designing and executing HR strategic initiatives to enhance the overall employee work experience and improve the EVP offering to our employees
- driving for continuous improvement and future-proofing of our underlying employee engagement process and systems interfaces toward digitisation and mobile platforms, enabling higher efficiency and effectiveness in employee service delivery and towards the Company's future of work strategic drive for future focused skills and capabilities
- staying abreast of the latest market trends and offerings pertaining to remuneration and the remuneration mix of benefits to ensure that we remain relevant and competitive in our reward offering

# Remuneration report continued

## Elements of remuneration

The key elements of our remuneration framework and structure, which guide payments to all employees, are shown below, with a focus on Executive directors and Prescribed officers.

## Remuneration framework

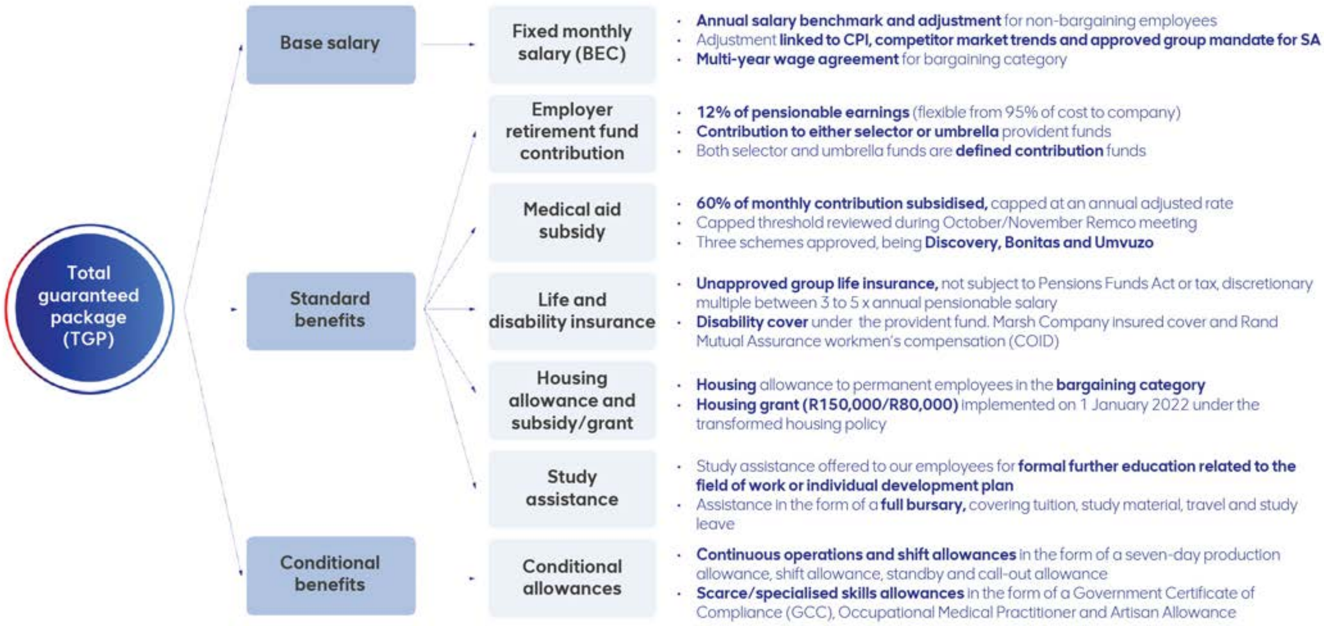



**Diagram A – TGP elements**

The strategic purpose of TGP is:

- to attract, motivate and retain high-calibre, talented and productive employees in a competitive market and to recognise their skills, experience and contribution to the Company's values
- ensuring that pay is competitive in the industry and is market-related
- being able to comply with legislative provisions and negotiated contractual commitments
- to reinforce and enhance the principle that employees are the key stakeholders of Kumba
- to ensure an appropriate and flexible benefit mixes (retirement fund, medical aid, medical aid gap cover, group life, etc.) to best serve our employees' dynamic lifestyle and needs at different life stages

The eligibility for conditional allowance benefits is dependent on the scarcity of skills, job-specific roles, responsibilities and legislative requirements.

# Annexure 3 cont.

## Remuneration report continued

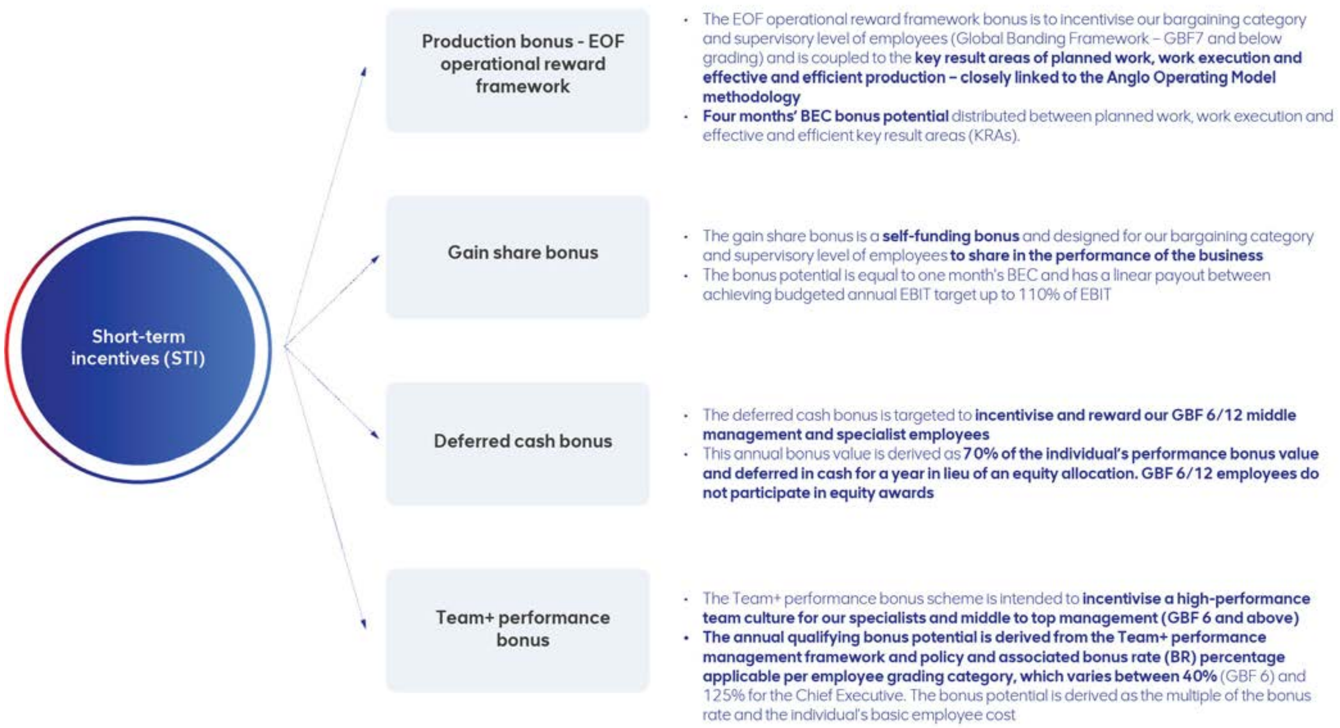



**Diagram B – STI elements**

The STI rewards employees who, as contributing members of teams, meet or exceed committed annual performance targets. The rewards aim to align the achievement of financial, operational, safety, health, environmental and company strategic and sustainability objectives at a corporate and operational or site level. The level and depth of metrics are based on the applicable STI scheme and the associated grading and sphere of control of the participating employees. The achievement of stretch targets at a company, asset (mine), functional or team levels is also encouraged by this incentivisation while allowing our employees to participate in the gains attributed to strong or exceptional company performance during the performance year.

# Remuneration report continued

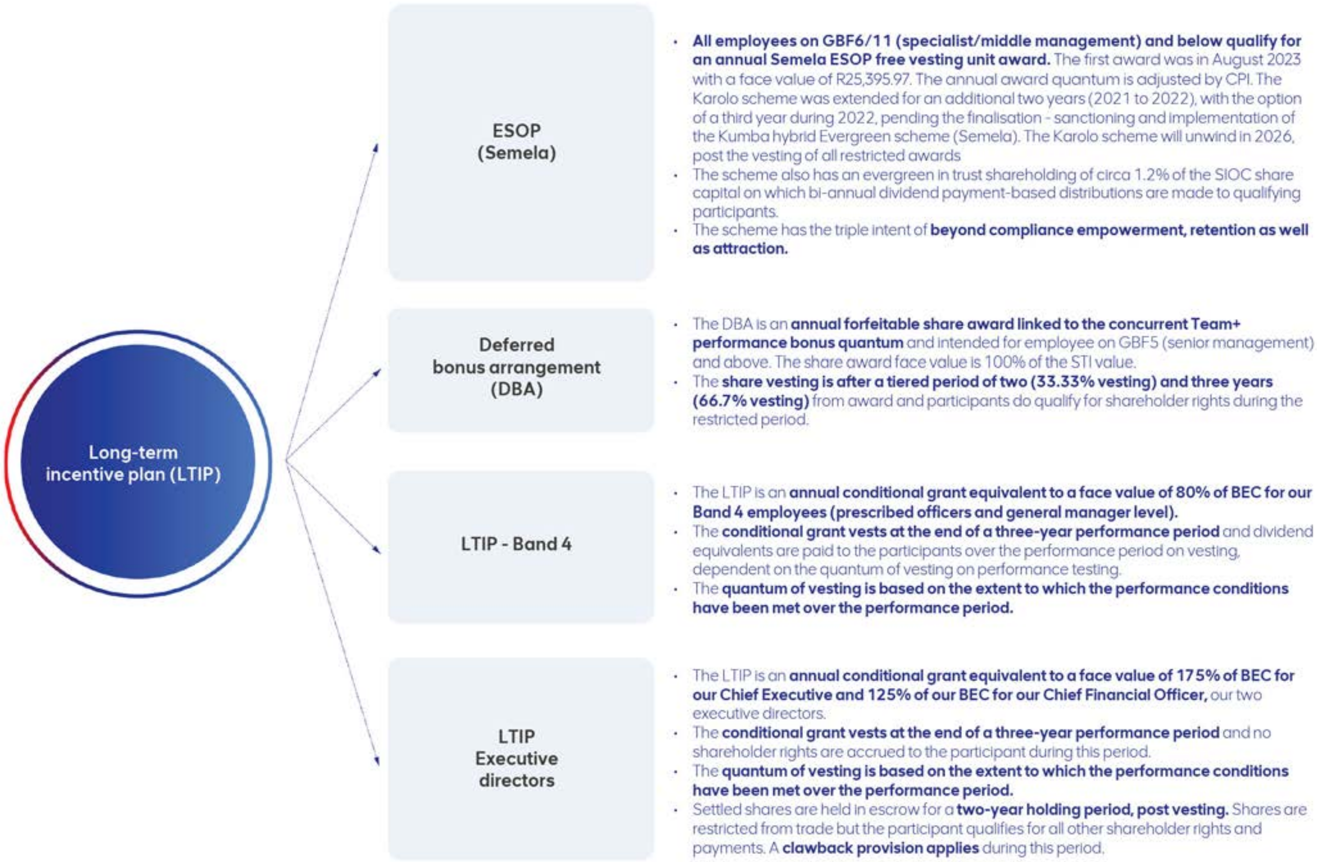



**Diagram C –** LTIP elements

Kumba's share incentive plans are structured to optimise the organisation's overall EVP position, while providing benefits that will assist the Company to attract, retain and incentivise executives and top talented employees towards sustained performance.

