



Annual  
Financial Statements  
2024

# Kumba's history

Kumba is a supplier of high-quality iron ore (64.1% average Fe) to the global steel industry. We primarily operate in South Africa, with mining operations in the Northern Cape, a head office in Johannesburg (Rosebank), Gauteng, and a port operation in Saldanha Bay, Western Cape. Our purpose is "re-imagining mining to improve people's lives", using innovative thinking, enabling technologies and collaborative partnerships to shape an industry that is safer, more sustainable, and better aligned with the needs of our host communities and society.



## 1931

Iscor's first mine established at Thabazimbi in the Limpopo province

## 1942

Open-pit operations commenced at Thabazimbi

## 1953

Sishen, our flagship operation, established in the Northern Cape province

## 1976

The South African government invested in infrastructure to facilitate the export of iron ore from Sishen mine via the Sishen-Saldanha rail link and port facility

## 1989

Iscor is privatised

## 2001

Iscor unbundled into two separate companies, namely Kumba Resources and Iscor

## 2002

Sishen achieved ISO 14001 certification for its Environmental Management System and OHSAS 18001 certification for its Health and Safety Management System

## 2006

The unbundling of Kumba Resources' iron ore assets led to the re-listing of Kumba Resources as Exxaro Resources and the establishment of a new company, Kumba Iron Ore, which is fully empowered with black economic empowerment (BEE) ownership of 26%

## 2008

The Sishen Jig plant formally opened in November 2008

Construction started on Kolomela

## 2011

Kolomela produced its first ore five months ahead of schedule and within budget

Maturity of the first phase of Envision (a broad-based employee plan), with 6,209 employees each receiving R576,045 (pre-tax)

## 2013

Finalised the new supply agreement with ArcelorMittal SA

Commissioned the ultra-high dense media separation (UHDMS) pilot plant at Sishen in the fourth quarter of 2013

Approval of the Dingleton relocation project

## 2014

Kumba granted the mining right for the rail properties at Sishen

## 2015

Revised strategy from a volume-based approach to a value-based (cash-generating) strategy, dividends suspended, and head office and support services at the mines restructured

Slope failure at Thabazimbi; Board approved closure of the mine

Achieved A-listing on the Carbon Disclosure Project (CDP) climate change and water security programmes

## 2016

Sishen's 21.4% residual mining right awarded to Sishen Iron Ore Company Proprietary Limited (SIOC)

Agreement reached to transfer ownership of Thabazimbi to ArcelorMittal SA

Restructuring of Sishen and significant reconfiguration of the Sishen pit, coincided with the bottoming out of the iron ore price

Maturity of Envision II; paid R75,000 per employee (after tax) in dividends; no capital pay-out due to the decline in the Kumba share price

## 2017

Kumba, the best-performing share on the Johannesburg Stock Exchange (JSE), reinstated dividends

Kolomela achieved ISO 14001 certification for its Environmental Management System and OHSAS 18001 certification for its Health and Safety Management System

## 2018

Approved the Tswelopele strategy with three horizons

Transfer of Thabazimbi, including employees, assets, liabilities and mining rights, to ArcelorMittal SA, effective 1 November 2018

Kolomela mining right amended to include Heuningkranz prospecting right

## 2020

Covid-19 pandemic impacts not only Kumba but the entire world. Our WeCare response programme was implemented as a comprehensive set of risk-based prevention and control measures

Approved the Kapstevl South project

## 2021

Resettlement of the Dingleton community (which began in 2014) successfully concluded

## 2022

Introduced a new hybrid employee share options scheme with a vesting component and an evergreen component

Initiated the 63 MW solar photovoltaic (PV) plant at Sishen, the first major project in our decarbonisation strategy, and one of the first projects in Anglo American's regional renewable energy ecosystem (RREE)

## 2023

Following continued disruptions at Transnet's rail and port operations, Kumba announced in December 2023 that it would reconfigure its business to a lower production profile for the period from 2024 to 2026, in line with prevailing logistic capacity

## 2024

Resumed the UHDMS project following Board approval of an additional R7.6 billion investment

Worked closely with Transnet as part of the Ore User's Forum to convert the outcomes of the independent technical assessment into a multi-year programme to restore the capacity of the Ore Export Corridor (OEC). Kumba continues to be a strong advocate of private sector participation to improve the performance of the OEC through concessions

Achieved a total recordable injury frequency rate (TRIFR) of 0.76 at the end of 2024, the lowest TRIFR recorded since the inception of Kumba

# Our approach to reporting

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## Directors' declaration

The Kumba Iron Ore Limited (Kumba or the Company or the group) Board, assisted by the Audit Committee, is ultimately responsible for the preparation, fair presentation and integrity of the audited annual financial statements and related financial information of the group, as contained in this report, these annual financial statements 2024. The Board of directors confirms that it has collectively reviewed the content of this report and approved it on 17 February 2025, for presentation to shareholders at the next annual general meeting on 4 June 2025. These annual financial statements 2024 have been prepared under the supervision of BA Mazarura CA(SA), Chief Financial Officer.

## Navigating our 2024 reports

Our integrated reporting suite comprises the following reports: All information is for the year ended 31 December 2024

### Integrated report\*

This report is primarily aimed at current and prospective investors, lenders and other creditors. It provides a succinct review of our strategy and business model, operating context, governance, operational performance, and our response to managing the material risks and opportunities that could reasonably be expected to affect Kumba's prospects. (Financial materiality)

### Sustainability report\*

This report reviews our approach to managing our most significant economic, social and environmental impacts, and to addressing those sustainability and environmental, social and governance (ESG) issues of interest to a broad range of stakeholders. (Double materiality)

### Climate change report\*

This report provides a balanced and appropriate presentation of our climate-related impacts, risks and opportunities and our response to managing these risks and opportunities and to mitigating our climate-related impacts. (Double materiality)

### Annual financial statements

A detailed analysis of our financial results, with audited financial statements, prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards). (Financial materiality)

### Ore Reserve (and Saleable Product) and Mineral Resource report

Reported in accordance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code – 2016 Edition) as required by section 12.13 of the Listings Requirements of the Johannesburg Stock Exchange (JSE) Limited. (Financial materiality)

\* To be published on 11 April 2025.

### Online

Each of these reports, with additional updated information, is available on our website: [www.angloamericankumba.com](http://www.angloamericankumba.com)



## Key features

### Safety and sustainability focus

Lowest total recordable injury frequency rate (TRIFR) on record of **0.76** from 0.98

Zero level 4 – 5 occupational disease cases

Over nine years of no major environmental incidents

**R57.3 billion** of shared value created

### Unlock full value of the core

Average realised free-on-board (FOB) export price of **US\$92/tonne**, 3% above benchmark

Cost savings of **R4.4 billion** underpins C1 unit cost of US\$39/tonne

Resilient adjusted EBITDA<sup>1</sup> margin of **41%**, down from 53%

Closing net cash<sup>1</sup> of **R14.7 billion**

### Disciplined capital allocation

Return on capital employed (ROCE) of **41%**, down from 82%

Attributable free cash flow<sup>1</sup> of **R14.5 billion**, 3% lower

Final cash dividend per share **R19.90** and total 2024 cash dividend per share **R38.67**, down 17%

<sup>1</sup> 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 132 and 133.

Production and sales volumes, iron ore prices and C1 costs are reported in wet metric tonnes (wmt). Kumba's product has approximately 1.6% moisture.

# Directors' responsibility for financial reporting

## for the year ended 31 December 2024

The directors are responsible for the preparation, fair presentation and integrity of the annual financial statements and related financial information of the Kumba Iron Ore Limited Group (the group) and Kumba Iron Ore Limited (Kumba or the Company), in accordance with International Financial Reporting Standards (IFRS<sup>®</sup> Accounting Standards), the requirements of the South African Companies Act No 71 of 2008, as amended (Companies Act), and the Listings Requirements of the JSE Limited, which include amounts based on reasonable and prudent judgements and estimates made by management.

The annual financial statements (set out on pages 34 to 125) are based on appropriate accounting policies, which have been consistently applied, except for changes in accounting policies as detailed in the notes, and which are supported by reasonable and prudent judgements and estimates. These financial statements comprise the statements of financial position at 31 December 2024; the statements of profit or loss; the statements of other comprehensive income; the statements of changes in equity; and statements of cash flows for the year then ended; the notes to the financial statements, which include a summary of principal accounting policies and other explanatory notes; the directors' report; the report of the Audit Committee; and the certificate of the Company Secretary.

The directors, primarily through the Audit Committee, periodically meet with the external and internal auditors as well as executive management to evaluate matters concerning their responsibilities which include:

- maintaining adequate accounting records and an effective system of risk management
- developing, implementing and maintaining a sound system of internal control relevant to the preparation and fair presentation of these financial statements, which provides reasonable, but not absolute assurance against material misstatement or loss, whether owing to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances
- safeguarding shareholders' investments and the group's assets
- preparing the supplementary annexures included in these financial statements

The group's internal auditors independently evaluate the internal controls and co-ordinate their audit coverage with the external auditors.

The independent external auditors are responsible for reporting on whether the consolidated financial statements and the separate financial statements are fairly presented in accordance with the applicable financial reporting framework. The independent auditor's report to the shareholders of the group and Kumba is set out on pages 26 to 33 of this report.

The external and internal auditors have unrestricted access to all records, property and personnel as well as to the Audit Committee.

The directors acknowledge that they are ultimately responsible for the process of risk management and the system of internal financial control established by the group, and place a strong emphasis on maintaining a strong control environment. The directors are not aware of any material breakdown in the functioning of these controls and systems during the year under review. The directors are of the opinion that, based on the information and explanations given by management, the internal auditors, the external auditors and the group's risk, compliance and other reporting processes, the risk management processes and system of internal control provide reasonable assurance in all key material aspects that the financial records may be relied upon for the preparation of the annual financial statements.

Having considered the group's major risks, outstanding legal, insurance and taxation issues, an assessment of the solvency and liquidity taking into account the current financial position and existing borrowing facilities, along with the group's financial budgets with their underlying business plans, the directors consider it appropriate that the annual financial statements be prepared on a going concern basis.

Attributable free cash flow, net cash, EBITDA, adjusted EBITDA, net asset value attributable to owners of Kumba and US Dollar convenience translation statements are non-IFRS measures reported on pages 132 to 133, and constitute pro forma financial information, as defined by the Listings Requirements of the JSE Limited. This information is provided for illustrative purposes only, and due to its nature may not fairly present the group's financial position, changes in equity, results of operations or cash flows. The underlying information used in the preparation of the pro forma financial information has been prepared using the group's accounting policies, which comply with IFRS Accounting Standards.

The non-IFRS (pro forma) information included in the annual financial statements is the responsibility of the Company's directors. The supplementary non-IFRS information has been reported on by the group's auditors (refer to pages 134 to 135) for their unqualified reporting accountant's reasonable assurance report thereon.

### Approval of group annual financial statements and Company annual financial statements

The group annual financial statements on pages 34 to 106 and 116 to 125, and the Company annual financial statements of Kumba Iron Ore Limited on pages 107 to 115 were approved by the Board of directors on 17 February 2025 and will be presented to the shareholders at the annual general meeting (AGM) on 4 June 2025. The group and Company annual financial statements are signed on the directors' behalf by:



**TP Goodlace**  
Chairperson



**ND Zikalala**  
Chief Executive

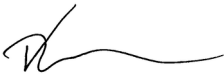
17 February 2025

# Responsibility statement on internal financial controls

## for the year ended 31 December 2024

Each of the directors, whose names are stated below, hereby confirm that:

- the annual financial statements set out on pages 34 to 125 fairly present, in all material respects, the financial position, financial performance and cash flows of the Kumba group in terms of IFRS Accounting Standards;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to Kumba and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the Kumba group;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the Audit Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.



**ND Zikalala**  
Chief Executive



**BA Mazarura**  
Chief Financial Officer

17 February 2025

# Certificate of the Company Secretary

## for the year ended 31 December 2024

I, Fazila Patel, in my capacity as Company Secretary, confirm that, for the year ended 31 December 2024, Kumba Iron Ore Limited has lodged with the Registrar of Companies, all such returns and notices as are required of a public company in terms of the South African Companies Act, as amended, and that all such returns and notices are true, correct and up to date.