The plans are designed to align management and shareholder interests, and grow shareholder value. The objectives are to motivate long-term sustainable performance, and retain business-critical and top talented employees while incentivising employees towards the achievement of ambitious business transformation through the Refreshed strategy and culture programme.

# Annexure 3 cont.

# Remuneration report continued

## Executive directors' and Prescribed officers' remuneration

When assessing the performance of the Company and its Executive directors and Prescribed officers, the Committee is mindful of its obligation to our shareholders, as elaborated in our remuneration framework. The remuneration of Executive directors and Prescribed officers consists of fixed and variable components designed to ensure that a substantial portion of the total reward remuneration package is linked to the achievement of the Company's strategic objectives, thereby aligning incentives with the creation of sustainable shareholder value.

### Fixed remuneration

The total package per role is compared to levels of pay at the market median in JSE-listed companies of comparable size and complexity within the industry sector. Annual salary benchmark reviews are conducted to ensure market competitiveness and pay relevance.

The Company contributes 12% of pensionable salary to approved retirement funds. Medical aid is subsidised at 60% of the contribution to a maximum amount determined by market comparisons. Risk insurance benefits include life cover and death-in-service benefits, subject to the rules of the approved Kumba retirement funds. The Company provides additional death and disability cover to employees through its insurance risk and compensation for COID underwriting policies.

### Variable remuneration

The variable remuneration of the executive directors and prescribed officers consists of cash (annual Team+ performance bonus) and equity instruments (deferred bonus and long-term incentives) applied in combination and with the quantum and conditions appropriate to the scope of responsibility and contribution to operating and financial performance of the respective role.

### The variable remuneration components of our remuneration framework can be summarised as follows for our Executive directors, Prescribed officers and senior to middle management and specialists:

| Variable pay component | Instrument type | Payment/vesting | Eligibility |
|---|---|---|---|
| Team+ performance bonus | Cash | Annual cash payment in March, following the performance year under review | Executive directors, Prescribed officers, senior and middle management employees |
| DBA | Restricted equity awarded under the BRP rules | Unconditional vesting, subject to employment condition, with tranches vesting after two and three years, respectively | Executive directors, Prescribed officers and senior management employees |
| Deferred cash or equity (Band 6/12) | A once-off election between an annual cash or equity deferral of 70% of the Team+ performance bonus. Equity awarded under the BRP rules | Cash or equity deferred for one year with an unconditional vesting, subject to employment condition, after one year | Middle management employees |
| Khumo awards (Band 6/12) | An annual equity award with a fixed face value of R35,000 per participant. Equity awarded under the BRP rules | Unconditional vesting, subject to employment condition, vesting after two years | Middle management employees |
| LTIP | Restricted equity awarded under the performance share plan (performance share plan) rules | Conditional vesting after three years, with an additional two-year holding period subject to clawback provisions for the Executive directors | Executive directors, Prescribed officers and qualifying senior managers (general management level employees) |

# Remuneration report continued

## Team+ performance bonus

The Team+ performance management process focuses on individual and collective team performance driven through collaboration, with annual performance objectives set on three different team levels, being: group (all Anglo American group functions), business (Kumba corporate office and SIB projects) and asset (Sishen and Kolomela).

The annual short-term incentive scheme, underpinning Team+ performance, is based on an additive calculation formula, comprising the sum of the key result areas (business results and critical tasks) multiplied by the grading specific bonus rate. A safety deductor penalty modifier is applicable to all participating employees. The penalty modifier ranges from a 10% penalty per fatality on a business (corporate) level up to 20% at an asset (mine) level, based on the line-of sight control principle. Further to the safety deductor penalty modifier, an individual Anglo American group mandatory compliance training penalty modifier has been introduced for the 2024 performance year onward. This penalty modifier will be applied to participating individuals who have not fully complied with the completion of their assigned group mandatory compliance training by 31 December of the applicable performance year. The penalty modifier will amount to a 5% reduction of the short-term incentive payment realised for the performance year.

Following a series of feedback workshops carried out with business reward teams in 2023, some changes to the Team+ short-term incentive process for the 2024 performance year onward were approved by the Anglo American ELT in September 2023. The intent is to simplify the process and the content within the short-term incentive objectives, as well as optimising the logistics pertaining to the associated process governance. The approved outcomes reflect and embed feedback from the workshops and support some of the key principles underpinning the reconfigured business strategy. In summary, the main changes to be aware of at this time are as follows:

- Simplification of the business results key result area (financial/operational/SHE measures). The measures for the top 55% of the short-term incentive structure (financial and operational) have been simplified, with vertical and horizontal alignment sought across the Anglo American group.
- For the group financial segment, the measures have remained unchanged but have been rebased to 10% (from 12% in 2023) for the Kumba business scorecard.
- For the business financial segment, only two financial measures remain, being the EBITDA and the newly introduced sustaining attributable free cash flow measure. The ROCE and working capital days measures have been removed. The overall segment weighting has been up weighted to 40%, from 15% in 2023 for the Kumba business scorecard. The EBITDA measure is weighted at 25% for the 2024 performance year (weighted at 5% for the 2023 performance year) and the sustaining attributable free cash flow measure is 15%.
- The business operational segment measures remain the same, but the weighting distribution has been adjusted for the Kumba business scorecard. The saleable tonnes and unit cost measures have been down weighted to 5% (from 8% in 2023) and the mine compliance measure has also been down weighted to 5% (from 7% in 2023).
- For the SHE segment, there has been a redistribution of the measures weighting, with the TRIFR safety measure down weighted to 2.5% (from 5% in 2023) and the VFL time in field measure up weighted to 5% (from 2.5% in 2023). The Planned Work measure has remained unchanged from 2023. The Ecological Health measure has been renamed to the Environmental Footprint Improvement measure and refined in terms of a more granular breakdown of the underpinning Air, Land, Nature and Water pillar target details and objectives. The weighting has remained unchanged at 10% from 2023.

- Simplification of the Critical Tasks key result area: The Anglo ELT approved the following key changes to the Critical Tasks key result area for the 2024 performance year onward:
  - The maximum number of Critical Tasks is five (down from six), and the minimum is three; no sub-tasks with separate weightings are to be included.
  - There will be much greater alignment between the Regional Director, Africa and Australia's Critical Tasks and the Kumba Business Critical Tasks.
  - The Regional Director, Africa and Australia is to formally approve the Kumba Business Critical Tasks with only light touch ratification by the Anglo American ELT. Final review and approval is within the remit of the Kumba Remco.
  - The Critical Task weightings are finalised towards the end of the Critical Task process and proposed by Group Performance and Reward and the Anglo American Chief Executive's office to align with weightings applied at the ELT level.
  - The Critical Tasks scoring has been refined and updated as follows (effective for 2023 Team+ performance scorecard assessment process onwards):
  - 100% for full achievement: work and associated benefits fully delivered
  - 75% for substantive achievement: majority of the work and associated benefits delivered (based on quarterly milestones and outcomes)
  - 50% for partial achievement: 50% of the work and associated benefits delivered, with clear pathway to full delivery
  - for any level of delivery below 50%, the score will be zero

- The critical tasks segment has been down weighted to 15% for the 2024 performance year (from 30% in the 2023 performance year) for the Business scorecard.

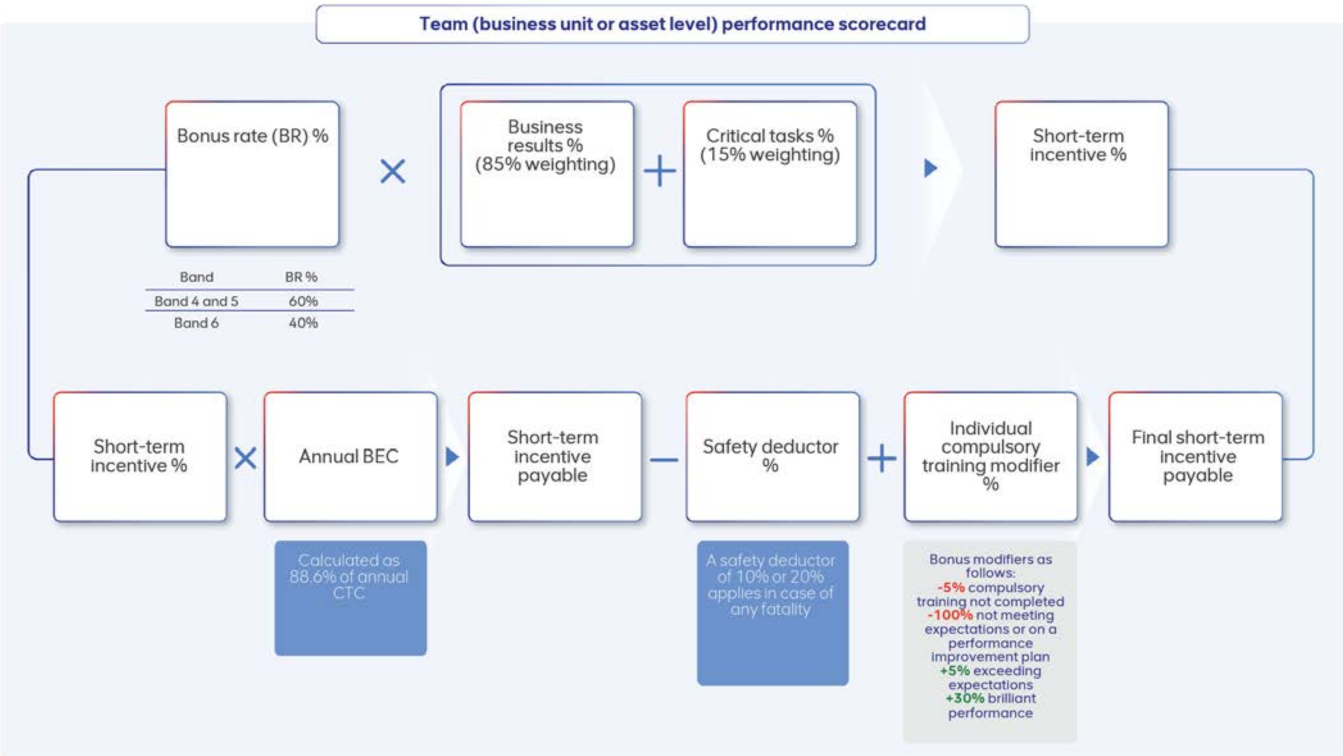
# Annexure 3 cont.