**F Patel**  
Company Secretary

17 February 2025

# Salient features and operating statistics

for the year ended 31 December

	Unaudited 2024	Unaudited 2023
<b>Share statistics ('000)</b>		
<b>Total shares in issue<sup>1</sup></b>	<b>322,086</b>	322,086
Weighted average number of shares <sup>1</sup>	<b>320,883</b>	320,957
Diluted weighted average number of shares <sup>1</sup>	<b>321,673</b>	321,711
Treasury shares <sup>1</sup>	<b>1,217</b>	1,134
<b>Market information</b>		
Closing share price (Rand)	<b>326</b>	615
Market capitalisation (Rand million)	<b>105,000</b>	198,083
Market capitalisation (US\$ million)	<b>5,606</b>	10,696
<b>Net asset value attributable to owners of Kumba (Rand per share)<sup>2</sup></b>	<b>163.98</b>	161.51
<b>Capital expenditure (Rand million)<sup>1</sup></b>		
Capital expenditure paid	<b>9,673</b>	9,862
Contracted	<b>2,962</b>	3,371
Authorised but not contracted	<b>9,225</b>	2,144
<b>Operating commitments (Rand million)<sup>1</sup></b>	<b>277</b>	522
<b>Commitments from shipping services (Rand million)<sup>1</sup></b>	<b>173</b>	792
<b>Economic information</b>		
Average Rand/US Dollar exchange rate (Rand/US\$)	<b>18.33</b>	18.45
Closing Rand/US Dollar exchange rate (Rand/US\$)	<b>18.73</b>	18.52
<b>Sishen mine Free-on-rail (FOR) unit cost</b>		
Unit cost (Rand per tonne)	<b>675.60</b>	740.36
Cash cost (Rand per tonne)	<b>531.30</b>	589.14
Unit cost (US\$ per tonne)	<b>36.85</b>	40.13
Cash cost (US\$ per tonne)	<b>28.98</b>	31.93
<b>Kolomela mine FOR unit cost</b>		
Unit cost (Rand per tonne)	<b>667.99</b>	706.09
Cash cost (Rand per tonne)	<b>404.00</b>	482.36
Unit cost (US\$ per tonne)	<b>36.44</b>	38.27
Cash cost (US\$ per tonne)	<b>22.04</b>	26.14

<sup>1</sup> Amounts have been extracted from audited information.

<sup>2</sup> 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 132 and 133.

# Business overview

## for the year ended 31 December 2024

### Unlocking value through business reconfiguration and operational excellence

Mpumi Zikalala, Chief Executive of Kumba, said, "Kumba delivered another resilient performance in 2024. Our business reconfiguration was successfully completed, while maintaining operational safety and delivering on our strategy of unlocking value and positioning for a sustainable future, reflecting our commitment to creating enduring stakeholder value.

"As we build on the reset of our mine plans across the business, operational excellence is our primary focus, with safety being the highest priority. Notably, 2024 marked our lowest total recordable injury frequency rate (TRIFR) of 0.76, demonstrating the effectiveness of our safety interventions to safeguard and support our people.

"Production and sales were within the guidance ranges of 35 – 37 Mt and 36 – 38 Mt, respectively. Consistent with our strategy of aligning production to Transnet's logistics performance, Kumba's production of 35.7 Mt matched ore railed to Saldanha Bay port of 35.6 Mt. Sales of 36.3 Mt reflect low levels of finished stock levels at the port due to logistics constraints.

"The reconfiguration of our operations, coupled with our focus on operational excellence, has unlocked R4.4 billion in value through cost savings, reducing our C1 unit cost by 5% to US\$39 per wet metric tonne (wmt). With iron ore markets remaining volatile, this reduction in cost ensures Kumba is in a more resilient financial position.

"In 2024, iron ore supply outpaced steel demand resulting in a sharp decrease in iron ore prices. However, demand for lump was underpinned by successive rounds of metallurgical coal price cuts. Altogether, this translated into an average realised free-on-board (FOB) iron ore export price of US\$92/wmt, 3% above the average 62% Fe benchmark FOB export price of US\$89/wmt.

"Kumba's adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) of R28.1 billion at an EBITDA margin of 41%, underpinned our attributable free cash flow of R14.5 billion. Reflecting this solid performance and our commitment to delivering shareholder returns, the Board declared a final cash dividend of R19.90 per share, bringing the total cash dividend for the full year to R38.67 per share and a payout ratio of 100% of headline earnings, well above our stated dividend policy which continues to target a payout range of between 50 - 75% of headline earnings.

"Alongside this, Kumba created R57.3 billion of enduring shared value to the benefit of the people of South Africa through taxes and royalties paid to government, our local communities, employees and our shareholders, including our empowerment partners.

"Goods and services to the value of R17.3 billion were procured from black economic empowerment (BEE) suppliers, including more than R3.9 billion from our local host community suppliers, with R469 million invested in social development projects. More importantly, Kumba facilitated 3,048 jobs across a number of sectors outside of the mining industry including agriculture, livestock development, hospitality, manufacturing and tourism. Kumba currently supports 125 schools and 87,000 learners (Phases 1 and 2) as part of the Anglo American education programme.

"Our Kapstevél South project at Kolomela was completed with the delivery of first ore in June 2024. In August, we received the Board's approval to continue with our investment in the ultra-high-dense-media separation (UHDMS) technology project. In line with our disciplined capital allocation policy, the investment will be phased over the five-year project implementation period and is expected to generate an EBITDA margin of more than 50%. The technology positions Kumba more sustainably by securing Sishen's life-of-asset and offering the potential to extend its life to 2044.

"Additionally, as steel production shifts to carbon-light steelmaking, demand for direct charge materials such as Kumba's high-quality iron ore lump, will grow. Our UHDMS technology trebles the proportion of premium iron ore produced at Sishen, ensuring that Kumba continues to play a key role in the green steel value chain.

"In the year ahead, our focus is on delivering value through our key strategic priorities of operational excellence, cost optimisation, maximising product premium and maintaining capital discipline.

"In parallel, Kumba, as part of the Ore User's Forum (OUF), is working closely with Transnet to convert the outcomes of the independent technical assessment into a multi-year programme of focused projects to restore the capacity of the Ore Export Corridor (OEC). Additionally, as a member of the OUF, Kumba has been a strong advocate of private sector participation to improve the performance of the OEC through concessions. We also continue to play an active role in the National Logistics Crisis Committee to collaborate on sustainable logistics solutions.

"The Network statement released by Transnet represents a significant step forward in terms of the liberalisation of the South African railway industry. As we continue to actively participate in the ongoing reform process aimed at delivering a high-performance railway system in South Africa, Kumba will continue to engage with the Department of Transport, Transnet and the Interim Railway Economic Regulatory Capacity."

# Business overview continued

## for the year ended 31 December 2024

### Safety, health and wellbeing of our people

#### Safety

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 rhythms and routines 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. A "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, our 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 lost-time injuries (LTIs) recorded reduced to 11 LTIs (2023: 17), resulting in a lower lost-time injury frequency rate (LTIFR) of 0.49 against 0.58 in 2023. Low-energy level incidents accounted for 63% of the LTIs (2023: 88%). High potential incidents (HPIs) improved to seven during 2024 compared to 16 in 2023.

#### Health

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. In addition, 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 107 decibel (dB), the legislative benchmark reduced from 13 in 2023 to zero in 2024, resulting in none of our employee or service partners being exposed to noise levels above 105dB and we had no level 4 to level 5 occupational diseases cases.

#### Our people

The wellbeing of our people contributes directly to our ability to deliver on our purpose of reimagining mining to improve people's lives. Kumba's employees and service partners are the core of our business. By developing our people, promoting inclusivity, diversity and equality, we cultivate a workplace culture where people feel empowered to learn, grow and thrive.

Our bursary programme funds 63 students towards business essential qualifications. Some 84 graduates participated in our Professionals in Training development programme and 34 in the Youth Employment Services (YES) internship programme. We supported 279 employees to further their formal studies in 2024. The growth potential of our internal talent pool is enriched through coaching and developmental exposure opportunities.

In building a high-performance culture focused on operational excellence, we reweighted our performance indicators in line with planned business outcomes and expanded the focus to include both individual and team contributions.

Embedding a culture of inclusivity and diversity continues to be a strong area of focus at Kumba. This has seen the total number of women and historically disadvantaged South Africans, as a proportion of our total workforce, remaining stable at 30% and 92%, respectively.

In 2024, women in management increased to 33% (2023: 31%) and historically disadvantaged South Africans, as a proportion of management, increased to 80% (2023: 79%). We also continue to support colleagues living with disabilities that represent 2% (2023: 1.7%) of our workforce.

# Business overview continued

## for the year ended 31 December 2024

### Safety, health and wellbeing of our people (continued)

Kumba's Everyone's Dignity Matters programme has raised awareness of our zero tolerance for acts of bullying, harassment and victimisation, as well as gender-based violence (GBV) and the support available. The programme has increased confidence in reporting experiences of dignity harm. In 2024, 123 cases were reported to the Living with Dignity Hub, of which 67 cases were closed, with the remaining cases being actively monitored and investigated.

We amplified the programme with a #I RaiseMyHand challenge, calling on our leadership to take accountability and implement tangible actions for creating a safe and supportive workplace for their teams.

### Sustainability performance

#### Healthy environment

Kumba has been aligned to the Task Force for 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.

Our track record of no 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 to our stakeholders.

#### Biodiversity

Kumba aims to achieve a net positive impact across all our operations by 2030.

Over the past five years, 313.5 hectares were rehabilitated at Sishen and 189.4 hectares 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 hectares (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.

#### Climate change

In 2024, Kumba's total energy consumption decreased by 20% to 7.084 million gigajoules (GJ) (2023: 8.882 million GJ) and greenhouse gas (GHG) emissions decreased by 13% to 0.839 Mt carbon dioxide equivalents (CO<sub>2</sub>e) (2023: 0.968 Mt CO<sub>2</sub>e). This was due to the reduction in waste mining, rightsizing of the heavy mobile equipment (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%.

By 2040, we aim to reduce our scope 3 emissions by 50% (our 2016 baseline). We are well positioned to benefit from the opportunities presented by a green steel value chain through our UHDMS technology. This technology enables us to deliver the ideal iron ore product of above 64% Fe quality as our customers transition to more sustainable steelmaking methods and require high-quality iron content.

#### Water stewardship

Kumba adopts a risk-based approach to water management at our operations. Our aim is to ensure safe mining conditions, operational excellence, regional water security and environmental sustainability.

In 2024, Kumba had no level 3 water discharge incidents. Freshwater withdrawals decreased by 7% to 7,230 megalitres (ML) (2023: 7,772 ML). This was mainly attributed to Kolomela, following the dense media separation (DMS) plant being placed in care and maintenance at the end of 2023 and stricter application of the hierarchy of water use.

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 our freshwater withdrawal and diversion target. We remain 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.

# Business overview continued

## for the year ended 31 December 2024

### Sustainability performance (continued)

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 (TSF)

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 International Council of Mining and Metals (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 Global Industry Standard on Tailings Management (GISTM).

The GISTM disclosure for Sishen Dam 1-4 was first published on the Kumba website on 5 August 2023 and in August 2024. Since disclosure, there have been no requests for additional information or clarification from third parties or non-governmental organisations (NGOs). A detailed conformance disclosure for Sishen Dam 1-4 can be accessed on our website under the following link:

<https://www.angloamerican.com/esg-policies-and-data/tailings-summary/our-approach-to-gistm>

The two 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.

### Thriving communities

Kumba's enduring shared value of R57.3 billion is an inclusive economic contribution to South Africa through the government fiscus, employees, local communities and shareholders, including our BEE partners.

With 80% of our people employed from local mine communities in the Northern Cape region, we recognise that many of our communities rely on mining and associated activities to support their livelihoods.

Kumba spent R17.3 billion (2023: R22.9 billion), with qualifying broad-based black economic empowerment (B-BBEE) entities, with host community-owned businesses accounting for R3.9 billion (2023: R6.6 billion). We also facilitated 3,048 jobs across a number of sectors outside of the mining industry including agriculture, livestock development, hospitality, manufacturing and tourism.

As part of direct social investment of R469 million (2023: R376.2 million), we have contributed towards the construction of the Lebalelang centre for the disabled, a community library as well as water, waste and road infrastructure-related projects.