## Remuneration report continued

The following table is a synopsis of the changes in effect for the 2024 performance year for the Kumba Business scorecard.

| Key result area categories | Fixed/actual | Unit | 2024 points allocation - business scorecard | 2023 points allocation - business scorecard |
|---|---|---|---|---|
| Anglo American group financial (apply overall vesting % of group financials) | | | 10.00 | 12.00 |
| EPS | Fixed | cents per share (cps) | 10.00 | 4.00 |
| EPS | Actual | cps | | 4.00 |
| Sustaining attributable free cash flow | Fixed | US$m | | 4.00 |
| Business financial | | | 40.00 | 15.00 |
| EBITDA | Fixed price/FX | US$m | 25.00 | 5.00 |
| Sustaining attributable free cash flow | Actual | US$m | 15.00 | N/A |
| ROCE | Actual | % | N/A | 5.00 |
| Working capital days | Actual | Days | N/A | 5.00 |
| Business operational | | | 15.00 | 23.00 |
| Saleable production | N/A | Mt | 5.00 | 8.00 |
| Unit cost | Fixed FX | FOB US$/tonne | 5.00 | 8.00 |
| Mine compliance | N/A | % | 5.00 | 7.00 |
| Safety, health and environment | | | 20.00 | 20.00 |
| Critical tasks | | | 15.00 | 30.00 |
| Scorecard total | | | 100.00 | 100.00 |

# Remuneration report continued




### Diagram D – Team+ bonus calculation methodology

Diagram D is a diagrammatic representation of the Team+ performance short-term incentive calculation methodology that has been applicable for the 2024 performance year.

Strategic performance objectives are set for the performance year in the business results and critical tasks key result areas, with targets cascaded over the three-team performance levels. The key results areas are expounded as follows:

- Business results – measure achievements at the business unit (BU) or asset level and at the group level for those in group functions. They are the key output metrics for the performance year – such as financial, operational, safety, health and environmental key strategic measures. This key result area comprises 85% (for the 2024 performance year onward) of the short-term incentive potential.
- Critical tasks – comprises programmes and initiative deliverables that the group function, BU or asset must deliver during the performance year to be successful in the performance delivery transformation of the BU – for the performance year and future years. This key result area comprises 15% (for the 2024 performance year onward) of the short-term incentive potential.

# Annexure 3 cont.

## Remuneration report continued

The short-term incentive payment realised for any performance year is differentiated by the participative team (group, BU or asset level) performance against their respective scorecard set objectives, individual grading bonus rate, annual basic employment cost and lastly any penalty modifiers applicable.

Based on feedback from our employees and the larger Anglo American group, it became clear that there are elements of the Team+ performance management process that are not working as intended and are, in some instances, counter-productive. These insights have provided the organisation with the opportunity to make some changes to truly drive the optimisation of business outcomes across the group, underpinned by individual accountability and contribution, closely linked to the work on culture and leadership behaviours. Kumba implemented light touch "no-regret" changes in response to the feedback received for the 2024 performance year and this can be viewed as a first step in the longer-term plan with longer-term changes in the pipeline for 2025.

The new approach to performance management aligns and supports our current priority of embedding a high-performance culture across Kumba, with leaders being encouraged to take accountability for the performance of their teams and individuals being supported to drive their own individual performance targets. It allows for poor performance to be addressed and for individuals to be recognised and potentially rewarded for exceptional performance. The changes focus primarily on the reintroduction of an individual performance assessment. This will enable the business to make crucial people and organisation decisions on areas such as career development, succession planning, team collaboration and the management of poor performance and underperformance. It will also provide data that can be used to understand the "people performance story" across the business. The impact on leadership behaviours will ultimately drive the sustainability of our business performance.

An individual short-term incentive element has been introduced as of the 2024 performance year, not linked to the Team+ scorecard performance rating, but applied at line manager discretion with a cost-neutral impact overall, ensuring high performance is recognised and underperformance is addressed and managed. Leaders will have the discretion to adjust individual short-term incentive outcomes at the year end, based on a holistic view of what team members have delivered and how they have delivered it. A mandatory short-term incentive deduction for significant underperformance, and where the employee is on a Performance improvement plan (PIP), will be effected.

Longer-term changes, and for introduction in 2025, have been worked through and proposed during 2024. Kumba will have representatives on the Anglo American global working committee to provide input into and feedback on the longer-term changes. It is envisaged that the longer-term changes will focus more on potential reward outcomes associated with good or poor behaviour, such as the ability to make discretionary salary increases for exceptional performance.

# Remuneration report continued

## 2024 Long-term incentive plan (granted under the performance share plan rules)

The purpose of the LTIP is to incentivise, attract and retain high-performing employees as part of the Company's EVP. Awards are subject to underlying LTIP performance conditions which are measured over a three-year period. These conditional vesting performance measures are reviewed and evaluated annually by the Remco. The Remco considers the key business value and ESG drivers in selecting metrics and the alignment of the participants' reward with long-term, sustainable value creation in setting performance targets.

**Table A –** Changes for the 2024 financial year LTIP grant performance conditions breakdown are summarised below, compared to the 2023 grant:

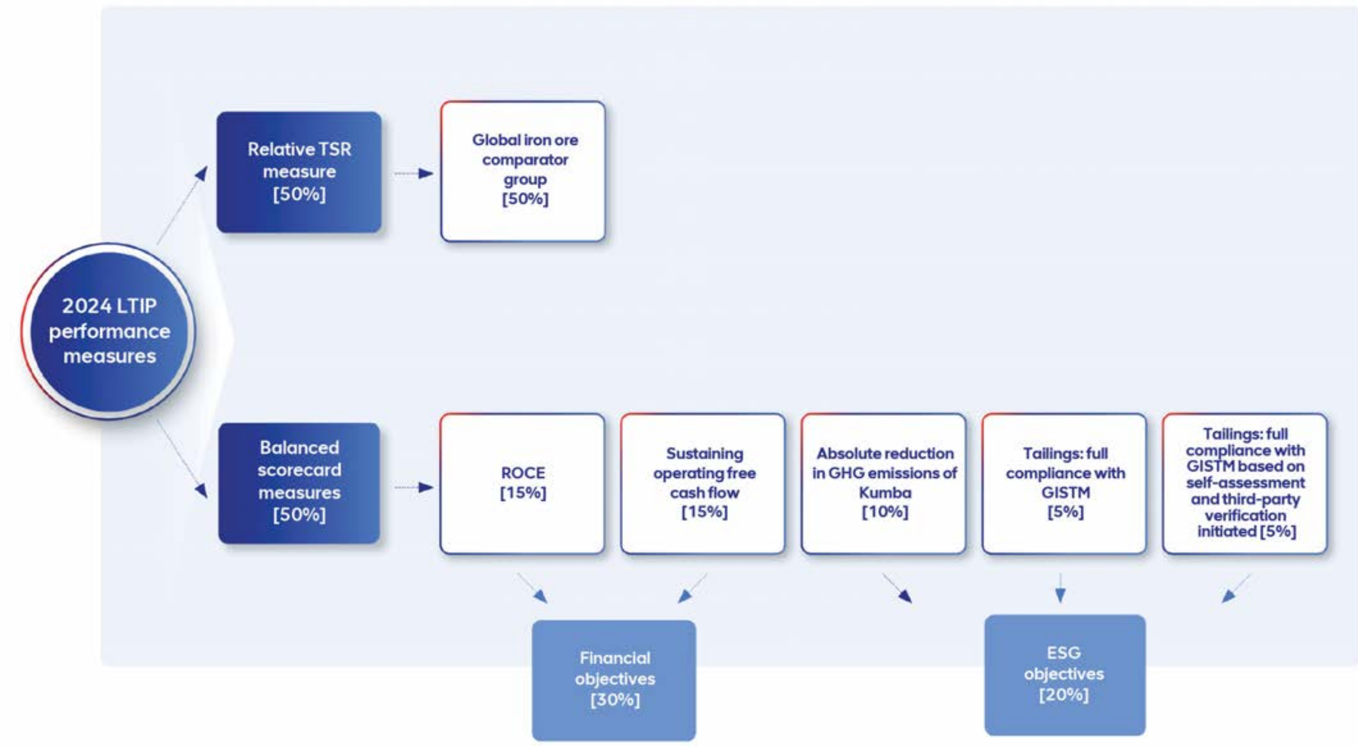
| LTIP performance KRA | 2024 performance weighting | 2024 performance measure | 2024 measure weighting | 2023 performance weighting | 2023 performance measure | 2023 measure weighting |
|---|---|---|---|---|---|---|
| Relative total shareholder return (TSR) | 50% | TSR – global iron ore peer group | 50% | 50% | TSR – global iron ore peer group | 50% |
| Balanced scorecard of measures | 50% | Financial measures – 30% | | 50% | Financial measures – 30% | |
| | | Sustaining operating free cash flow - three year cumulative | 15% | | Sustaining operating free cash flow - three year cumulative | 15% |
| | | Attributable ROCE - three year average | 15% | | Attributable ROCE - three year average | 15% |
| | | ESG measures – 20% | | | ESG measures – 20% | |
| | | Climate change: Absolute reduction in GHG emissions. | 10% | | GHG reduction - renewable energy production | 8% |
| | | GISTM Objective 1 Facilities: Full compliance with GISTM. | 5% | | Ethical value chains - recognised responsible mine certification | 6% |
| | | GISTM Objective 2 Facilities: Compliance with GISTM based on self-assessment. | 5% | | Social responsibility - local procurement expenditure | 6% |

# Annexure 3 cont.

## Remuneration report continued

### Promoting long-term executive share ownership

Aligned with the Anglo American group, and based on investor feedback, an in-post shareholding requirement for Kumba's Chief Executive equal to 200% of salary was introduced in 2020. No post-exit shareholding requirements are currently being contemplated.




### Diagram E – 2024 LTIP award underpinning performance condition breakdown

The TSR measure, linked to a global iron ore comparator group, has been retained from the 2 November 2022 Remco decision to rationalise the relative TSR measure to a single measure up weighted to 50% for the 2023 LTIP award. The 2024 balanced scorecard measures proposed have remained the same for the financial objectives segment of the scorecard, but the ESG objectives segment measures have been amended and reduced to align with the Anglo American plc group 2024 LTIP grant conditions.

For 2024, two ESG measures have been proposed within a combined 20% weighting, which is a reduction on the three measures included in the 2023 LTIP grant. The ESG measures for the 2024 LTIP grant, as with prior years, have been aligned with the identified pathways for the achievement of the SMP goals, supporting the Anglo American group ESG strategy. The measures selected for the 2024 LTIP grant are across the two critical, ESG areas that have been identified as a priority internally for the Anglo American group as well as among external stakeholders:

i. absolute GHG emissions
ii. compliance with GISTM standards

# Remuneration report continued

The below table (Table B) shows the details of the 2024 LTIP award performance conditions, targets and vesting quantum schedule.

**Table B – 2024 LTIP award performance conditions, targets and vesting schedule**

| Performance indicator | % of allocation subject to indicator | Performance indicator | % of allocation subject to indicator | Below threshold target | Threshold target | Stretch target |
|---|---|---|---|---|---|---|
| TSR achieved | 50% | Global iron ore comparator group | 50% | Below peer group median TSR | Median TSR of the peer group | Upper quartile TSR of the peer group |
| | | Vesting schedule | | 0% | 25% | 100% |
| Balanced scorecard | 50% | Attributable ROCE – three-year average | 15% | <12.00% | 12.00% | 20.00% |
| | | Vesting schedule | | 0% | 25% | 100% |
| | | Sustaining operating free cash flow – three-year cumulative | 15% | <R42,817m | R42,817m | R47,324m |
| | | Vesting schedule | | 0% | 25% | 100% |
| | | Climate change: Absolute reduction in GHG emissions | 10% | <0.143 $MtCO_2e$ | 0.143 $MtCO_2e$ | 0.178 $MtCO_2e$ |
| | | Vesting schedule | | 0% | 25% | 100% |
| | | GISTM Objective 1 facilities: Full compliance with GISTM | 5% | <80% compliance | 80% compliance | ≥95% compliance |
| | | Vesting schedule | | 0% | 25% | 100% |
| | | GISTM Objective 2 facilities: Compliance with GISTM based on self-assessment | 5% | <80% compliance | 80% compliance | ≥95% compliance |
| | | Vesting schedule | | 0% | 25% | 100% |

## Executive directors' and Prescribed officers' 2024 remuneration policy

The following section provides a comprehensive overview of the executive directors' and prescribed officers' remuneration policy applicable to the 2024 financial year.