In addition, 75 artisan students (fitters, electricians, boilermakers) have been placed at the Artisan Training Institute campuses. Training and new skills outside of mining in welding, plumbing and carpentry were provided to community members.

Kumba invested in community education by awarding bursaries to 96 learners, providing onsite coaching and training to 11,088 learners, 390 teachers and 44 early childhood development (ECD) practitioners across 20 schools and 20 ECD centres.

From a healthcare perspective, over 879 men from local communities have enrolled for the HIV/TB treatment support and 223 adolescent girls and young women living with human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/Aids) have enrolled in the Zvandiri programme, enabling them to connect with peer counsellors. Approximately 32,000 community members now have access to quality standards of healthcare. Additionally, Kumba entered into a partnership agreement with our empowerment partners, the Sishen Iron Ore Company Community Development Trust, to collaborate on efforts to increase screening and testing of TB, HIV, wellness and women's health.

### Trusted corporate leader

Our trusted corporate leader pillar covers three key areas: accountability, ethical value chains and policy advocacy.

Kumba's focus on accountability is demonstrated by our commitment to delivering a lasting, positive contribution to our host communities, beyond the life of our assets. We manage the relationship with our host communities through our social performance system, the Social Way 3.

In 2024, Sishen and Kolomela achieved the Initiative for Responsible Mining Assurance (IRMA) 75, a comprehensive mining standard that supports the Social Way. This assurance provides our stakeholders with a transparent, verifiable and comparable system to assess Kumba's sustainability practices.

In terms of ethical value chains, Kumba, as part of the Anglo American group, offers Valutrax™, a proprietary digital traceability solution designed to provide customers and their downstream customers with greater assurance about the provenance of the products. Our customers have direct access to indicators that can help determine compliance with requirements specific to their industries or jurisdictions.

Continued transformation and investing in skills and supplier development, as well as local procurement spend, has contributed to our B-BBEE scorecard advancing to level 5 in 2024, a progressive improvement from level 6 in 2023 and level 7 in 2022.

# Business overview continued

## for the year ended 31 December 2024

### Market overview

The Platts 62 Iron Ore Index cost and freight (CFR) China index averaged US\$109 per dry metric tonne (dmt), compared to US\$120/dmt in the prior year. Strong exports partially offset weak domestic demand. China's crude steel production decreased by 1.5% to 1,001 Mt in 2024 and finished steel exports increased by 22% to 111 Mt for the year.

China's property sector remained persistently weak, undergoing deleveraging amid policy support. During the year new housing starts and completions fell 23% and 28%, respectively. Industrial activities were below expectations during the second and third quarters with the Official Manufacturing Purchasing Manager Index in contraction territory since April, before the Chinese government rolled out monetary easing and pledged further fiscal spending in late September, which boosted market sentiment in the fourth quarter.

Weak end-user demand and uncertainty in the economic outlook resulted in lower steel prices curbing mill margins, which were either negative or near breakeven levels for most of 2024. Infrastructure investment in China grew by approximately 4.4%, with projects fast-tracked only from the fourth quarter, indicating more robust activity in 2025. China's recent Politburo meeting and Central Economic Work Conference signalled a proactive approach to economic development in 2025, pledging "extraordinary" countercyclical adjustments to mitigate anticipated external shocks, particularly from the US. This underscores a commitment to prioritising domestic stability and growth amid global uncertainties.

Steel output in key seaborne iron ore markets outside of China was broadly stable at 483 Mt compared to 481 Mt in 2023. Persistent weak demand and compressed margins characterised markets outside of China during the year. Blast furnace operations were little changed since early

2024, and several capacities remained idled throughout the year, awaiting demand recovery. The European Union's (EU) steel output grew by 2.5% to 129 Mt albeit over a low base in 2023 while steel output in Japan, South Korea and Taiwan contracted by 3.6% to 167 Mt. In 2025, steel prices are likely to remain under pressure, with mild recovery in Europe expected following a lower interest rate and review of import quotas to protect domestic industry.

On the supply side, global iron ore exports increased marginally, led by Brazil and non-traditional supply basins such as Ukraine, Iran, and Peru, but were partially offset by lower volumes from Sweden and Chile. The Brazilian exports grew by 2.9% to 389 Mt. Exports from Ukraine saw a robust year-on-year increase from 17.7 Mt in 2023 to an estimated 33 Mt, as exports through the Black Sea were limited by the conflict in the previous year.

Due to steel mill losses and a focus on cost reduction rather than productivity, high-grade premiums were under pressure while lump premium remained relatively stable. The Platts 65-62 differential averaged US\$14 per dry metric tonne (dmt) compared to US\$12/dmt in 2023, while lump premium averaged US\$0.1413 per dry metric tonne units (dmtu) compared to US\$0.1543/dmtu in 2023.

Global markets outside of China, particularly in Europe, were under pressure due to low steel demand. Kumba's sales to these markets fell to 46% (2023: 49%) of total sales, relative to our medium-to long-term target of 45% to 55%. Within the EU/MENA/Americas region, sales decreased to 24% (2023: 29%) followed by the Japan/South Korea/Taiwan region which increased to 22% (2023: 20%). China's share of export sales increased to 54% (2023: 51%). Our average lump to fine ratio was maintained at 66:34 (2023: 66:34), and our Fe quality improved to 64.1%. (2023: 63.7% Fe).

# Business overview continued

for the year ended 31 December 2024

## Operational performance

### Operational performance summary (unaudited)

000 tonnes	December 2024	December 2023	% change
<b>Total tonnes mined*</b>	<b>197,701</b>	271,383	(27)
<b>Total waste stripping</b>	<b>155,706</b>	216,838	(28)
<b>Total production</b>	<b>35,731</b>	35,715	—
<b>Total sales</b>	<b>36,251</b>	37,159	(2)
<b>Total tonnes mined*</b>	<b>197,701</b>	271,383	(27)
Sishen*	<b>164,060</b>	206,579	(21)
Kolomela	<b>33,641</b>	64,803	(48)
<b>Total waste stripping</b>	<b>155,706</b>	216,838	(28)
Sishen	<b>133,940</b>	163,800	(18)
Kolomela	<b>21,766</b>	53,038	(59)
<b>Total production by mine</b>	<b>35,731</b>	35,715	—
Sishen	<b>25,661</b>	25,421	1
Kolomela	<b>10,070</b>	10,294	(2)
<b>Total sales</b>	<b>36,251</b>	37,159	(2)
Lump	<b>23,807</b>	24,697	(4)
Fines	<b>12,444</b>	12,462	—

\* 2023 data restated to include C-grade tonnes mined for the year.

### Mining and production

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).

# Business overview continued

## for the year ended 31 December 2024

### Update on capital projects

Our Kapstevél South pit at Kolomela, a high-grade direct shipping ore replacement project sustaining output of up to 10 Mtpa, was successfully completed with the first ore delivered in June 2024.

At Sishen, the UHDMS project has resumed following the board's approval of a further investment in the project, announced on 29 August 2024.

The UHDMS project will convert the current DMS processing plant at Sishen to UHDMS technology. This technology uses specialised ferrosilicon in the plant processing of raw iron ore and allows greater flexibility to process a wider range of Fe grades and densities. The implementation of the technology will improve the Fe quality, the proportion of premium iron ore, and lower the waste stripping ratio, while maintaining Sishen's high lump:fine ratio of 70:30.

The implementation will follow a modular approach, with six UHDMS coarse modules out of eight and five fines modules out of seven being converted. The project resumed in November 2024 and is on track for the implementation of the first module in 2025. The main tie-in of the project is planned to take place in 2026, and the plant is expected to reach full capacity by the end of 2028. During the implementation phase, the modules not under construction, as well as the Jig plant, will continue to run, and production will be supplemented by finished product stock.

The UHDMS technology will play an essential role in positioning our business for a sustainable future. The technology is expected to provide significant value uplift. These benefits include:

- lowering the cut-off grade, which reduces the stripping ratio
- increasing the volume of premium-grade products from less than 20% to above 50%
- securing Sishen's life-of-asset to 2040, with the option to extend it to 2044

### Sales and logistics

Kumba, as part of the OUF, worked closely with Transnet to prepare for the annual logistics maintenance shutdown in October 2024. Good progress was made, with 50 km of train speed restrictions being lifted on the OEC, resulting in rail performance improving by 5% relative to the comparative fourth quarter in 2023.

However, a number of derailments, following the reopening of the OEC, resulted in ore railed to Saldanha Bay port for the full year, decreasing by 2% to 35.6 Mt (2023: 36.3 Mt).

As a consequence, closing finished stock levels increased to 7.5 Mt (2023: 7.1 Mt), with mine stock levels at 6.9 Mt (2023: 6.5 Mt) and stock at Saldanha Bay port of 0.5 Mt (2023: 0.6 Mt). Sub-optimal levels of stock at the port, due to the train derailments, resulted in sales decreasing by 2%, resulting in total sales of 36.3 Mt (2023: 37.2 Mt), including sales of third-party stock purchased of 0.7 Mt (2023: 0.7 Mt).

Sales to China are predominantly on a contract of affreightment basis. China's share of export sales increased to 54% (2023: 51%). In line with this, sales on a CFR basis increased to 65% (2023: 59%) of total export sales volumes.

The OUF is working closely with Transnet to convert the outcomes of the independent technical assessment into a multi-year programme of focused projects to restore the capacity of the OEC. In parallel, as a member of the OUF, Kumba has been a strong advocate of private sector participation to improve the performance of the OEC through concessions. We also continue to play an active role in the National Logistics Crisis Committee to collaborate on sustainable logistics solutions.

The Network Statement released by Transnet in December 2024 sets out the rules of engagement and the access charges. This is a significant step forward in terms of the liberalisation of the South African railway industry. As we continue to actively participate in the ongoing reform process aimed at delivering a high-performance railway system in South Africa, Kumba will continue to engage with the Department of Transport, Transnet and the Interim Railway Economic Regulatory Capacity.

# Business overview continued

## for the year ended 31 December 2024

### Financial results

Financial performance	December 2024	December 2023	% change
Average realised FOB export price (US\$/wmt)	92	117	(21)
Revenue (Rm)	68,529	86,234	(21)
Operating expenses (Rm)	46,105	45,383	2
C1 unit cost (US\$/wmt)	39	41	(5)
Adjusted EBITDA (Rm)	28,134	45,710	(38)
Adjusted EBITDA margin (%)	41	53	(12) p
Operating margin (%)	38	47	(9) p
Cash breakeven price (US\$/wmt)	74	61	21
Headline earnings per share (R/share)	38.94	70.80	(45)
Total capital expenditure (Rm)	9,000	9,943	(9)
Attributable free cash flow (Rm)	14,467	14,875	(3)
Net cash (Rm)	14,717	13,223	11
Total cash dividend per share (R/share)	38.67	46.80	(17)
ROCE (%)	41	82	(41) p

Kumba's financial performance in 2024 reflects our decision to reconfigure our business to a lower production profile, which is more closely aligned to Transnet's logistics performance. We achieved this while maintaining our strategic focus on operational excellence, cost optimisation and capital discipline.

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 ZAR/US\$ exchange rate further tested our financial resilience. Given these elements, we delivered an adjusted EBITDA of R28.1 billion (2023: R45.7 billion) and an adjusted EBITDA margin of 41% (2023: 53%).

Our cost optimisation initiatives achieved R4.4 billion of savings, exceeding our full year 2024 target of R2.5 to 3.0 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). Our C1 unit cost improved by 5% to US\$39/wmt from US\$41/wmt in 2023.

Iron ore supply outpaced modest steel demand, leading to lower benchmark iron ore prices. Consequently, Kumba's average realised price decreased by 21% to US\$92/wmt. The combined Fe, lump and marketing premium achieved of US\$11/wmt was partly offset by an unfavourable timing effect of US\$8/wmt (declining prices on provisionally priced sales volumes). This led to a total product premium of US\$3/wmt, representing a 3% gain in Kumba's realised price, ahead of the benchmark FOB export price of US\$89/wmt.

In the medium term, we continue to target a product premium of US\$3/wmt above lump and Fe premia. Additionally, we are targeting a further US\$2/tonne to US\$3/tonne of product premium through our UHDMS technology project, which is expected to treble the proportion of premium-grade products from below 20% to more than 50% of total production at full production capacity.

Consistent with our disciplined capital allocation framework, we remain committed to balancing sustaining capital expenditure with shareholder returns and providing growth optionality. Our capital expenditure (capex) of R9.0 billion decreased by 9% from R9.9 billion, within our full year 2024 guidance of R8.0 to 9.0 billion. The decrease was driven by optimising our sustaining (SIB) capex and a lower expansion capex due to the completion of our Kapstevel South pit at Kolomela mine.

In August 2024, we announced the Board's approval of a further R7.6 billion investment in our UHDMS technology project, bringing the full investment to R11.2 billion. Over the next few years, we expect a disciplined increase in expansion capex to ~R2.0 billion per annum, as the investment in our 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 our stakeholders.

We maintained our 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).

# Business overview continued

## for the year ended 31 December 2024

### Financial results (continued)

For the full year, our net cash position of R14.7 billion (2023: R13.2 billion) increased by 11% and this supported the Board's decision to declare a final cash dividend of R19.90 per share to our shareholders. Combined with our interim dividend of R18.77 per share, the total dividends for the year amount to R38.67 per share. We are returning 100% of headline earnings or R12.5 billion to our shareholders.

Our financial strength enables us to reinvest for a sustainable future, unlock further value, and continue to pay attractive dividends through the cycle, in line with our disciplined capital allocation framework.

### Revenue

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

The combined price increase of US\$11/wmt on the Platts 62 FOB export price of US\$89/wmt included a lump premium of US\$6/wmt, an Fe premium of US\$4/wmt and a marketing premium of US\$1/wmt. This was partially offset by timing effects of US\$8/wmt that reflect the impact of provisionally priced sales volumes, resulting in a total product premium of US\$3/wmt. An unfavourable timing effect occurs in a decreasing price environment due to the impact of lower prices achieved on sales volumes that were provisionally priced when market prices were previously higher. In a rising price environment, a positive timing effect occurs.

### Operating expenses

Total operating expenses increased by 2% to R46.1 billion (2023: R45.4 billion).

Kumba's business reconfiguration to align production to Transnet's constrained logistics performance and reduce our cost profile was successfully executed.

As part of reconfiguring our business, we optimised our mine plan and reduced waste mining by 28% to 155.7 Mt in 2024. In parallel, we right-sized our HME fleet and reduced services provided by our service partners while utilising our 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 we effectively reset our cost profile to 2021 levels.

By delivering on our business reconfiguration initiatives we achieved R4.4 billion of savings, exceeding our target of R2.5 – 3.0 billion. These savings have driven a reduction in the following cost lines:

- Contractor expenses, improved by 33% to R3.5 billion (2023: R5.2 billion),
- Repairs and maintenance, down 17% to R3.5 billion (2023: R4.2 billion),
- Petroleum products decreased by 22% to R2.9 billion (2023: R3.7 billion),
- Raw materials and consumables, 24% lower 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) and mainly relates to the commissioning of our Kapstevél South pit at Kolomela and higher deferred stripping costs at Sishen.
- Finished stock movement of R465 million to R1.9 billion (2023: R1.5 billion), as a result of a reduction in the value of finished stock 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 R0.8 billion decrease in provision for environmental rehabilitation costs due to revised closure cost estimates and an increase in the reserve life of both Sishen and Kolomela to 2040.

# Business overview continued

## for the year ended 31 December 2024

### Operating expenses (continued)

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 – 550/dmt. In addition to cost savings, the cost of inflation and higher WIP utilisation were more than offset by the benefit of our 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 – 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 our optimised mine plan and higher deferred stripping.

### EBITDA

Iron ore prices remain the most significant driver of our adjusted EBITDA. As a result, our 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 ZAR/US\$ exchange rate.

Our 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 our adjusted EBITDA of R28.1 billion (2023: R45.7 billion), at 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 R0.8bn (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.

Accordingly, after depreciation of R5.7 billion, an impairment reversal of R3.9 billion and taxation of R7.4 billion, net profit decreased to R19.3 billion (2023: R29.8 billion).

Kumba's break-even price started the year at US\$61/wmt. Operating costs reduced by US\$2/wmt driven by our focus on operational excellence.

Our market leading product qualities continued to capture lump and Fe premium. However, market headwinds resulted in timing differences of US\$11/wmt, and a lower marketing premium of US\$1/wmt and lump premium of US\$1/wmt, which were partly offset by a higher Fe premium of US\$1/wmt.

These elements combined with an increase in SIB capex of US\$2/wmt, higher freight rates of US\$2/wmt and lower mineral royalties of US\$1/wmt, led to Kumba's break-even price increasing by US\$13/wmt to US\$74/wmt in 2024.

### Cash flow, value creation and statement of financial position

Kumba delivered attributable free cash flow of R14.5 billion (2023: R14.9 billion). Our robust net cash position of R14.7 billion (2023: R13.2 billion) supported the Board's decision to declare a final cash dividend of R19.90 per share to our shareholders.

Cash flow generated from operations of R34.8 billion (2023: R38.3 billion) includes adjusted EBITDA of R28.1 billion (2023: R45.7 billion).

Net working capital decreased by 32% to R14.2 billion (2023: R20.8 billion). This was 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 earlier collection of receivables. This was partly offset by a 3% decrease in trade and other payables of R9.7 billion (2023: R10.0 billion).

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

The decrease in capital creditors of R0.7 billion (2023: increase of R81 million) relates to capex incurred during the year but not yet paid as at the reporting date, net of prior year capex paid during the year. The 2024 full-year cash capex net of capital creditors was R9.7 billion (2023: R9.9 billion).

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

Alongside our capital investments, we continued to contribute to South Africa's economy and invest in the future. In total, Kumba created enduring value of R57.3 billion. Besides capital investments of R9.0 billion, these include:

- cash dividends of R16.5 billion (2023: R20.0 billion)
- paying total income tax of R5.9 billion (2023: R8.9 billion) and mineral royalties of R1.4 billion (2023: R2.0 billion) to government
- providing employment and paying salaries and benefits of R6.7 billion (2023: R7.0 billion)

# Business overview continued

## for the year ended 31 December 2024

### Cash flow, value creation and statement of financial position (continued)

- supporting local businesses through R17.3 billion (2023: R22.9 billion) of BEE supplier spend, including R3.9 billion (2023: R6.6 billion) to safeguard the livelihoods of our local host community suppliers
- building local communities through R469 million (2023: R376.2 million) in direct social spend

Our liquidity position at 31 December 2024 consisted of R30.7 billion (2023: R29.2 billion) of net cash resources and debt facilities. Debt facilities consist of committed revolving credit facilities of R16 billion (2023: R16 billion). At 31 December 2024, R2.0 billion of the committed facility had been drawn down. Kumba's debt facilities also include undrawn uncommitted facilities of R8.2 billion (2023: R8.2 billion).

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 our 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.

### Ore Reserves and Mineral Resources

Kumba is focusing on the efficiency benefits of an integrated mining complex to maximise value, while maintaining optionality to respond to Transnet's logistics performance. The business reconfiguration and optimised mine plan resulted in the rightsizing of its operations to drive optimisation efforts across all aspects of the value chain and supporting services.

During the 2024 life-of-asset planning cycle, Kumba applied an 84% long-term contractual rail volume scenario (44 Mtpa @ 84% – 37 Mtpa) to derive the proposed go-forward Saleable Product profile.

Ore Reserves increased over the reserve life by 11% (+79.4 Mt) and Saleable Product increased by 9% (+35.4 Mt), primarily as a result of a more positive outlook on the long-term iron ore price and Rand/US\$ exchange rate compared to 2023. Combined with planned cost curtailment programmes, this resulted in larger pit designs at both operations, although at reduced factor pit shell derivatives of 0.66 in 2024 compared to 0.8 in 2023.

A net decrease of 114.8 Mt (-20%) is noted for the Kumba exclusive Mineral Resource compared to 2023, mainly because of the conversion of Measured and Indicated Mineral Resources to Ore Reserves as a result of larger pit designs at both operations.

The Kolomela life-of-asset has been extended by six years, compared to 2023, to a total of 16 years as a result of a decrease in the annual product output based on Kumba's business reconfiguration optimisation drive.

The Sishen life-of-asset has been extended by two years compared to 2023, resulting in a 16-year remaining life-of-asset to 2040, primarily as a result of the larger pit layout.

There were no further material changes to the Ore Reserves and Mineral Resources as disclosed in the 2024 Ore Reserve (and Saleable Product) and Mineral Resource report available at

<https://www.angloamericankumba.com/investors/annual-reporting/reports-archive/2024.aspx>

### Outlook and guidance

The safety, health and wellbeing of our people remains paramount as we continue to focus on operational excellence and cost optimisation.

For the full year 2025, our waste guidance is 166 – 182 Mt. Sishen's waste mining is expected to increase to 140 – 150 Mt and Kolomela's to 26 – 32 Mt.

The outlook for Kumba's production for the period 2025 to 2027 has been updated, subject to Transnet's logistics performance. In 2025, the production guidance of between 35 – 37Mt is unchanged. In 2026, due to the main shutdown and tie-in of the UHDMS technology, production has been revised to 31 – 33 Mt, with the balance of the saleable product expected to be supplemented by finished stock at Sishen. Thereafter, in 2027, production is expected to increase to 35 – 37 Mt.

Our sales guidance of 35 – 37 Mt for 2025 is in line with the production guidance. This takes into account the opening level of finished stock at Saldanha Bay port for the year and the demonstrated logistics performance of 79% on the OEC in 2024, compared to 83% in 2023.

Based on our production outlook, we are targeting a cost optimisation benefit of R2.5 – R3.0 billion for the full year 2025. This underpins our unit cost guidance of between R510 – R540/dmt for Sishen and between R430 – R460/dmt for Kolomela and our C1 unit cost guidance of US\$39/tonne. In 2026, due to the decrease in production to accommodate the UHDMS tie-in, the C1 unit cost is expected to increase to US\$40/wmt. With the increase in production to 35 – 37 Mt in 2027, the C1 unit cost is expected to remain at US\$40/wmt.

Further cost savings and efficiency opportunities are being driven by our focus on operational excellence. These initiatives are focused on optimising outside services, further improvements to operational efficiencies and more efficient utilisation of consumables as well as supply chain savings.

# Business overview continued

for the year ended 31 December 2024

## Outlook and guidance (continued)

We are committed to maintaining capital discipline and ensuring that our balance sheet is efficient and flexible. Our capex guidance is between R9.5 billion and R10.5 billion for 2025, largely due to an increase in deferred stripping capex.

The revised guidance is comprised of the following:

- SIB spend of between R4.1 billion and R4.5 billion, relating to mining equipment, plant and infrastructure upgrades, technology, land management and environmental and regulatory compliance projects.

- Expansion capex of between R1.4 billion and R1.6 billion relates to our phased investment in the UHDMS technology project. The project is on track for the conversion of the first coarse module in 2025.
- Deferred stripping capex of between R4.0 billion and R4.4 billion, as we mine in areas with a higher strip ratio in comparison to the life-of-asset strip ratio.

In the medium term, SIB capex is expected to remain at current levels of between R4.0 and R5.0 billion per annum. Expansion capex is anticipated to be approximately R2.0 billion per annum, in line with the phased investment and execution of the UHDMS project.

Kumba's full year 2025 guidance is as follows, subject to third-party rail and port performance:

Full year guidance (unaudited)	2025
<b>Total sales (Mt)<sup>2,3</sup></b>	<b>35 – 37</b>
<b>Total production (Mt)<sup>2,3</sup></b>	<b>35 – 37</b>
Sishen	~26
Kolomela	~10
<b>Waste stripping (Mt)<sup>3</sup></b>	<b>166 – 182</b>
Sishen	<b>140 – 150</b>
Kolomela	<b>26 – 32</b>
<b>On-mine unit costs (R/tonne)</b>	
Sishen	<b>510 – 540</b>
Kolomela	<b>430 – 460</b>
<b>C1 unit cost (US\$/tonne)<sup>1,2</sup></b>	<b>39</b>
<b>Capital expenditure (Rbn)</b>	<b>9.5 – 10.5</b>
SIB spend	<b>4.1 – 4.5</b>
Expansion spend	<b>1.4 – 1.6</b>
Deferred stripping spend	<b>4.0 – 4.4</b>

<sup>1</sup> Based on foreign exchange rate of R18.60/US\$ for 2025.

<sup>2</sup> Production, sales volumes and the C1 unit cost are reported as wet metric tonnes, with a moisture content of approximately 1.6%.