## Executive directors' and Prescribed officers' package design and total remuneration opportunity at different levels of performance

The following charts illustrate the pay mix distribution of the Chief Executive (Chart 1), Chief Financial Officer (Chart 2) and the prescribed officers (Chart 3) at threshold, on-target and stretch performance for 2023.

# Annexure 3 cont.

## Remuneration report continued

### Key assumptions

| Total remuneration component | Threshold | On-target | Stretched |
|---|---|---|---|
| TGP | 2024 basic salary, benefits and pension | 2024 basic salary, benefits and pension | 2024 basic salary, benefits and pension |
| Bonus awards (cash and deferred equity) – Chief Executive | 25% of maximum bonus opportunity | 62.5% of maximum bonus opportunity | 100% of maximum bonus opportunity |
| Bonus awards (cash and deferred equity) | 25% of maximum bonus opportunity | 62.5% of maximum bonus opportunity | 100% of maximum bonus opportunity |
| LTIP awards | 25% of award vesting | 62.5% of award vesting | 100% of award vesting |

**Chart 1: Chief Executive pay mix distribution with performance**

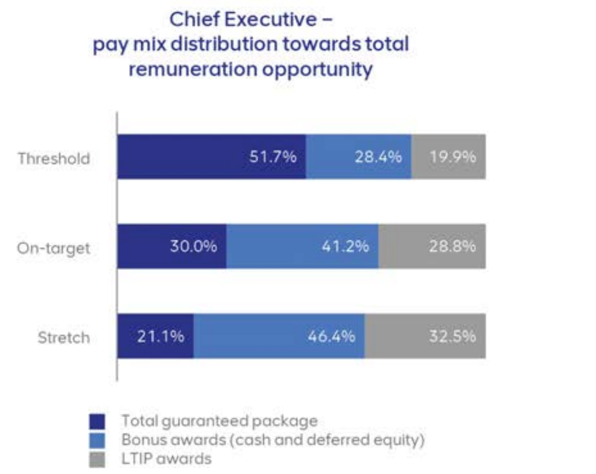



**Chart 2: Chief Financial Officer pay mix distribution with performance**

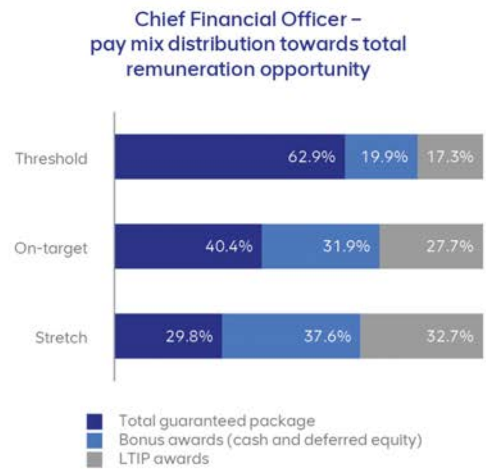
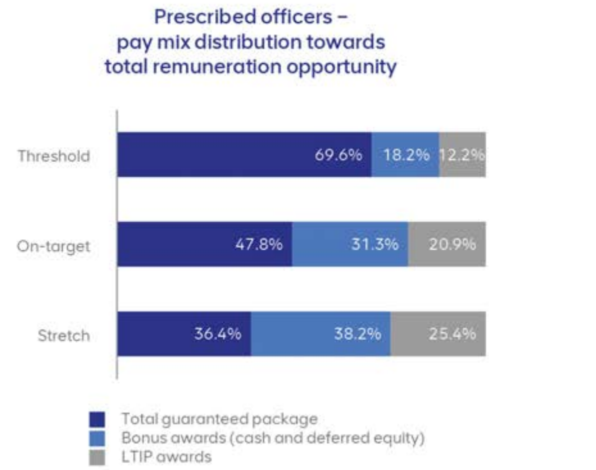



**Chart 3: Prescribed officers' pay mix distribution with performance**



# Remuneration report continued

## Changes to the Executive directors' remuneration policy for 2024

The current Executive directors' remuneration policy continues to be effective, with no changes having been effected during 2024.

### Executive directors' and Prescribed officers' contracts of employment

Executive directors and Prescribed officers are not employed on fixed-term contracts but have standard employment contracts with notice periods of up to six months. The Chief Executive, Mpumi Zikalala's contract has a restraint of trade provision for a period of 12 months after the termination of her employment. There are no additional payments for any of the restraint obligations as the Chief Executive's remuneration is deemed fair and reasonable compensation, inclusive of the restraint obligations.

There is no restraint of trade provisions applicable to the Chief Financial Officer and Prescribed officers. No restraint payments have been made during this year. There are no change of control provisions or any provisions relating to payment on termination of employment.

### Appointments of Executive directors and Prescribed officers

Appointments are subject to approval by the Board and are governed by the business integrity policy.

### Non-executive directors' fees

Non-executive directors do not have employment contracts with the Company or participate in any of the Company's incentive plans. Non-executive directors are subject to retirement by rotation and re-election by shareholders in accordance with the MoI of the Company.

Recommendations on the level of fees payable to Non-executive directors, are made by Remco and are approved by the shareholders. A third-party, external remuneration advisory service provider utilises the same comparator group of South African JSE-listed industry peer companies utilised for our Executive directors to benchmark the remuneration of the Non-executive directors. The JSE-listed industry comparator peer group review is based on the general principle that the constituents should be comparable in terms of size and complexity. The measures that are utilised to assess size are:

- market capitalisation
- revenue
- total assets under control
- number of employees.

Complexity, being harder to measure, is based on a subjective assessment of:

- number of operations
- complexity and diversity of operations (in mining, for example, exploration, development, extraction, processing, marketing and beneficiation, single or multiple commodities)
- number of international jurisdictions

It is generally advisable to use the same comparator group unless there is a significant change in the size, complexity, or business composition of a company. As per established practice, a detailed review of the comparator group is done every three years, or if any significant market changes have occurred since the last review.

The benchmarks of the Non-executive directors' fees are based on the published policy fees by role, sourced from the notices of meeting or the annual integrated reports of the comparators. The benchmarks are provided on the basis of the policy fees per role, as well as per incumbent, based on their roles and the Board committees of which they are members.

An across-the-board inflationary increase of 6.0% was approved for the Non-executive directors by shareholders in 2024, aligned with the adjustment sanctioned by the Remco for the executive directors and the non-bargaining employees.

# Annexure 3 cont.

## Remuneration report continued

Non-executive directors' fees are not dependent on meeting attendance. There are no other supplementary fees payable. Annual fees payable to Non-executive directors were approved by shareholders at the AGM on 28 May 2024. The fees are as follows:

**2024 fees per annum (Rand)**

| Capacity | Chairperson | Member |
|---|---|---|
| Board of directors[1] | 2,120,159 | 404,390 |
| Lead independent director | 1,511,242 | N/A |
| Audit Committee | 449,440 | 224,720 |
| Strategy and Investment Committee | 385,840 | 198,432 |
| Social, Ethics and Transformation Committee | 385,840 | 198,432 |
| Human Resources and Remuneration Committee | 418,912 | 209,456 |
| Nominations and Governance Committee[1] | N/A | 198,432 |
| Safety, Health and Sustainable Development Committee[1] | 385,840 | 198,432 |
| Special Board sub-committee[2] | 385,840 | 198,432 |

1 The Nominations and Governance Committee is chaired by the Chairperson of the Board and there are no additional fees paid for this responsibility. He is also a member of the Human Resources and Remuneration Committee and chairs the Safety, Health and Sustainable Development Committee. He attends all other committee meetings. He does not receive any additional remuneration in this regard.
2 To provide for an ad hoc sub-committee should this be required.

## Section 3: Disclosure on implementation of policies for the financial year

### Guaranteed pay adjustments

#### Inflationary salary adjustments for 2024

An inflation adjustment mandate of 5.0% to the CTC (base salary plus employer retirement fund contribution) was approved by the Remco at the November 2024 meeting of the Committee for the non-bargaining category employees, in line with our mining peers and national benchmarks conducted, supported by an external, third-party service provider. The salary adjustment was effected on 1 January 2025.

The total reward remuneration of the executive directors is benchmarked against a comparator peer group of JSE-listed companies of comparable size and nature of operations and undertaken by a third-party external service provider. The third-party remuneration advisory service provider utilises a comparator group of South African JSE-listed industry peer companies to benchmark the remuneration of the Executive Directors. The JSE-listed industry comparator peer group review is based on the general principle that the constituents should be comparable in terms of size and complexity. The measures that are utilised to assess size are:

- market capitalisation;
- revenue
- total assets under control
- number of employees

Complexity, being harder to measure, is based on a subjective assessment of:

- number of operations
- complexity and diversity of operations (in mining, for example, exploration, development, extraction, processing, marketing and beneficiation, single or multiple commodities)
- number of international jurisdictions

It is generally advisable to use the same comparator group unless there is a significant change in the size, complexity or business composition of a company. As per established practice, a detailed review of the comparator group is undertaken every three years, or if any significant market changes have occurred since the last review. In the Committee meeting of 9 February 2024, Remco considered and sanctioned the expansion of the JSE-listed industry comparator group with the addition of AECI, Thungela, Sasol and Anglo American Platinum, to bolster the size and validity of the external benchmarking comparator group. During the benchmarking exercise for the 2025 salary adjustment, the external, independent third-party remuneration advisory service provider identified that the inclusion of both Sasol and Anglo American Platinum skewed the benchmarks significantly upwards, more specifically for the Chief Financial Officer. Based on the observed skewing of the benchmarks, the advisor proposed the exclusion of Sasol from the comparator group.

# Remuneration report continued

The Remco further requested that consideration be given to a supplementary benchmarking comparator group of other listed companies, based on similar size and complexity to Kumba, to provide further benchmarking validity assurance. The third-party remuneration advisory service provider performed the requested JSE size-based supplementary comparator group review based on the general principle that the non-mining constituents should be comparable in terms of size and complexity to Kumba Iron Ore. The criteria that were utilised in selecting the supplementary comparator companies were:

- market capitalisation
- single jurisdiction operating companies (for the most part, circa 70% and above)
- comparable remuneration mix towards total remuneration, thus excluding the financial services sector of companies

The JSE-listed industry comparator peer group and size-based supplementary comparator group of companies, which were proposed, reviewed, and sanctioned by the Remco, were subsequently utilised for the total remuneration benchmarking of the executive directors. This is represented in the table below:

| Number | JSE-Listed industry comparator group of companies | Size-based supplementary comparator group of companies |
|---|---|---|
| 1 | African Rainbow Minerals Limited | Aspen Pharmacare Holdings Limited |
| 2 | Northam Platinum Limited | Bidvest Group Limited |
| 3 | Sibanye-Stillwater Limited | Clicks Group Limited |
| 4 | Impala Platinum Holdings Limited | Pepkor Holdings Limited |
| 5 | Exxaro Resources Limited | Mr Price Group Limited |
| 6 | Harmony Gold Mining Company Limited | The Foschini Group Limited |
| 7 | AECI Limited | AVI Limited |
| 8 | Thungela Resources Limited | Dis-Chem Pharmacies Limited |
| 9 | Anglo American Platinum Limited | Redefine Properties Limited |
| 10 | | Spar Group Limited |

In 2023, a multi-year collective bargaining agreement was concluded between Kumba and the representative trade unions, for the period 1 July 2023 to 30 June 2026. The CCMA-facilitated negotiations with the three recognised trade unions (NUM, AMCU and Solidarity) commenced on 9 May 2023. Although the Company proposed the consideration of a five-year wage agreement during the initial wage discussions, the trade unions had limited appetite for an extended agreement beyond three years due to the uncertainties and volatility in the macro-economic and micro-economic environment. The Company therefore continued discussions with a three-year focus.

NUM and AMCU entered into an agreement on 6 July 2023 that was effective retrospectively, from 1 July 2023. Based on representation and in accordance with section 23 (1)(d) of the Labour Relations Act, the agreement was extended to members of Solidarity, despite the trade union declaring a dispute. The agreed changes to wages and conditions of employment were also extended to all non-unionised employees and individuals employed in the bargaining category at the corporate office, SIB projects and Marketing and Logistics at Saldanha.

An internal dispute meeting was held with Solidarity on 10 July 2023, during which Solidarity accepted the extension of the agreement to its members and acknowledged that it had no legal recourse to challenge it through a formal dispute process.

The following table provides a breakdown summary per year of the agreed compounded three-year adjustment of 17.59%, within the Remco's approved mandate:

| Period | Average adjustment agreed |
|---|---|
| Year 1: 1 July 2023 to 30 June 2024 | 6.65% |
| Year 2: 1 July 2024 to 30 June 2025 | 5.21% |
| Year 3: 1 July 2025 to 30 June 2026 | 4.80% |
| Three-year compounded adjustment | 17.59% |

The above increases include adjustments to basic salaries, housing allowances, 13th cheques and fixed allowances for all bargaining category employees. An average increase of 5.21% was effected on 1 July 2024, in accordance with the second year of the three-year wage agreement across the bargaining category gradings.

# Annexure 3 cont.

## Remuneration report continued

### Annual performance incentive outcomes – linked to underlying performance

#### Safety performance

The safety, health and wellbeing of our people and service partners is our highest priority. During 2024, we further strengthened our safety culture and performance across the following key areas:

- Mental health and wellness enabled by a structured practices and processes approach
- The implementation of the fatal risk management framework to simplify safety protocols, ensuring that critical controls are easy to understand and apply. The number of critical controls was reduced from 119 to 51 across our top 13 safety priority events
- Continuous enhancement of contractor performance management processes and systems

Safety performance challenges in the first half were addressed through an integrated approach to safety. The Stop for Safety programme was implemented at our operations to embed a strong safety consciousness and a minimum set of safety behaviours and actions. This was underpinned by proactive and interactive engagements and initiatives focused on workplace design and safety ownership, as well as shared learnings and insights.

As a result of these interventions, Kumba's TRIFR improved by 22% from 0.98 in 2023 to 0.76 at the end of 2024. This marks the lowest TRIFR recorded since the inception of Kumba's operations. Total LTIs recorded reduced to 11 LTIs (2023: 17), resulting in a lower LTIFR of 0.49 against 0.58 in 2023. Low-energy level incidents accounted for 63% of the LTIs (2023: 88%). HPIs improved to seven during 2024 compared to 16 in 2023.

#### Health performance

Throughout the business reconfiguration process, our employee assistance programme provided counselling, mentoring and practical support to employees. As part of our health and wellness campaigns, employees are monitored for non-communicable diseases and programmes, including those for chronic disease and weight management have been implemented to mitigate this risk. Chronic disease reduction programmes are offered including high-morbidity diseases, such as tuberculosis (TB), cardiovascular risk and obesity.

Relative to Kumba's target of 90/90/90, for 2024, 91% of our full-time employees knew their HIV status (2023: 91%), with 100% uptake of antiretroviral therapy (ART) and a viral suppression rate of 96%. Of our service partner employees, 86% knew their HIV status, with 100% of these on ART and a 90% viral suppression rate.

In terms of our TB preventative programme, 87% of the workforce was screened and 15 new cases of non-occupational/community-acquired TB were diagnosed, with all of our workforce receiving treatment. The TB incidence rate decreased from 120 to 98 per 100,000 of the employees and service partners. This is below the Kumba target of 234 per 100,000 and below the South African national rate of 468 per 100,000 (2024 World Health Organisation data).

Innovation in technology is helping us protect the health of our employees, reduce exposure to hazards, and provide early warning. Alongside engineering solutions, a digital real-time data analytics platform was implemented to monitor environmental conditions and engineering controls in areas where exposure levels could potentially exceed safe limits. This prompts timely intervention and remedial action, resulting in a reduction in potential exposure to health hazards. Exposure to equipment emitting noise above 107decibel (dB), the legislative benchmark reduced from 13 in 2023 to zero in 2024, resulting in none of our employee of service partners being exposed to noise levels above 105dB and Kumba had no level 4 to level 5 occupational diseases cases.

#### Environmental performance

##### Healthy environment

Kumba has been aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) change framework since 2021. We consider our climate focus areas through physical risks to our people, communities and operations, including decarbonisation and the green steel value chain. Kumba's track record of zero level 3 to level 5 environmental incidents has been maintained for nine consecutive years. Physical risks are managed through a robust physical climate risk and resilience framework and the first phase of risk screening was completed at both Sishen and Kolomela, empowering our operation to manage these risks and mitigate potential impacts on our stakeholders.

##### Biodiversity

Kumba aims to achieve a net positive impact on biodiversity across all our operations by 2030. Over the past five years, 376 hectares (ha) were rehabilitated at Sishen and 193 ha at Kolomela. As part of the 2024 concurrent rehabilitation plans, rehabilitation targets were met at both operations and 100% compliance was achieved. Sishen reshaped 34.4 ha and seeded 39.4 ha of land, while Kolomela has reshaped 33.6 ha of land and seeded 30.0 ha. Kumba's land management programme has introduced cattle farming, indigenous game species, lodging and sustainable agriculture as some of the initiatives to derive maximum value from our land.

# Remuneration report continued

### Climate change

In 2024, Kumba's total energy consumption decreased by 20% to 7.084 GJ (2023: 8.882 million GJ) and GHG emissions decreased by 13% to 0.839 Mt carbon dioxide equivalents ($CO_2e$) (2023: 0.968 Mt $CO_2e$). This was due to the reduction in waste mining, rightsizing of the HME fleet and the planned decrease in production. Compared to 2023, energy-use intensity decreased by 20.1% to 0.202 GJ per tonne product (2023: 0.253 GJ per tonne).

Kumba's decarbonisation pathway to 2030 aims to reduce scope 1 and scope 2 GHG emissions by 30%. The planned solar PV plant at Sishen will reduce scope 2 carbon emissions by approximately 33%. At Kolomela, renewable electricity, powered by a combination of Envusa wind and solar projects wheeled via the Eskom electricity grid, is expected to reduce scope 2 emissions by approximately 85%.

### Water stewardship

Kumba adopts a risk-based approach to water management at its operations. Kumba's aim is to ensure safe mining conditions, operational excellence, regional water security and environmental sustainability. Kumba's water-positive mines supplied 17,526 ML (2023: 18,075 ML) to the broader Northern Cape region for domestic and industrial consumption. At Sishen. previous investment in the dewatering infrastructure and maintenance resulted in improved dewatering stability, which enabled increased water diversions. Kolomela's diversions are expected to improve in 2025 following the completion of maintenance on key water infrastructure and installation of new boreholes to stabilise the dewatering process.

The Vaal Gamagara Water Supply Scheme pipeline capacity constraint continues to present one of the greatest challenges in achieving Kumba's fresh water withdrawal and diversion target. Kumba remains committed to finding opportunities to overcome this challenge, including collaborating with a broader network of private and public stakeholders. In line with this commitment, Kumba will be updating the regional water balance during 2025 and will continue the work on the Khumani water transfer project. This project seeks to divert water to a neighbouring mine, and good progress has been made in executing the technical studies required for the licensing of an inactive mine pit for water storage.

### Tailings storage facilities (TSFs)

Kumba manages four TSFs, including one active facility at Kolomela, which was constructed to final height, and three upstream constructed dams at Sishen, of which only one TSF (Sishen dam 1-4) is active.

As a member of the ICMM through Anglo American, Kumba is preparing to attain full compliance by the end of 2027 for the active Sishen TSF, which is rated as having "extreme" potential consequences under the GISTM. The GISTM disclosure report for Sishen Dam 1-4 was first published on the Kumba website on 5 August 2023 and in August 2024. The two dormant TSFs at Sishen and the active TSF at Kolomela are rated as having a "high" potential consequence under the GISTM. In line with ICMM commitments, plans are in place for these three TSFs to achieve full GISTM compliance by August 2025.

### Social and community responsibility

Kumba spent R17.3 billion (2023: R22.9 billion), with qualifying B-BBEE entities, of which host community-owned businesses accounted for R3.9 billion (2023: R6.6 billion). Kumba also facilitated 3,048 jobs across a number of sectors outside of the mining industry including agriculture, livestock development, hospitality, manufacturing and tourism.

### Operational and production performance

Kumba's operational reconfiguration, coupled with its operational excellence imperative, delivered positive results. Operational stability was maintained while achieving cost reduction and productivity improvements.

The value chain was reset to a lower production profile based on Transnet's demonstrated logistics capacity in 2023 and consistently aligned with logistics performance during the year. As a result, total tonnes mined decreased by 27% to 197.7 Mt (2023: 271.4 Mt) and total waste stripping by 28% to 155.7 Mt (2023: 216.8 Mt).

Operational stability was achieved through increased mining equipment availability and utilisation. Overall equipment effectiveness improved by 4%, resulting in an 11% improvement in the availability of the haul trucks. This was underpinned by our maintenance reliability improvement programme, operator performance, and optimisation of our HME fleet capacity. These improvements, together with disciplined execution, delivered a solid operational performance and healthy high-grade plant feedstock, ensuring production flexibility.

While the revised mine plan resulted in Sishen's waste mining decreasing by 18% to 133.9 Mt (2023: 163.8 Mt) and the waste stripping ratio increasing to 4.4 (2023: 3.8), a significant step-up was achieved in Sishen's haul truck fleet operational efficiencies. This improvement, compared to the performance in 2023, resulted in increased operating time of between 15% and 20%, while improving diesel consumption efficiency.

At Kolomela, high-margin mining areas were prioritised while production was maintained at the level required for rail volumes and retaining the life-of-asset profile. Given this imperative, waste mining decreased by 59% to 21.8 Mt (2023: 53.0 Mt) and the waste stripping ratio by 60% to 1.8 (2023: 4.5), resulting in significant operational efficiencies.