<sup>3</sup> Volumes referred to for the period are 100% of SIOC, and attributable to Kumba's shareholders and the non-controlling interests in SIOC.

Mpumi Zikalala concluded: "Thanks to the exceptional team at Kumba, despite the business reconfiguration, we achieved our lowest TRIFR in Kumba's history. Operational stability and capability were maintained, and we have built a more disciplined cost culture.

"The Network Statement paves the way for private sector participation and near-term, Kumba as part of the OUF, will work closely with government and Transnet to drive the Ore corridor restoration programme.

"We are committed to unlocking value for our stakeholders. The UHDMS technology will further enhance Kumba's high-quality iron ore products, positioning us strongly to maximise the product premium we earn.

We have successfully extended Sishen's life-of-asset from 2038 to 2040 and we have the optionality to extend to 2044. This ensures a more sustainable future for our business to the benefit of all our stakeholders."

The Company's SENS announcement for the year ended 31 December 2024 will be available on the Company's website [www.angloamericankumba.com](http://www.angloamericankumba.com) at 07:05 CAT and the presentation will be available from 11:00 CAT on 18 February 2025.

# 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 1 and 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.

### Financial results

The financial statements on pages 34 to 125 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	<b>68,529</b>	86,234	(21)
Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA)	<b>28,134</b>	45,710	(38)
Cash generated from operations	<b>34,791</b>	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

### 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.

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.

# 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 Kapstevl 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 Kapstevél 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.

# 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 129 to 131.

### 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 139. 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:

- Vijay 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.

# 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, and when suitable opportunities arise, subject to the Memorandum of Incorporation (Mol) 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 Mol, 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 Mol 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.

### 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.

Member	Meeting date						Number of meetings attended
	2/2/2024	14/2/2024	14/3/2024	15/5/2024	17/7/2024	13/11/2024	
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.

### 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](http://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.

# 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

## continued

### 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



## 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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Private Bag X36, Sunninghill, 2157, South Africa  
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

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



## Our audit approach

### Overview

	<p><b>Final materiality</b></p> <ul style="list-style-type: none"> <li>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.</li> <li>Final materiality (separate financial statements): R 138,4 million which represents 1% of revenue.</li> </ul>
	<p><b>Group audit scope</b></p> <ul style="list-style-type: none"> <li>We conducted full scope audits at seven significant components.</li> <li>Analytical review procedures were performed over the remaining non-significant and inconsequential components.</li> </ul>
	<p><b>Key audit matter</b></p> <ul style="list-style-type: none"> <li>Impairment or impairment reversal assessment of Kolomela Mine cash-generating unit.</li> </ul>

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.



	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	<p>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.</p> <p>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.</p> <p>We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.</p>	<p>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.</p> <p>We chose 1% which is consistent with quantitative materiality thresholds used for investment holding companies in this sector.</p>

### 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.



### 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
<p><b>Impairment or impairment reversal assessment of Kolomela Mine cash-generating unit</b></p> <p>Refer to following disclosures in the financial statements as it relates to this key audit matter:</p> <ul style="list-style-type: none"> <li>Principal accounting policy 4.3 (Impairment of non-financial assets),</li> <li>Principal accounting policy 5.1 (Material accounting judgements and estimates - Impairment of assets);</li> <li>Principal accounting policy 5.8 (Material accounting judgements and estimates - Ore Reserve and Mineral Resource estimates); and</li> <li>Note 2 to the consolidated financial statements (Property, plant, and equipment).</li> </ul> <p>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:</p> <ul style="list-style-type: none"> <li>the magnitude of the impairment reversal recognised in relation to the consolidated financial statements; and</li> <li>the significant judgement applied by management in determining the recoverable amount of the Kolomela CGU.</li> </ul> <p>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.</p>	<p>Our audit addressed this key audit matter as follows:</p> <ul style="list-style-type: none"> <li>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.</li> <li>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: <ul style="list-style-type: none"> <li>We assessed the objectivity, competence, and experience of management's experts used in assessing the ore reserves through inspection of curriculum vitae, membership certificates from professional bodies and competent persons reports. No aspects requiring further consideration were noted; and</li> <li>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.</li> </ul> </li> <li>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.</li> <li>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</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p>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.</p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• ore reserves and mineral resources;</li> <li>• iron ore prices per tonne;</li> <li>• foreign exchange rates;</li> <li>• discount rates;</li> <li>• operating costs; and</li> <li>• capital expenditure.</li> </ul>	<p>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.</p> <ul style="list-style-type: none"> <li>• With the assistance of our valuation and business modelling expertise, we performed the following procedures: <ul style="list-style-type: none"> <li>○ 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;</li> <li>○ 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;</li> <li>○ 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</li> </ul> </li> </ul>



Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>○ 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.</li> </ul>

*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.



### *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.



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.

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### *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.

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*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.

# 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.

<b>Standard, amendment or interpretation</b>	<b>Impact on the financial statements</b>
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Amendments to IFRS 16 <i>Leases</i> – 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.
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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
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Supplier finance arrangements – amendments to IAS 7 <i>Statement of Cash Flows</i> and IFRS 7 <i>Financial Instruments: Disclosures</i>	<p>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.</p> <p>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.</p>
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Amendments to IAS 1 <i>Presentation of Financial Statements</i> – classification of liabilities as current or non-current	<p>The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:</p> <ul style="list-style-type: none"><li>• what is meant by a right to defer settlement</li><li>• that a right to defer must exist at the end of the reporting period</li><li>• that classification is unaffected by the likelihood that an entity will exercise its deferral right</li><li>• 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</li></ul> <p>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.</p> <p>The amendments did not have an impact on the classification of the group's liabilities.</p>
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# 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.

# 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.

# 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.

# 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.

# 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.

# 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.

# 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.

# 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.

KUMBA IRON ORE LIMITED GROUP

# Statement of financial position

as at 31 December

Rand million	Notes	2024	2023
<b>ASSETS</b>			
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
<b>Non-current assets</b>		<b>65,887</b>	<b>59,223</b>
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
<b>Current assets</b>		<b>32,859</b>	<b>39,501</b>
<b>Total assets</b>		<b>98,746</b>	<b>98,724</b>
<b>EQUITY</b>			
Shareholders' equity		52,815	52,019
Non-controlling interests	23	16,485	16,203
<b>Total equity</b>		<b>69,300</b>	<b>68,222</b>
<b>LIABILITIES</b>			
Lease liabilities	3	70	179
Provisions	10	3,190	3,704
Deferred tax liabilities	11	14,106	11,860
<b>Non-current liabilities</b>		<b>17,366</b>	<b>15,743</b>
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
<b>Current liabilities</b>		<b>12,080</b>	<b>14,759</b>
<b>Total liabilities</b>		<b>29,446</b>	<b>30,502</b>
<b>Total equity and liabilities</b>		<b>98,746</b>	<b>98,724</b>

# Statement of profit or loss

for the year ended 31 December

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)
<b>Operating profit</b>		<b>26,361</b>	40,705
Finance income	18	800	685
Finance costs	18	(510)	(617)
Share of losses of equity-accounted joint venture and associate		(1)	(26)
<b>Profit before taxation</b>		<b>26,650</b>	40,747
Taxation	19	(7,375)	(10,942)
<b>Profit for the year</b>		<b>19,275</b>	29,805
<b>Attributable to:</b>			
Owners of Kumba		14,699	22,725
Non-controlling interests		4,576	7,080
		<b>19,275</b>	29,805
<b>Earnings per share attributable to the ordinary equity holders of Kumba (Rand per share)</b>			
Basic	20	45.81	70.80
Diluted	20	45.70	70.64

# Statement of other comprehensive income

for the year ended 31 December

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

<sup>1</sup> 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.

# 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	Shareholders' equity	Non-controlling interests	Total equity
		21	21	22				23	
<b>Balance at 31 December 2022</b>		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)
<b>2023</b>		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)
<b>2024</b>		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 <sup>1</sup>	19.90	24.20
<b>Total</b>	<b>38.67</b>	46.80

<sup>1</sup> 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

for the year ended 31 December

Rand million	Notes	2024	2023
<b>Cash flows from operating activities</b>			
Cash receipts from customers		73,810	81,974
Cash paid to suppliers and employees		(39,019)	(43,717)
<b>Cash generated from operations</b>	24	<b>34,791</b>	38,257
Finance income received	25	817	674
Finance costs paid	25	(471)	(770)
Taxation paid	26	(5,878)	(8,856)
		<b>29,259</b>	29,305
<b>Cash flows utilised in investing activities</b>			
Additions to property, plant and equipment	28	(9,673)	(9,862)
Proceeds from disposal of property, plant and equipment		50	12
		<b>(9,623)</b>	(9,850)
<b>Cash flows utilised in financing activities</b>			
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)
		<b>(20,682)</b>	(19,405)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,046)</b>	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
<b>Cash and cash equivalents at the end of the year</b>	8	<b>16,913</b>	17,722

# 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 <sup>1</sup>		Services			Total
	Sishen mine	Kolomela mine	Logistics <sup>2</sup>	Shipping operations	Other	
<b>2024</b>						
<b>Statement of profit or loss</b>						
Total external revenue	44,070	16,277	—	8,182	—	68,529
Adjusted EBITDA <sup>3</sup>	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
<b>Statement of financial position</b>						
Total segment assets	9,426	5,861	278	—	—	15,565
<b>Statement of cash flows</b>						
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

<sup>1</sup> Derived from extraction, production and selling of iron ore.

<sup>2</sup> No revenue is reported for this segment as its performance is reviewed with reference to volumes railed and rail tariffs achieved.

<sup>3</sup> 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 132 to 133.

# Notes to the annual financial statements continued

## for the year ended 31 December

### 1. Segmental reporting continued

Rand million	Products <sup>1</sup>		Services		Other	Total
	Sishen mine	Kolomela mine	Logistics <sup>2</sup>	Shipping operations		
<b>2023</b>						
<b>Statement of profit or loss</b>						
Total external revenue	59,520	20,802	—	5,912	—	86,234
Adjusted EBITDA <sup>3</sup>	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 <sup>4</sup>	535	352	402	—	415	1,704
Repairs and maintenance	3,333	813	—	—	21	4,167
Mineral royalty	1,802	622	—	—	—	2,424
<b>Statement of financial position</b>						
Total segment assets	10,989	5,777	373	—	—	17,139
<b>Statement of cash flows</b>						
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

<sup>1</sup> Derived from extraction, production and selling of iron ore.

<sup>2</sup> No revenue is reported for this segment as its performance is reviewed with reference to volumes railed and rail tariffs achieved.

<sup>3</sup> 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 132 to 133.

<sup>4</sup> 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
<b>Balance per statement of financial position</b>	6	<b>18,125</b>	20,409

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

# 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
<b>EBITDA</b>	<b>32,074</b>	<b>45,710</b>
Less:		
Impairment reversal	(3,940)	—
<b>Adjusted EBITDA</b>	<b>28,134</b>	<b>45,710</b>

#### 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
<b>Total external revenue</b>	<b>68,529</b>	<b>86,234</b>
<b>Geographical analysis of revenue</b>		
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
<b>Total external revenue</b>	<b>68,529</b>	<b>86,234</b>

#### 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	Property, plant and equipment							Total
	Land	Mineral properties	Residential buildings	Buildings and infrastructure	Machinery, plant and equipment	Mineral exploration, site preparation and development	Assets under construction	
<b>2024</b>								
<b>Cost</b>								
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)	—
<b>Balance at 31 December 2024</b>	<b>338</b>	<b>621</b>	<b>3,562</b>	<b>9,366</b>	<b>52,805</b>	<b>31,554</b>	<b>10,740</b>	<b>108,986</b>
<b>Accumulated depreciation</b>								
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 <sup>1</sup>	—	—	33	145	808	508	—	1,494
Disposals and scrapping	—	—	(21)	—	(495)	—	—	(516)
<b>Balance at 31 December 2024</b>	<b>—</b>	<b>461</b>	<b>1,697</b>	<b>4,196</b>	<b>36,073</b>	<b>10,553</b>	<b>—</b>	<b>52,980</b>
<b>Impairment</b>								
Balance at the beginning of the year	—	43	300	550	1,856	1,221	1,464	5,434
Notional depreciation on impaired assets <sup>1</sup>	—	—	(33)	(145)	(808)	(508)	—	(1,494)
Impairment reversal	—	(43)	(267)	(405)	(1,048)	(713)	(1,464)	(3,940)
<b>Balance at 31 December 2024</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Carrying amount at 31 December 2024</b>	<b>338</b>	<b>160</b>	<b>1,865</b>	<b>5,170</b>	<b>16,732</b>	<b>21,001</b>	<b>10,740</b>	<b>56,006</b>

<sup>1</sup> 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.

# 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
<b>2023</b>								
<b>Cost</b>								
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)	—
<b>Balance at 31 December 2023</b>	<b>344</b>	<b>621</b>	<b>3,608</b>	<b>7,453</b>	<b>49,106</b>	<b>24,230</b>	<b>15,336</b>	<b>100,698</b>
<b>Accumulated depreciation</b>								
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)
<b>Balance at 31 December 2023</b>	<b>—</b>	<b>450</b>	<b>1,579</b>	<b>3,601</b>	<b>32,411</b>	<b>8,401</b>	<b>—</b>	<b>46,442</b>
<b>Impairment</b>								
Balance at the beginning of the year	—	43	300	550	1,856	1,221	1,464	5,434
<b>Balance at 31 December 2023</b>	<b>—</b>	<b>43</b>	<b>300</b>	<b>550</b>	<b>1,856</b>	<b>1,221</b>	<b>1,464</b>	<b>5,434</b>
<b>Carrying amount at 31 December 2023</b>	<b>344</b>	<b>128</b>	<b>1,729</b>	<b>3,302</b>	<b>14,839</b>	<b>14,608</b>	<b>13,872</b>	<b>48,822</b>

#### 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
<b>Capital commitments</b>		
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	<b>2,962</b>	3,371
Capital expenditure authorised for plant and equipment but not contracted	<b>9,225</b>	2,144

# 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
<b>2024</b>					
<b>Cost</b>					
Balance at the beginning of the year		447	155	356	958
Additions		7	—	—	7
Early termination of lease agreements		(7)	—	—	(7)
<b>Balance at 31 December 2024</b>		<b>447</b>	<b>155</b>	<b>356</b>	<b>958</b>
<b>Accumulated depreciation</b>					
Balance at the beginning of the year		290	124	251	665
Depreciation	14	75	18	60	153
Early termination of lease agreements		(3)	—	—	(3)
<b>Balance at 31 December 2024</b>		<b>362</b>	<b>142</b>	<b>311</b>	<b>815</b>
<b>Carrying amount at 31 December 2024</b>		<b>85</b>	<b>13</b>	<b>45</b>	<b>143</b>
<b>2023</b>					
<b>Cost</b>					
Balance at the beginning of the year		390	101	239	730
Additions		57	54	117	228
<b>Balance at 31 December 2023</b>		<b>447</b>	<b>155</b>	<b>356</b>	<b>958</b>
<b>Accumulated depreciation</b>					
Balance at the beginning of the year		197	93	173	463
Depreciation	14	93	31	78	202
<b>Balance at 31 December 2023</b>		<b>290</b>	<b>124</b>	<b>251</b>	<b>665</b>
<b>Carrying amount at 31 December 2023</b>		<b>157</b>	<b>31</b>	<b>105</b>	<b>293</b>

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
<b>Balance at the end of the year</b>		<b>193</b>	<b>355</b>
Current		123	176
Non-current		70	179
<b>Balance at the end of the year</b>		<b>193</b>	<b>355</b>

# 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 <sup>1</sup>	18	30	46
Lease expenses relating to short-term and low-value assets		—	3
Variable lease payments <sup>2</sup>		686	1,273
Income from sub-leasing of right-of-use assets		(59)	(65)
<b>Net effect</b>		<b>810</b>	<b>1,459</b>

<sup>1</sup> Included in finance costs.

<sup>2</sup> 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
<b>Balance at the beginning of the year</b>	<b>877</b>	796
Movement in investment in environmental trusts comprising:	<b>112</b>	81
Gain on investments	<b>112</b>	81
<b>Balance at the end of the year</b>	<b>989</b>	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.

# 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 <sup>1</sup>	67	50
<b>Balance at the end of the year</b>	<b>166</b>	<b>155</b>

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
	<b>108</b>	<b>115</b>

<sup>1</sup> 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
<b>Total inventories</b>	<b>18,125</b>	<b>20,409</b>
Non-current portion of WIP inventories <sup>1</sup>	8,520	9,011
Current portion of inventories	9,605	11,398
<b>Total inventories</b>	<b>18,125</b>	<b>20,409</b>

<sup>1</sup> 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)
<b>Net trade receivables</b>	<b>2,473</b>	6,351
Other receivables <sup>1</sup>	3,146	3,903
Provision for credit losses – other receivables	(390)	(409)
<b>Net trade and other receivables</b>	<b>5,229</b>	9,845
Prepayments	106	122
Prepaid shipping costs paid to related party	431	391
<b>Balance at the end of the year</b>	<b>5,766</b>	10,358

<sup>1</sup> 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.

# Notes to the annual financial statements continued

## for the year ended 31 December

### 7. Trade and other receivables continued

Rand million	2024	2023
<b>Trade receivables credit risk exposure by geographical area (gross)<sup>1</sup></b>		
South Africa	305	21
Europe	1,170	847
Asia	1,290	5,483
	<b>2,765</b>	<b>6,351</b>
<b>Trade receivables credit risk exposure by currency (gross)<sup>2</sup></b>		
Rand	305	21
US Dollar	2,460	6,330
	<b>2,765</b>	<b>6,351</b>
<b>Ageing of trade receivables (gross)</b>		
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
	<b>2,765</b>	<b>6,621</b>
<b>Expected credit loss rate (%) for trade receivables measured at amortised cost</b>		
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

<sup>1</sup> 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.

<sup>2</sup> 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
<b>Balance at the beginning of the year</b>	<b>679</b>	533
Movement in expected credit losses raised during the year	3	146
Trade receivables	22	41
Other receivables	(19)	105
<b>Balance at the end of the year</b>	<b>682</b>	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
<b>Currency analysis of cash and cash equivalents</b>		
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
<b>Reconciliation</b>		
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
<b>Balance at the end of the year</b>	<b>2,003</b>	<b>4,144</b>

# 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	2023
<b>Unsecured loans</b>					
Revolving syndicated facility at a variable interest rate of JIBAR plus a margin which varies based on the period of the borrowing (committed) <sup>1,2,4</sup>	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) <sup>2,3,4</sup>	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) <sup>1,2,3</sup>	Open	2024 JIBAR + 185 bps 2023 JIBAR + 185 bps	8,200	—	1,134
Short-term working capital financing facilities <sup>1</sup>	30 June 2025	2024 SOFR + margin <sup>5</sup> 2023 SOFR + margin <sup>5</sup>	20,790	—	—
<b>Total</b>			<b>44,990</b>	<b>2,000</b>	<b>4,134</b>

<sup>1</sup> These facilities are held with related parties (refer to note 33).

<sup>2</sup> 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.

<sup>3</sup> The prior year outstanding balance for borrowings was paid during 2024.

<sup>4</sup> During the year, the group amended the committed facilities and extended the maturity date to May 2029.

<sup>5</sup> 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	Environmental rehabilitation	Decommissioning	Other	Total
<b>2024</b>					
Non-current provisions	105	2,566	519	—	3,190
Current provisions	—	169	37	4	210
<b>Total provisions</b>	<b>105</b>	<b>2,735</b>	<b>556</b>	<b>4</b>	<b>3,400</b>
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
<b>Balance at 31 December 2024</b>	<b>105</b>	<b>2,735</b>	<b>556</b>	<b>4</b>	<b>3,400</b>
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
	<b>105</b>	<b>2,735</b>	<b>556</b>	<b>4</b>	<b>3,400</b>
Estimated undiscounted obligation	<b>105</b>	<b>5,477</b>	<b>1,196</b>	<b>4</b>	<b>6,782</b>
<b>2023</b>					
Non-current provisions	57	2,806	841	—	3,704
Current provisions	—	162	—	36	198
<b>Total provisions</b>	<b>57</b>	<b>2,968</b>	<b>841</b>	<b>36</b>	<b>3,902</b>
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)
<b>Balance at 31 December 2023</b>	<b>57</b>	<b>2,968</b>	<b>841</b>	<b>36</b>	<b>3,902</b>
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
	<b>57</b>	<b>2,968</b>	<b>841</b>	<b>36</b>	<b>3,902</b>
Estimated undiscounted obligation	<b>57</b>	<b>5,931</b>	<b>1,463</b>	<b>36</b>	<b>7,487</b>

# 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	Decommissioning	Total
<b>Change in provision</b>	<b>(330)</b>	<b>(309)</b>	<b>(639)</b>
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
<b>Deferred tax liabilities</b>		
Reconciliation:		
Balance at the beginning of the year	11,860	10,529
Prior year adjustment	(46)	7
Current year charge	2,292	1,324
<b>Balance at the end of the year</b>	<b>14,106</b>	<b>11,860</b>
<b>Deferred tax liabilities attributable to the following temporary differences:</b>		
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 <sup>1</sup>	(487)	(561)
Prepayments	25	32
Lease liabilities	(52)	(96)
<b>Total deferred tax liabilities</b>	<b>14,106</b>	<b>11,860</b>

<sup>1</sup> The amounts comprise the following provisions: bad debts, holiday bonus and annual bonus.

# 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 <sup>1</sup>	6,960	6,513
Other payables <sup>2</sup>	1,894	2,514
Leave pay accrual	417	432
<b>Total trade and other payables (excluding contract liabilities)</b>	<b>9,271</b>	<b>9,459</b>
Contract liabilities <sup>3</sup>	449	553
<b>Total trade and other payables (including contract liabilities)</b>	<b>9,720</b>	<b>10,012</b>
<b>Currency analysis of trade and other payables and contract liabilities</b>		
Rand	8,797	8,214
US Dollar	884	1,651
Other <sup>4</sup>	39	147
	<b>9,720</b>	<b>10,012</b>

<sup>1</sup> 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).

<sup>2</sup> 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).

<sup>3</sup> The full amount of R553 million in relation to the contract liabilities at 31 December 2023 was recognised as revenue during 2024.

<sup>4</sup> "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
<b>Total revenue from contracts with customers</b>	<b>75,000</b>	79,054
Revenue from other sources <sup>1</sup>	(6,471)	7,180
<b>Total revenue as per statement of profit or loss</b>	<b>68,529</b>	86,234
<b>Geographical analysis of revenue from contracts with customers</b>		
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
<b>Total revenue from contracts with customers</b>	<b>75,000</b>	79,054

<sup>1</sup> 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:

Rand million	Products		Services	Total
	Sishen mine	Kolomela mine	Shipping operations	
<b>2024</b>				
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
<b>Revenue from contracts with customers</b>	<b>48,680</b>	<b>18,138</b>	<b>8,182</b>	<b>75,000</b>
<b>2023</b>				
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)
<b>Revenue from contracts with customers</b>	<b>54,365</b>	<b>18,777</b>	<b>5,912</b>	<b>79,054</b>

# Notes to the annual financial statements continued

## for the year ended 31 December

### 14. Operating expenses

Rand million	Notes	2024	2023
<b>Cost by nature:</b>			
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 <sup>1</sup>		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 <sup>2</sup>		(73)	(148)
Corporate costs		1,789	1,704
<b>Total operating expenses</b>		<b>46,105</b>	<b>45,383</b>

<sup>1</sup> "Other expenses" includes administrative expenses, equipment hire, shuttle services, professional fees and general labour.

<sup>2</sup> 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
<b>Operating profit includes the following amounts:</b>		
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<sup>1</sup>
- 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
<b>Total</b>	<b>5,663</b>	<b>391</b>	<b>5,902</b>	<b>389</b>

<sup>1</sup> 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 <sup>1</sup>	(218)	(575)
Net fair value gains on financial assets measured at FVTPL <sup>2</sup>	(132)	(68)
Net finance gains	(350)	(643)

<sup>1</sup> 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.

<sup>2</sup> 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.

# 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 <sup>1</sup>		(117)	—
<b>Net finance income</b>		<b>(290)</b>	<b>(68)</b>

<sup>1</sup> Other interest received relates to interest received from SARS.