Total production for the year was consistent with lower railed volumes. As a result, total production for the year was flat at 35.7 Mt. Production at Sishen increased by 1% to 25.7 Mt (2023: 25.4 Mt) and decreased at Kolomela by 2% to 10.1 Mt (2023: 10.3 Mt).

# Annexure 3 cont.

## Remuneration report continued

### Cost discipline performance

Kumba's business reconfiguration to align production with Transnet's constrained logistics performance and reduce its cost profile was successfully executed.

As part of reconfiguring its business, Kumba optimised its mine plan and reduced waste mining by 28% to 155.7 Mt in 2024. In parallel, Kumba rightsized its HME fleet and reduced services provided by its service partners while utilising its consumables more efficiently.

This, coupled with a focus on operational excellence, has given Kumba a robust foundation for delivering more efficient production. Kumba's improved C1 unit cost of US$39/wmt for 2024 has captured this benefit, as the business effectively reset its cost profile to 2021 levels.

Kumba's cost optimisation initiatives achieved R4.4 billion of savings, exceeding its full year 2024 target of R2.5 to R3.0 billion. This, combined with lower rehabilitation costs, higher deferred stripping and lower mineral royalties largely offset higher WIP stock movements, freight and distribution costs, as well as an increase in depreciation. As a result, the increase in total operating expenses was just 2%, well below the 4.6% increase in the consumer price index (CPI).

The cost savings achieved contributed to lower on-mine cash costs at Sishen and Kolomela.

Sishen's cash costs improved by 10% to R531/dmt (2023: R589/dmt), well within the full-year 2024 guidance of R520 to 550/dmt. In addition to cost savings, the cost of inflation and higher WIP utilisation were more than offset by the benefit of Kumba's optimised mine plan, higher deferred stripping and a 1% increase in production to 25.7 Mt (2023: 25.4 Mt).

Kolomela's cash cost improved by 16% to R404/dmt (2023: R482/dmt), below the guidance of R410 to 440/dmt. The cost of inflation, higher WIP utilisation and the impact of a 2% decrease in production to 10.1 Mt (2023: 10.3 Mt) were more than fully offset by the positive outcome of Kumba's optimised mine plan and higher deferred stripping.

### Financial performance

Kumba's financial performance in 2024 reflects the business' decision to reconfigure its business to a lower production profile, which is more closely aligned with Transnet's logistics performance. Kumba achieved this while maintaining its strategic focus on operational excellence, cost optimisation and capital discipline.

Consistent with Kumba's disciplined capital allocation framework, the business remains committed to balancing sustaining capital expenditure with shareholder returns and providing growth optionality. Kumba's capital expenditure (capex) of R9.0 billion decreased by 9% from R9.9 billion, within its full-year 2024 guidance of R8.0 to 9.0 billion. The decrease was driven by optimising Kumba's sustaining (SIB) capex and a lower expansion capex due to the completion of the Kapstevel South pit at Kolomela.

In August 2024, Kumba announced the Board's approval of a further R7.6 billion investment in its UHDMS technology project, bringing the full investment to R11.2 billion. Over the next few years, Kumba expects a disciplined increase in expansion capex to ~ R2.0 billion per annum, as the investment in its UHDMS technology is phased in. The project is expected to deliver an EBITDA margin of more than 50% and provides the option to extend Sishen's life-of-asset to 2044, presenting an exciting opportunity to create further value for Kumba's stakeholders.

Kumba maintained its discipline on cost and capital leading to cash generated from operations of R34.8 billion (2023: R38.3 billion) and an attributable free cash flow of R14.5 billion (2023: R14.9 billion).

Kumba's cost optimisation initiatives achieved R4.4 billion of savings, exceeding its full-year 2024 target of R2.5 to R3.0 billion. This, combined with lower rehabilitation costs, higher deferred stripping and lower mineral royalties largely offset higher WIP stock movements, freight and distribution costs, as well as an increase in depreciation. As a result, the increase in total operating expenses was just 2%, well below the 4.6% increase in the consumer price index (CPI). Kumba's C1 unit cost improved by 5% to US$39/ wmt from US$41/wmt in 2023.

The progress made on cost performance proved beneficial as lower iron ore prices, a decrease in sales volumes due to rail constraints, as well as a stronger Rand/US$ exchange rate further tested Kumba's financial resilience. Given these elements, Kumba delivered an adjusted EBITDA of R28.1 billion (2023: R45.7 billion) and an adjusted EBITDA margin of 41% (2023: 53%).

# Remuneration report continued

## 2024 performance scorecard for the Exco – performance against targets

Aligned with the Anglo American Team+ performance management approach, Exco was assessed against the business performance scorecard, set forth for Kumba. The Chief Executive was assessed against her personal scorecard, aligned with the Kumba business performance scorecard objectives, but also reflecting her committed strategic – (10% of the scorecard) and personal objectives (5% of the scorecard) for the 2024 performance year.

The underlying Kumba Team+ business performance scorecard comprises two key result areas:

- **Business Results –** Measure achievements at the business or asset level and at the group level for those in group functions. Business Results comprise the key output metrics for the performance year under review – such as financial, operational, safety, health, and environmental key performance measures. This key result area comprises 85% of the overall short-term incentive potential.
- **Critical Tasks –** Programmes, projects and initiatives that the business, asset or group function must deliver during the performance year to be successful in the strategic and sustainable transformation of the business – for the performance year under review and in future years. This key result area comprises 15% of the overall short-term incentive potential.

The 2024 Team+ performance against scorecard objectives was reviewed and assessed based on the following cascading process:

- **Business Results –** The Kumba business scorecard was reviewed and assessed by the Anglo American Corporate Committee and ratified by the Anglo American ELT. The final scoring was communicated to Remco for final review, consideration and approval.
- **Critical Tasks –** The adjudication of the critical tasks segment of the Kumba business scorecard is comparable to the business results segment, but as the critical tasks KRA objectives are interwoven with the strategic and personal objectives of the Chief Executive Officer, this section of the scorecard is assessed independently for the Kumba Chief Executive Officer by the Chairperson of the Kumba Board and the Anglo American Regional Director, Africa and Australia, prior to final review, consideration and ratification by Remco as per their mandate from the Board.

As Kumba had no fatalities during the 2024 performance year, no safety deductor penalty modifier is applicable to the 2024 short-term incentive payment of the Executive Committee and Company Secretary.

An individual short-term incentive element has been introduced as of the 2024 performance year, not linked to the Team+ scorecard performance rating, but applied at line manager discretion with a cost neutral impact overall, ensuring high performance is recognised and underperformance is addressed and managed. The Chief Executive assisted by the Executive Head of People and Organisation has the discretion to adjust individual short-term incentive outcomes at the year end, based on a holistic view of what individual team members have delivered and how they have delivered it during the performance year, and following a detailed multi-level performance calibration process advising a four-point rating scale. A mandatory short-term incentive forfeiture (100% forfeiture) for significant underperformance (1 rating – "below expectations") and where the employee is on a performance improvement plan (PIP) will be effected. A short-term incentive payment quantum uplift of 30% for "brilliant" rated individuals (4 rating) and a 5% uplift for "exceeding expectations" rated individuals (3 rating) for the 2024 performance year has been sanctioned by the Chief Executive and subsequently reviewed and approved by the Remco. The Chief Executive is excluded from the performance calibration process in effect for the Executive Committee and all employees participating in the Team+ performance management and short-term incentive process.

### 2024 performance incentive sanctioned adjustments

One financial and one operational target/objective for the 2024 performance year have been adjusted considering external, uncontrollable events that had a direct bearing on the achieved performance outcome of these impacted measures, being:

- The rail and port logistics underperformance attributable to multiple logistical disruptions because of derailments, cable theft on the Transnet rail line, port equipment failures and adverse weather conditions impacting ship-loading at the Saldanha Bay port. The logistical constraints resulted in full production beds at the operations, which adversely impacted upstream mining and production operations, further compounded by export sales volumes being hampered due to constrained finished stock levels at the Saldanha Bay port and ship-loading disruptions
- Working capital opening balance adjustments, taking into account that an adjustment on budget was not brought into effect at the beginning of the performance year

The adjustments were tabled to, and sanctioned by, the Anglo American ELT and subsequently by the Kumba Remco. The related adjustments were effected for the following financial and operational performance measures:

- Sustaining attributable free cash flow: The target objective was adjusted for working capital opening balance adjustments. The adjusted score for the measure, weighted at 15%, increased by 1.66%, adding 0.24 points for the Kumba Business scorecard.
- Saleable production: The target objective was adjusted for product volumes. The adjusted score for the measure, weighted at 5%, increased by 48.45% adding 1.04 points for the Kumba Business scorecard.

The adjustments were sanctioned for all Kumba employees participating in the annual performance incentive scheme, including the Chief Executive and Chief Financial Officer.

# Annexure 3 cont.

## Remuneration report continued

### 2024 performance scorecard for the Exco – performance against targets

| Weighting | | Weighting | Level achieved | Percentage achieved | Points awarded |
|---|---|---|---|---|---|
| **Group financial targets** | | | | | |
| 10 | EPS Anglo American group at fixed prices | 10.0 | > Threshold on EPS measures and > Target for SAFCF | 63.57 | 6.36 |
| | EPS Anglo American group at actual prices | | | | |
| | Sustaining attributable free cash flow at fixed prices | | | | |
| **Business – financials** | | | | | |
| 40 | EBITDA at fixed prices (adjusted for price/exchange rate) | 25.0 | > Threshold | 57.76 | 14.44 |
| | Sustaining attributable free cash flow | 15.0 | > Target | 98.37 | 14.76 |
| | Sustaining attributable free cash flow - adjusted target | 15.0 | > Stretch | 100.00 | 15.00 |
| **Business – operational** | | | | | |
| 15 | Saleable production | 5.0 | > Threshold | 43.06 | 2.15 |
| | Saleable production – adjusted target | 5.0 | > Target | 63.92 | 3.20 |
| | Kumba C1 unit cost at fixed exchange rate | 5.0 | > Threshold | 32.43 | 1.62 |
| | Mine compliance (budget spatial compliance) | 5.0 | > Stretch | 100.00 | 5.00 |
| **Safety, health and environment** | | | | | |
| 20 | Safety – Injuries - TRIFR reduction | 2.5 | > Stretch | 100.00 | 2.50 |
| | Operational excellence in safety – planned work: focus on percentage of planned vs. unplanned maintenance | 2.5 | At Stretch | 100.00 | 2.50 |
| | Operational excellence in safety – number of VFL interventions in the field. | 5.0 | > Stretch | 100.00 | 5.00 |
| | Ecological health - percentage reduction in environmental footprint, based on a holistic assessment of the four pillars of ecological health (land, air, water and nature) | 10.0 | 3 of the 4 pillar targets achieved | 75.00 | 7.50 |
| **Critical tasks** | | | | | |
| 15 | Critical Task 1 - Implementation of fatal risk management (critical controls framework) schedule adoption post the Australia pilot learnings outcome | 3.0 | Substantive achievement | 75.00 | 2.25 |
| | Critical Task 2 - De-risking Kumba from the Transnet risk by defining the pathway by June 2024 and implementing as per the plan:<br>1. Defining a pathway of a PSP with Transnet and investigating alternative routes to market for iron ore (export or domestic)<br>2. Finalise the framework for the Sishen contract renegotiation | 4.0 | Substantive Achievement | 75.00 | 3.00 |
| | Critical Task 3 - Deliver B-BBEE Level 5 through accelerating transformation and diversity agenda. | 3.0 | Full achievement | 100.00 | 3.00 |
| | Critical Task 4 - Deliver the business reconfiguration as per the phased implementation programme towards the US$25/tonne margin improvement and progress the approval of the UHDMS project | 5.0 | Substantive achievement | 75.00 | 3.75 |
| **Overall performance rating – unadjusted targets** | | | | **73.83%** | |
| **Overall performance rating – adjusted targets** | | | | **75.11%** | |

# Remuneration report continued

## 2024 performance scorecard for the Chief Executive – performance against targets

The 2024 performance scorecard for the Chief Executive has been designed to encompass the key strategic objectives of the Company for the performance year under review and has been done in coordination with Anglo American Group Performance and Reward to ensure alignment with the group's objectives and the Anglo American Regional Director, Africa and Australia's scorecard objectives, as relevant to the business.