### 19. Taxation

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

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 <sup>1</sup>	(0.1)	0.1
Disallowable expenditure <sup>2</sup>	(0.2)	(0.1)
Prior year over provision	(0.4)	0.1
Standard taxation rate	27.0	27.0

<sup>1</sup> This relates to tax incurred in the United Kingdom where the tax rate is 25%.

<sup>2</sup> 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
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue	320,883,243	320,956,591
Potential dilutive effect of outstanding share options <sup>1</sup>	789,464	754,400
Diluted weighted average number of ordinary shares in issue	321,672,707	321,710,991

<sup>1</sup> 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:

Rand million	2024		2023	
	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	—	—	—
<b>Headline earnings</b>	<b>12,495</b>	<b>12,495</b>	<b>22,724</b>	<b>22,724</b>

Rand	2024	2023
<b>Attributable earnings per share</b>		
Basic	45.81	70.80
Diluted	45.70	70.64
<b>Headline earnings per share</b>		
Basic	38.94	70.80
Diluted	38.84	70.63

# 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
<b>Authorised</b>		
Ordinary shares of R0.01 each	500,000,000	500,000,000
<b>Issued</b>		
Ordinary shares of R0.01 each	322,085,974	322,085,974
<b>Reconciliation of issued shares</b>		
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
<b>Reconciliation of shares held in reserve (unissued shares)</b>		
Authorised shares at the beginning of the year not issued	177,914,026	177,914,026
<b>Unissued shares at the end of the year</b>	<b>177,914,026</b>	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)
<b>Number of treasury shares at the end of the year</b>	<b>1,216,978</b>	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
<b>Reconciliation of share capital and premium (net of treasury shares)</b>		
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 <sup>1</sup>	(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)
<b>Balance at the end of the year</b>	<b>(190)</b>	(232)

<sup>1</sup> 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:		
Karlo	38	99
BSP	—	3
Semela	55	16
PSP	(9)	3
BRP	71	90
Vesting of shares under employee share incentive schemes	(220)	(209)
<b>Balance at the end of the year</b>	<b>292</b>	<b>357</b>

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
	<b>16,485</b>	<b>16,203</b>

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

### 24. Cash generated from operations

Rand million	2024	2023
<b>Operating profit</b>	<b>26,361</b>	<b>40,705</b>
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
<b>Cash flows from operations</b>	<b>27,095</b>	<b>45,697</b>
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
<b>Cash generated from operations<sup>1</sup></b>	<b>34,791</b>	<b>38,257</b>

<sup>1</sup> The group presents statement of cash flows using the direct method. The above note has been included as additional information.

# 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)
		<b>346</b>	(96)
Finance income received		817	674
Finance costs paid		(471)	(770)
		<b>346</b>	(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)
<b>Taxation paid per the statement of cash flows</b>	<b>5,878</b>	8,856
<b>Comprising normal taxation:</b>		
South Africa	5,313	8,392
Foreign operations	565	464
	<b>5,878</b>	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
<b>Total dividends per the statement of changes in equity</b>	<b>18,142</b>	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 <sup>1</sup>	673	(81)
<b>Additions per the statement of cash flows</b>	<b>9,673</b>	9,862

<sup>1</sup> 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	—
	<b>6,569</b>	<b>5,130</b>

#### 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
<b>The undiscounted future cash outflows not reflected in the measurement of the lease liabilities are as follows:</b>		
<b>Plant and equipment</b>		
Within 1 year	49	52
Between 1 and 2 years	10	49
Between 2 to 5 years	—	11
<b>Total lease commitments</b>	<b>59</b>	<b>112</b>

#### Shipping commitments

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

# 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 129 to 131.

#### 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.

# 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
<b>Anglo American SA Finance Proprietary Limited</b>		
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
<b>Anglo American Capital plc</b>		
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
<b>Anglo Corporate Services South Africa Proprietary Limited</b>		
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
<b>Anglo American Marketing Limited</b>		
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
<b>Anglo American Shipping Pte Limited</b>		
Shipping services provided by Anglo American Shipping Pte Limited	7,998	5,656
Shipping commitments (maturity analysis is provided below) <sup>1</sup>	173	792
Net (loss)/gain on trading activities <sup>1</sup>	(37)	68
Other payables	406	150
Trade and other receivables	431	–
<b>Anglo American Rand Capital</b>		
Committed debt facilities held with Anglo American Rand Capital	8,000	8,000
Commitment fees incurred during the year <sup>1</sup>	44	92
Interest incurred during the year	–	121
<b>Anglo South Africa Proprietary Limited</b>		
Dividends paid to Anglo South Africa Proprietary Limited	9,648	8,734
<b>Exxaro Resources Limited</b>		
Dividends paid to Exxaro Resources Limited	3,741	3,386
Purchase of goods and services <sup>2</sup>	2	265
<b>Essential Prospects 101 Proprietary Limited</b>		
Cost recoveries for services rendered	108	107

<sup>1</sup> 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.

<sup>2</sup> 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
<b>Statement of profit or loss</b>		
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)
<b>Profit for the year</b>	<b>21,498</b>	<b>29,991</b>
<b>Statement of financial position</b>		
Non-current assets	67,762	60,990
Current assets	20,702	24,665
<b>Total assets</b>	<b>88,464</b>	<b>85,655</b>
Shareholders' equity	60,494	57,137
Non-current liabilities	17,395	15,871
Current liabilities	10,575	12,647
<b>Total equity and liabilities</b>	<b>88,464</b>	<b>85,655</b>
<b>Statement of cash flows</b>		
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)
<b>Net increase in cash and cash equivalents</b>	<b>845</b>	<b>835</b>

# 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 <sup>1</sup>	Amortised cost	Total
<b>2024</b>				
<b>Financial assets</b>				
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
<b>Financial liabilities</b>				
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
<b>2023</b>				
<b>Financial assets</b>				
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
<b>Financial liabilities</b>				
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

<sup>1</sup> These financial assets and financial liabilities are mandatorily measured at FVTPL.

# 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 than 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.

# 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
<b>2024</b>						
<b>Financial liabilities</b>						
<b>At amortised cost:</b>						
Lease liabilities <sup>1</sup>	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
		<b>11,041</b>	<b>67</b>	<b>57</b>	<b>27</b>	<b>11,192</b>
<b>2023</b>						
<b>Financial liabilities</b>						
<b>At amortised cost:</b>						
Lease liabilities <sup>1</sup>	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
		<b>13,544</b>	<b>98</b>	<b>133</b>	<b>81</b>	<b>13,856</b>

<sup>1</sup> 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
<b>2024</b>					
<b>Financial assets</b>					
<b>Fair value through profit or loss:</b>					
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
<b>Amortised cost:</b>					
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
<b>Financial liabilities</b>					
<b>Fair value through profit or loss:</b>					
Trade payables	12	—	(293)	—	(293)
Other payables		—	(7)	—	(7)
<b>Amortised cost:</b>					
Interest-bearing borrowings	9	(2,003)	—	—	(2,003)
Lease liabilities	3	(193)	—	—	(193)
Trade and other payables	12	(8,797)	(584)	(39)	(9,420)
<b>Net exposure</b>		<b>(5,071)</b>	<b>16,385</b>	<b>(32)</b>	<b>11,282</b>
<b>2023</b>					
<b>Financial assets</b>					
<b>Fair value through profit or loss:</b>					
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
<b>Amortised cost:</b>					
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
<b>Financial liabilities</b>					
<b>Fair value through profit or loss:</b>					
Trade and other payables		—	(157)	—	(157)
<b>Amortised cost:</b>					
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)
<b>Net exposure</b>		<b>(7,515)</b>	<b>21,621</b>	<b>(124)</b>	<b>13,982</b>

# 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).

Rand million	Impact on total comprehensive income and shareholders' equity	
	Increase	Decrease
<b>2024</b>		
US Dollar	46	(42)
<b>2023</b>		
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.

Rand million	Impact on total comprehensive income and shareholders' equity	
	Increase	Decrease
<b>2024</b>		
Iron ore price	167	(167)
<b>2023</b>		
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 <sup>1</sup>	Level 2 <sup>2</sup>	Level 3 <sup>3</sup>
<b>2024</b>			
Investments held by the environmental trust <sup>4</sup>	—	989	—
Long-term prepayments and other receivables	—	—	58
Equity investment at FVTPL	—	—	9
Trade receivables <sup>5</sup>	—	1,703	—
Trade payables <sup>6</sup>	—	(293)	—
	—	2,399	67
<b>2023</b>			
Investments held by the environmental trust	—	877	—
Long-term prepayments and other receivables	—	—	40
Equity investment at FVTPL	—	—	9
Trade receivables <sup>4</sup>	—	5,435	—
Trade payables <sup>5</sup>	—	(157)	—
	—	6,155	49

<sup>1</sup> Level 1 fair value measurements are derived from unadjusted quoted prices in active markets for identical assets or liabilities.

<sup>2</sup> 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).

<sup>3</sup> 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.

<sup>4</sup> Refer to note 4 for further details of the investments held by the environmental trust.

<sup>5</sup> This includes the provisionally priced receivables carried at fair value through profit and loss.

<sup>6</sup> This mainly consists of provisionally priced amounts that have moved to a payable position carried at fair value through profit and loss.

# 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
<b>Balance at the beginning of the year</b>	<b>49</b>	62
Fair value gain/(loss) for the year	<b>18</b>	(13)
<b>Balance at the end of the year</b>	<b>67</b>	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	<b>16,913</b>	17,722
Interest-bearing borrowings	<b>(2,003)</b>	(4,144)
Lease liabilities	<b>(193)</b>	(355)
<b>Net cash</b>	<b>14,717</b>	13,223
<b>Total equity</b>	<b>69,300</b>	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
<b>Net cash/(debt): equity (%)</b>		
- Target	<b>&lt;80</b>	<80
- Actual	<b>11</b>	8
<b>Consolidated tangible net worth</b>		
- Target	<b>&gt;R20 billion</b>	>R20 billion
- Actual (Headroom)	<b>R49.5 billion</b>	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

R'000	Guaranteed pay and benefits		Total guaranteed pay 2024	Additional payments	Cash bonus accrued (payable in March 2025)	Long-term incentive		Total long-term incentive	Total emoluments 2024
	Base salary	Benefits				Deferred bonus arrangement (DBA)	Long-term incentive plan (LTIP)		
Notes		10		11	12		13		
<b>Executive directors</b>									
ND Zikalala <sup>1</sup>	8,955	1,218	<b>10,173</b>	<b>623</b>	<b>8,408</b>	8,408	2,503	<b>10,911</b>	<b>30,115</b>
BA Mazarura <sup>2</sup>	6,735	324	<b>7,059</b>	<b>—</b>	<b>3,352</b>	3,352	1,155	<b>4,507</b>	<b>14,918</b>
<b>Sub-total</b>	<b>15,690</b>	<b>1,542</b>	<b>17,232</b>	<b>623</b>	<b>11,760</b>	11,760	3,658	<b>15,418</b>	<b>45,033</b>
<b>Prescribed officers<sup>15</sup></b>									
V Kumar <sup>2,5</sup>	395	36	<b>431</b>	<b>—</b>	<b>173</b>	173	674	<b>847</b>	<b>1,451</b>
SA Martin <sup>2,4,14</sup>	1,193	107	<b>1,300</b>	<b>4,782</b>	<b>507</b>	507	366	<b>873</b>	<b>7,462</b>
SB Mbatha <sup>3</sup>	2,302	348	<b>2,650</b>	<b>68</b>	<b>1,229</b>	1,229	—	<b>1,229</b>	<b>5,176</b>
GM Mc Gavigan <sup>2,4,6</sup>	1,649	162	<b>1,811</b>	<b>4,929</b>	<b>706</b>	706	453	<b>1,159</b>	<b>8,605</b>
PG Nortje <sup>7</sup>	4,335	460	<b>4,795</b>	<b>3,325</b>	<b>1,984</b>	1,984	388	<b>2,372</b>	<b>12,476</b>
P Ramchander <sup>2,4</sup>	3,343	492	<b>3,835</b>	<b>378</b>	<b>1,582</b>	1,582	498	<b>2,080</b>	<b>7,875</b>
S Ramgoolam <sup>9</sup>	3,266	304	<b>3,570</b>	<b>2,285</b>	<b>1,851</b>	1,851	—	<b>1,851</b>	<b>9,557</b>
AD Roux <sup>8</sup>	2,263	164	<b>2,427</b>	<b>3,002</b>	<b>1,963</b>	1,963	516	<b>2,479</b>	<b>9,871</b>
NM Sibanyoni	3,169	470	<b>3,639</b>	<b>—</b>	<b>1,428</b>	1,428	464	<b>1,892</b>	<b>6,959</b>
<b>Sub-total</b>	<b>21,915</b>	<b>2,543</b>	<b>24,458</b>	<b>18,769</b>	<b>11,423</b>	11,423	3,359	<b>14,782</b>	<b>69,432</b>
<b>Total</b>	<b>37,605</b>	<b>4,085</b>	<b>41,690</b>	<b>19,392</b>	<b>23,183</b>	23,183	7,017	<b>30,200</b>	<b>114,465</b>