It was agreed at the 14 May 2024 meeting of the Remco that the changes made at the Kumba business level scorecard should also be reflected within the 2024 bonus scorecard for the Kumba Chief Executive, given the importance of alignment across business and performance outcomes. This approach aligns with that of the other Business/Country Chief Executives within the Anglo American group, the logic being that these Chief Executives (and their leadership teams) should primarily be rewarded by reference to their own business' performance, which is within their control, with recognition of their impact on the wider Anglo American group's performance within the 10 points allocated to the Anglo American plc's financial performance.

The following is a table summarising the changes in the key result area weighting for the Chief Executive scorecard from 2023 to 2024 onward, as approved by the Remco at its meeting of 14 May 2024.

| Chief Executive scorecard key result area | 2023 scorecard weighting | 2024 onward scorecard weighting |
|---|---|---|
| Anglo American plc financial performance metrics | 20% | 10% |
| Kumba business financial and operational performance metrics | 30% | 55% |
| Kumba business SHE performance metrics | 20% | 20% |
| The Chief Executive's strategic objectives | 20% | 10% |
| The Chief Executive's personal objectives | 10% | 5% |
| Chief Executive scorecard total | 100% | 100% |

Performance against target for the Chief Executive for the 2024 performance year has been independently reviewed, assessed, and scored by the Kumba Chairperson of the Board and the Anglo American Regional Director, Africa and Australia, with specific relevance to the Chief Executive's strategic and personal objectives. As Kumba had no fatalities during the 2024 performance year, no safety deductor penalty modifier is applicable to the 2024 short-term incentive payment. The 2024 performance scoring for the Chief Executive is expounded in the table on the next page.

# Annexure 3 cont.

## Remuneration report continued

### 2024 performance scorecard for the Chief Executive – performance against targets

| Weighting | | | Weighting | Level achieved | Percentage achieved | Points awarded |
|---|---|---|---|---|---|---|
| **Group performance** | | | | | | |
| 10 | EPS Anglo American group at fixed prices | | 10.0 | > Threshold on EPS measures and > Target for SAFCF | 63.57 | 6.36 |
| | EPS Anglo American group at actual prices | | | | | |
| | Sustaining attributable free cash flow at fixed prices | | | | | |
| **Business performance** | | | | | | |
| 55 | EBITDA at fixed prices (adjusted for price/ | | 25.0 | > Threshold | 57.76 | 14.44 |
| | Sustaining attributable free cash flow | | 15.0 | > Target | 98.37 | 14.76 |
| | Sustaining attributable free cash flow - adjusted target | | 15.0 | > Stretch | 100.00 | 15.00 |
| | Saleable production | | 5.0 | > Threshold | 43.06 | 2.15 |
| | Saleable production – adjusted target | | 5.0 | > Target | 63.92 | 3.20 |
| | Kumba C1 unit cost at fixed exchange rate | | 5.0 | > Threshold | 32.43 | 1.62 |
| | Mine compliance (budget spatial compliance) | | 5.0 | > Stretch | 100.00 | 5.00 |
| **Safety, health and environment** | | | | | | |
| 20 | Safety – Injuries - TRIFR reduction | | 2.5 | > Stretch | 100.00 | 2.50 |
| | Operational excellence in safety – planned work: focus on percentage of planned vs. unplanned maintenance | | 2.5 | At Stretch | 100.00 | 2.50 |
| | Operational excellence in safety – number of VFL interventions in the field | | 5.0 | > Stretch | 100.00 | 5.00 |
| | Ecological health - percentage reduction in environmental footprint, based on a holistic assessment of the four pillars of ecological health (land, air, water and nature) | | 10.0 | 3 of the 4 pillar targets achieved | 75.00 | 7.50 |
| **Strategic objectives** | | | | | | |
| 10 | Operational excellence | Safety leadership programmes | 1.0 | Refer to page 165 | 75.00 | 0.75 |
| | | Pathway to a sustainable Kumba | 5.0 | Refer to page 165 | 75.00 | 3.75 |
| | | De-risking Kumba's logistics value chain | 2.0 | Refer to page 165 | 75.00 | 1.50 |
| | Portfolio simplification and growth | Pathway towards decarbonisation and growth | 2.0 | Refer to page 165 | 75.00 | 1.50 |
| **Personal objectives** | | | | | | |
| 5 | Operational excellence | Leadership excellence and diversity | 2.0 | Refer to page 165 | 100.00 | 2.00 |
| | | Government, shareholder, employee and customer interests | 2.0 | Refer to page 165 | 75.00 | 1.50 |
| | | Social and SMP | 1.0 | Refer to page 165 | 100.00 | 1.00 |
| **Overall performance rating – unadjusted targets** | | | | | | **73.83%** |
| **Overall performance rating – adjusted targets** | | | | | | **75.11%** |

# Remuneration report continued

## Chief Executive’s 2024 strategic and personal objectives performance feedback

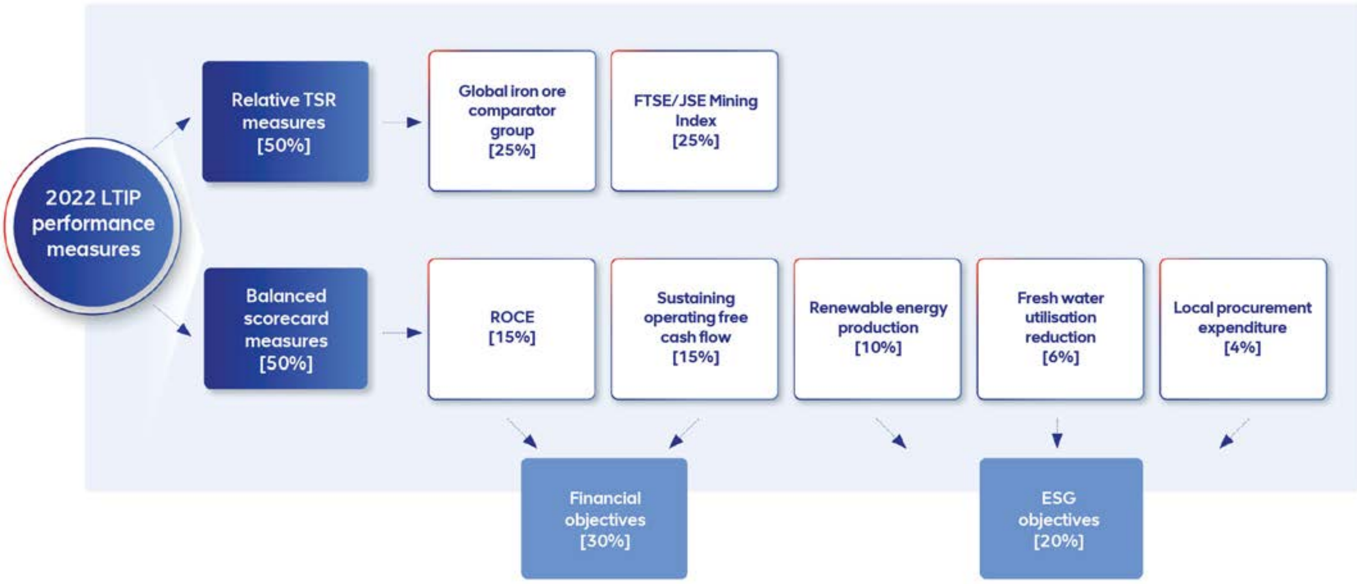
| KRA | KRA work stream | Objective type | Objectives | 2024 performance feedback |
|---|---|---|---|---|
| Operational excellence | Safety leadership programmes | Strategic | 1. Implementation of fatal risk management (critical controls framework) schedule adoption post Australia pilot learnings outcome | 75% Rating - Substantive Achievement: Majority of the work and associated benefits delivered. |
| | Pathway to a sustainable Kumba | Strategic | 1. Business reconfiguration - deliver as per approved plan.<br>2. Improve operational fundamentals aligned to Mining 2.0 (stability and capable operations) | 75% Rating - Substantive Achievement: Majority of the work and associated benefits delivered. |
| | De-risking our logistics value chain | Strategic | 1. Define a pathway for a PSP and investigate alternative routes to market for iron ore (export and domestic)<br>2. Finalise the pathway for the Sishen contract renegotiation<br>3. Deliver B-BBEE Level 5 through accelerating transformation and diversity agenda | 75% Rating - Substantive Achievement: Majority of the work and associated benefits delivered |
| | Leadership excellence and diversity | Personal | 1. Deliver gender diversity target - achieve 30% WIM and HDSA per the employment equity plan<br>2. De-risk the business from potential procurement risks identified<br>3. Kumba culture - stabilise the business following the reconfiguration (organisational design and contractor management) | 100% Rating - Full Achievement: Work and associated benefits fully delivered (based on quarterly milestones and outcomes) |
| | Government, shareholder, employee and customer interests | Personal | Logistics - work through government, Transnet, the NLCC and the OUF to de-risk Kumba regarding the logistics performance risk (short, medium and long term) | 75% Rating - Substantive Achievement: Majority of the work and associated benefits delivered |
| | Social and SMP | Personal | 1. Anglo American Social Way - ensure continued improvement of the Social Way governance framework<br>2. SMP - achieve 90% compliance with SMP annual tasks and deliver the critical 2024 SMP outcomes (carbon neutrality)<br>3. Deliver IRMA for Sishen and Kolomela | 100% - Full Achievement: Work and associated benefits fully delivered (based on quarterly milestones and outcomes) |
| Portfolio simplification and growth | Pathway to decarbonisation and growth | Strategic | 1. Decarbonisation - deliver Sishen 63 MW solar PV by 2025<br>2. UHDMS project - deliver UHDMS project business case for approval<br>3. Growth projects - progress work packages on viable growth options | 75% Rating - Substantive Achievement: Majority of the work and associated benefits delivered |

# Annexure 3 cont.

# Remuneration report continued

## 2022 LTIP vesting outcomes and awards for the Executive directors

During 2022, conditional shares were awarded to the executive directors in terms of the performance share plan rules. The 2022 LTIP performance measures comprised 50% relative TSR and a 50% balanced scorecard of performance measures (financial and ESG measures). The breakdown and weighting of the 2022 LTIP award performance measures are depicted in the following diagram:




The performance vesting has been calculated based on targets against actual performance during 2024, with reference to the base year (2021) parameters.

### Relative TSR performance and vesting conditions

Of the conditional shares that are subject to the relative TSR performance condition that will vest, 25% is determined by assessing the Company's relative performance correlated to a global iron ore comparator group in terms of TSR. The approved peer group of 10 companies for the period was determined as:

- Companhia Siderurgica Nacional
- EVRAZ Plc (delisted on 10 March 2022)
- Ferrexpo Plc
- Fortescue Metals Group Limited
- Mineral Resources Limited
- Grupo Simec S.A.B. de C.V.
- Cleveland-Cliffs Inc.
- NMDC Limited
- Shandong Iron and Steel Co. Limited.
- Vale S.A.

# Remuneration report continued

The TSR performance of all the peer group companies, including Kumba Iron Ore, is calculated over the performance period. The TSR performance of Kumba Iron Ore is then compared against the conditional percentile hurdles set to determine the number of awards that will vest. To cater for EVRAZ Plc that delisted on 10 March 2022, Kumba has selected to exclude this peer from the peer group. The peer weights are grossed up to equal 100% in the calculation.

The remaining 25% of the relative TSR performance condition is measured against the FTSE/JSE Mining Index, a capitalisation weighted index comprised of 14 JSE-listed mining companies and provides an overall indication of Kumba's correlation against other mining companies in the South African environment. It is to be noted that certain enhancements were made to the FTSE/Russel industry classification system applicable to the FTSE/JSE indices in March 2021. Specific changes relevant to the FTSE/JSE Mining Index were as follows:

- The name of the FTSE/JSE Mining Index (J177) changed to the FTSE/JSE precious metals and mining index (JS5513).
- The Coal subsector (1771) and General mining subsector (1775) moved from the mining sector to the Oil, Gas and Coal sector, and the industrial metals and mining sector, respectively.

As the FTSE/JSE Mining Index no longer has the same constituents, the constituents of the FTSE/JSE Mining Index at the start of the performance period (1 January 2022) were determined. The TSR index of each of the constituents was weighted based on its market capitalisation at the start of the performance period and added to form a composite index against which the Kumba TSR was measured. It is to be noted that the capitalisation weighted index originally comprised 15 JSE-listed companies, however, Royal Bafokeng Platinum delisted during the performance measurement period on 2 August 2023, and was hence excluded from the peer group. The market capitalisation peer weights for the remaining 14 JSE-listed mining companies were grossed up to equal 100% in the performance calculation.

## Relative TSR and vesting conditions – applicable to 50% of conditional shares:

| TSR measure | Performance condition weighting | Target | TSR performance | Vesting percentage |
|---|---|---|---|---|
| Global iron ore peer group | 25% | < Threshold | Below the median | 0 |
| | | Threshold | Median TSR of the peer group (50th percentile) | 25 |
| | | Stretch | Upper quartile TSR of the peer group | 100 |
| FTSE/JSE Mining Index | 25% | < Threshold | Below the performance index | 0 |
| | | Threshold | Performance at the index | 25 |
| | | Stretch | Performance at the index + 9% | 100 |

Kumba's TSR performance calculated over the performance period (vesting period) was 0.07%, which places the Company's relative TSR performance above the median (-7.80%) of its global iron ore comparator group's, but below the upper quartile (26.92%). Based on the global iron ore comparator group relative TSR condition (25% of the LTIP award), 42.29% of the awards pertaining to this condition vested.

The compounded annual growth rate (CAGR) in Kumba's TSR is used to measure the Company's performance over the performance period (vesting period). The FTSE/JSE Mining Index market-capital-weighted average TSR performance over the performance period has been 1.992%, while the Kumba CAGR for the same period has been 0.07%, which is below the index (threshold condition). Based on the FTSE/JSE Mining Index relative TSR condition (25% of the LTIP award), 0% of the awards pertaining to this condition vested.

# Annexure 3 cont.

## Remuneration report continued

### Balanced scorecard performance measures – applicable to 50% of conditional shares

| Condition | Performance condition weighting | Threshold | Target | Stretch | Vesting mechanism | Achieved performance | Vesting percentage |
|---|---|---|---|---|---|---|---|
| ROCE | 15% | 14.3% | 15% | 15.8% | Straight-line vest from threshold (25% vesting) to stretch (100% vesting) performance | 41.0% | 100.0 |
| Sustaining operating free cash flow - three-year cumulative | 15% | R68,826 million | R72,448 million | R76,071 million | Straight-line vest from threshold (25% vesting) to stretch (100% vesting) performance | R79,245 million | 100.0 |
| GHG reduction - renewable energy production | 10% | N/A | 60 MW production capacity | N/A | The GHG reduction - renewable energy production measure is based on an "all or nothing" binary achievement, i.e. a 100% or 0% vesting on achieving target or not | Target not met | 0 |
| Fresh water utilisation reduction | 6% | 3% reduction year-on-year | 5% Reduction year-on-year | 7% reduction year-on-year | Straight-line vest from threshold (25% vesting) to stretch (100% vesting) performance | Target not met | 0 |
| Social responsibility - local procurement spend | 4% | 34.2% of 2021 discretionary spend base | 36.0% of 2021 discretionary spend base | 37.8% of 2021 discretionary spend base | Straight-line vest from threshold (25% vesting) to stretch (100% vesting) performance | 29.0% | 0 |

The ROCE and sustaining operating free cash flow - three-year cumulative financial performance conditions' stretch objectives (100%) have been achieved and 100% of the awards pertaining to these conditions will therefore vest. As the threshold hurdles for the GHG reduction - renewable energy production, fresh water utilisation reduction and social responsibility - are not met, and local procurement spend ESG performance measures have not been achieved in performance testing. Therefore, no awards pertaining to these conditions will vest.

# Remuneration report continued

### Overall 2022 LTIP vesting based on the relative TSR and balanced scorecard performance conditions

The overall vesting of the 2022 LTIP conditional share award, based on the performance testing of both the relative TSR (50%) and balanced scorecard (50%) performance conditions for 2024 is 40.57%.

| Condition | Performance condition weighting | Vesting percentage |
|---|---|---|
| TSR – Global iron ore comparator group | 25% | 40.29 |
| TSR – FTSE/JSE Mining Index | 25% | 0 |
| ROCE | 15% | 100.00 |
| Sustaining operating free cash flow - three-year cumulative | 15% | 100.00 |
| GHG reduction - renewable energy production | 10% | 0 |
| Fresh water utilisation reduction | 6% | 0 |
| Social responsibility - local procurement spend | 4% | 0 |
| **Total overall vesting percentage** | | **40.57** |

For remuneration tables – refer to note 35 of the annual financial statements on pages 93 to 105.

# Annexure 4

## Major shareholders

| Shareholder | Location | Holdings as at 10 January 2025 | % ISC |
|---|---|---|---|
| Anglo South Africa South Africa Proprietary Limited | Johannesburg | **224,535,915** | 69.7 |
| Industrial Development Corporation of South Africa Limited (IDC) | Johannesburg | **41,498,615** | 12.9 |
| Public Investment Corporation (SOC) Limited | Pretoria | **7,473,203** | 2.3 |
| Fairtree Asset Management Proprietary Limited | Bellville | **4,982,081** | 1.5 |
| BlackRock Institutional Trust Company, N.A. | San Francisco | **2,471,983** | 0.8 |
| Robeco Institutional Asset Management B.V. | Rotterdam | **2,036,288** | 0.6 |
| The Vanguard Group Inc | Malvern | **1,705,054** | 0.5 |
| T. Rowe Price Associates Inc | Baltimore | **1,297,495** | 0.4 |
| Sanlam Investment Management Proprietary Limited | Bellville | **1,250,067** | 0.4 |
| State Street Global Advisors (US) | Boston | **897,568** | 0.3 |
| **Total** | | **288,148,269** | 89.4 |

## No material changes

Other than the facts and developments reported in the annual financial statements 2024, which are available on the Company's website at www.angloamericankumba.com, there have been no material changes in the financial or trading position of the Company and its subsidiaries since the signature date of the annual financial statements for 2024, being 17 February 2025.

### Share capital and share premium (including treasury shares)

| Number of shares | 2024 | 2023 |
|---|---|---|
| Authorised | | |
| Ordinary shares of R0.01 each | **500,000,000** | 500,000,000 |
| Issued | | |
| Ordinary shares of R0.01 each | **322,085,974** | 322,085,974 |
| Reconciliation of issued shares | | |
| Number of shares at the beginning of the year | **322,085,974** | 322,085,974 |
| Number of shares at the end of the year | **322,085,974** | 322,085,974 |
| Shares held in reserve reconciliation (unissued shares) | | |
| Authorised shares at the beginning of the year not issued | **177,914,026** | 177,914,026 |
| Unissued shares | **177,914,026** | 177,914,026 |

No new shares were issued during 2024 and 2023.

The unissued shares are under the control of the directors of Kumba until the next AGM. All issued shares are fully paid up. There are no rights, preferences or restrictions attached to these shares.

### Reconciliation of treasury shares held

| Number of shares | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | **1,168,612** | 1,202,700 |
| Purchased during the year | **465,211** | 441,924 |
| Issued to employees under the Bonus Share Plan (BSP), Bonus and Retention Share Plan (BRP), the Long-Term Incentive Plan (LTIP), Performance Share Plan (PSP) and the SIOC Employee Benefit Scheme ('Karolo') | **(499,497)** | (476,012) |
| Number of treasury shares at the end of the year | **1,134,326** | 1,168,612 |

All treasury shares are held in respect of employee share schemes and are available for utilisation for the purposes of these schemes, as disclosed in note 22 of the AFS. At 31 December 2023, all treasury shares were held as conditional share awards under the BSP, BRP, Karolo and Semela.

Total treasury shares purchased during the year were acquired by the SIOC Employee Share Ownership Plan Trust (285,502 shares) and SIOC, a subsidiary of Kumba (179,709 shares). No treasury shares reverted to authorised but unissued during the year.

| Rand million | 2024 | 2023 |
|---|---|---|
| Reconciliation of share capital and premium (net of treasury shares) | | |
| Balance at the beginning of the year | **(251)** | (190) |
| Net movement in treasury shares under employee share incentive schemes | **19** | (61) |
| Purchase of treasury shares under employee share incentive schemes[1] | **(223)** | (232) |
| Shares issued to employees under employee share incentive schemes | **242** | 171 |
| Balance at the end of the year | **(232)** | (251) |
| Comprises | | |
| Share capital | **3** | 3 |
| Share premium | **364** | 364 |
| Treasury shares | **(599)** | (618) |
| Balance at the end of the year | **(232)** | (251) |

[1] The average price paid for the purchase of the shares in 2024 was R478.86 per share (2022: R536.43 per share).

# Administration

### Company registration number
2005/015852/06
JSE share code: KIO
ISIN: ZAE000085346
Legal entity number (LEI): 3789006C753402643048

### Company Secretary and registered office
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Fax: +27 (0) 11 797 5800
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Fax: +27 (0) 12 682 8801

### JSE Sponsor
RAND MERCHANT BANK
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Registration number: 1929/001225/06
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