- <sup>1</sup> The additional payment relates to a dividend equivalent payment pertaining to Anglo American plc shares (JSE) that vested on 1 March 2024.
- <sup>2</sup> 40.6% of the LTIP shares awarded in 2022, with a performance period ending 31 December 2024, have vested based on performance condition testing.
- <sup>3</sup> 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.
- <sup>4</sup> The additional payment includes the dividend equivalent relating to the 2021 LTIP share awards that vested on 1 March 2024.
- <sup>5</sup> 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.
- <sup>6</sup> 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.
- <sup>7</sup> 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.
- <sup>8</sup> 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.
- <sup>9</sup> Additional payments include a retention award, with a three-year lock-in clause.
- <sup>10</sup> Benefits include the employer's contribution to the UIF, retirement fund and medical aid fund.
- <sup>11</sup> Inclusive of retention awards, dividend equivalent payments, leave encashment, safety achievement recognition payments as well as termination payments, where applicable.
- <sup>12</sup> 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.
- <sup>13</sup> 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.
- <sup>14</sup> Left the group on 30 April 2024. Payments related to his voluntary separation are included under additional payment.
- <sup>15</sup> F Patel has been excluded as she is no longer a prescribed officer.

# Notes to the annual financial statements continued

## for the year ended 31 December

### 35. Directors' and prescribed officers' remuneration continued

#### 2023 Single figure remuneration

R'000	Guaranteed pay and benefits		Additional payments				Long-term incentive				
	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			
<b>Executive directors</b>											
ND Zikalala <sup>5</sup>	8,449	1,140	9,589	—	1,906	—	5,845	5,845	3,438	9,283	26,623
TM Mkhwanazi <sup>6,7</sup>	—	—	—	—	—	—	—	—	5,141	5,141	5,141
BA Mazarura <sup>6</sup>	6,354	300	6,654	107	—	—	2,611	2,611	2,009	4,620	13,992
<b>Sub-total</b>	<b>14,803</b>	<b>1,440</b>	<b>16,243</b>	<b>107</b>	<b>1,906</b>	<b>—</b>	<b>8,456</b>	<b>8,456</b>	<b>10,588</b>	<b>19,044</b>	<b>45,756</b>
<b>Prescribed officers</b>											
V Kumar <sup>6,8</sup>	4,471	401	4,872	—	723	—	1,588	1,588	1,583	3,171	10,354
PC Madlala <sup>9</sup>	1,173	151	1,324	—	—	376	435	—	—	—	2,135
SA Martin <sup>6,10</sup>	3,377	297	3,674	122	436	—	1,193	1,193	1,189	2,382	7,807
GM Mc Gavigan <sup>6,10</sup>	3,777	295	4,072	151	484	—	1,325	1,325	1,320	2,645	8,677
PG Nortje <sup>11</sup>	1,932	194	2,126	934	—	—	1,242	1,242	1,517	2,759	7,061
P Ramchander <sup>6,12</sup>	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
<b>Sub-total</b>	<b>26,361</b>	<b>2,834</b>	<b>29,195</b>	<b>1,340</b>	<b>2,116</b>	<b>376</b>	<b>10,075</b>	<b>9,640</b>	<b>6,779</b>	<b>16,419</b>	<b>59,521</b>
<b>Total</b>	<b>41,164</b>	<b>4,274</b>	<b>45,438</b>	<b>1,447</b>	<b>4,022</b>	<b>376</b>	<b>18,531</b>	<b>18,096</b>	<b>17,367</b>	<b>35,463</b>	<b>105,277</b>

<sup>1</sup> The benefits include employer contributions to the retirement and medical aid funds.

<sup>2</sup> Includes leave encashment.

<sup>3</sup> 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.

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> 41.2% of the LTIP shares awarded in 2021, with a performance period ending 31 December 2023, have vested based on performance condition testing.

<sup>7</sup> 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.

<sup>8</sup> 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.

<sup>9</sup> 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.

<sup>10</sup> The dividend equivalent relates to 2020 LTIP share awards that vested on 1 March 2023.

<sup>11</sup> 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.

<sup>12</sup> 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	
<b>Non-executive directors</b>			
MS Bomela	1,474	—	1,474
TP Goodlace <sup>1</sup>	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 <sup>3</sup>	395	398	793
NV Mokhesi <sup>2</sup>	202	311	513
SS Ntsaluba	395	827	1,222
MJ Tsele <sup>4</sup>	395	581	976
MTS Walker <sup>3,5</sup>	299	302	601
<b>Total</b>	<b>6,416</b>	<b>4,441</b>	<b>10,857</b>

<sup>1</sup> 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.

<sup>2</sup> Appointed as independent non-executive director with effect from 1 July 2024.

<sup>3</sup> Fees are paid to Anglo American plc.

<sup>4</sup> Fees are paid to the Independent Development Corporation.

<sup>5</sup> Appointed as non-executive director with effect from 1 April 2024.

#### 2023 Single figure remuneration

R'000	Fees		Total emoluments
	Directors' fees	Committee fees	
<b>Non-executive directors</b>			
MS Bomela <sup>1</sup>	890	484	1,374
TP Goodlace <sup>2</sup>	1,932	—	1,932
A Jeawon <sup>3</sup>	369	599	968
MA Jenkins	369	677	1,046
D Wanblad <sup>4</sup>	144	74	218
TM Mkhwanazi <sup>4</sup>	368	378	746
SM Kuijlaars <sup>4,5</sup>	128	125	253
NB Langa-Royds	369	849	1,218
SS Ntsaluba	369	874	1,243
BP Sonjica <sup>6</sup>	368	818	1,186
MJ Tsele <sup>7</sup>	368	552	920
<b>Total</b>	<b>5,674</b>	<b>5,430</b>	<b>11,104</b>

<sup>1</sup> Appointed as the lead independent non-executive director from 1 July 2023.

<sup>2</sup> 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.

<sup>3</sup> Appointed with effect from 1 January 2023.

<sup>4</sup> Fees were paid to Anglo American plc.

<sup>5</sup> Appointed with effect from 31 May 2023 and resigned from the Board on 1 October 2023.

<sup>6</sup> Retired on 31 December 2023.

<sup>7</sup> 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:

Scheme	Award date	Next date of vesting	Number of shares					R'000		
			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
<b>Executive directors<sup>1</sup></b>			10					8	9	
<b>ND Zikalala</b>										
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 <sup>2</sup>	1 March 2022	1 March 2025	19,011	—	—	—	19,011	—	2,503	—
LTIP <sup>2</sup>	1 March 2023	1 March 2026	24,422	—	—	—	24,422	—	5,681	1,200
LTIP <sup>2</sup>	1 March 2024	1 March 2027	—	29,373	—	—	29,373	—	5,877	757
Anglo American plc share awards (JSE) <sup>3</sup>										
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	—	—
<b>Sub-total</b>			<b>72,084</b>	<b>40,329</b>	<b>9,568</b>	<b>7,621</b>	<b>95,224</b>	<b>4,307</b>	<b>21,337</b>	<b>1,957</b>
<b>TM Mkhwanazi<sup>11</sup></b>										
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 <sup>4</sup>	1 March 2020	1 March 2025	18,383	—	—	9,191	9,192	4,075	5,056	—
<b>Sub-total</b>			<b>75,518</b>	<b>—</b>	<b>12,057</b>	<b>37,598</b>	<b>25,863</b>	<b>20,568</b>	<b>10,466</b>	<b>—</b>
<b>BA Mazarura<sup>11</sup></b>										
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 <sup>2</sup>	1 March 2022	1 March 2025	8,771	—	—	—	8,771	—	1,155	—
LTIP <sup>2</sup>	1 March 2023	1 March 2026	14,085	—	—	—	14,085	—	3,276	692
LTIP <sup>2</sup>	1 March 2024	1 March 2027	—	14,521	—	—	14,521	—	2,905	374
<b>Sub-total</b>			<b>39,788</b>	<b>19,414</b>	<b>4,712</b>	<b>6,551</b>	<b>47,939</b>	<b>4,051</b>	<b>10,763</b>	<b>1,066</b>

# 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

Scheme	Award date	Next date of vesting	Number of shares					R'000		
			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
<b>Prescribed officers</b>										
<b>V Kumar</b>										
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
<b>Sub-total</b>			<b>22,734</b>	<b>—</b>	<b>2,751</b>	<b>4,142</b>	<b>15,841</b>	<b>2,462</b>	<b>3,841</b>	<b>616</b>
<b>SA Martin<sup>6</sup></b>										
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
<b>Sub-total</b>			<b>17,259</b>	<b>7,335</b>	<b>10,979</b>	<b>8,633</b>	<b>4,982</b>	<b>4,434</b>	<b>1,028</b>	<b>260</b>
<b>SB Mbatha<sup>12</sup></b>										
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	—
<b>Sub-total</b>			<b>3,815</b>	<b>1,824</b>	<b>—</b>	<b>792</b>	<b>4,847</b>	<b>653</b>	<b>1,573</b>	<b>—</b>
<b>GM Mc Gavigan<sup>7</sup></b>										
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
<b>Sub-total</b>			<b>19,154</b>	<b>8,141</b>	<b>10,891</b>	<b>9,581</b>	<b>6,823</b>	<b>4,505</b>	<b>1,411</b>	<b>344</b>

# 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

Scheme	Award date	Next date of vesting	Number of shares					R'000		
			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
<b>PG Nortje</b>										
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) <sup>5</sup>										
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
<b>Sub-total</b>			<b>22,394</b>	<b>9,752</b>	<b>4,223</b>	<b>4,020</b>	<b>23,903</b>	<b>1,837</b>	<b>6,390</b>	<b>412</b>
<b>P Ramchander</b>										
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
<b>Sub-total</b>			<b>17,088</b>	<b>7,212</b>	<b>2,033</b>	<b>3,169</b>	<b>19,098</b>	<b>1,982</b>	<b>4,614</b>	<b>585</b>
<b>S Ramgoolam</b>										
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
<b>Sub-total</b>			<b>7,890</b>	<b>6,722</b>	<b>—</b>	<b>1,242</b>	<b>13,370</b>	<b>881</b>	<b>3,346</b>	<b>338</b>

# 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

Scheme	Award date	Next date of vesting	Number of shares					R'000		
			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
<b>AD Roux<sup>13</sup></b>										
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
<b>Sub-total</b>			<b>18,479</b>	<b>8,094</b>	<b>2,105</b>	<b>3,176</b>	<b>21,292</b>	<b>2,043</b>	<b>5,227</b>	<b>614</b>
<b>NM Sibanyoni</b>										
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
<b>Sub-total</b>			<b>10,986</b>	<b>6,837</b>	<b>—</b>	<b>441</b>	<b>17,382</b>	<b>442</b>	<b>4,149</b>	<b>551</b>
<b>Total</b>			<b>327,189</b>	<b>110,002</b>	<b>59,319</b>	<b>86,966</b>	<b>295,778</b>	<b>48,162</b>	<b>73,987</b>	<b>6,725</b>

<sup>1</sup> Kumba share awards are granted in terms of the Bonus and Retention Share Plan (DBA) and Performance Share Plan (LTIP).

<sup>2</sup> 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.

<sup>3</sup> Anglo American plc (JSE) shares previously awarded when she was employed by De Beers Managed Operations, a subsidiary of the ultimate holding company.

<sup>4</sup> 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.

<sup>5</sup> Anglo American plc (JSE) shares previously awarded when he was employed by De Beers Consolidated Mines.

<sup>6</sup> 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.

<sup>7</sup> 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.

<sup>8</sup> Includes dividend payments received during the year as well as the face value of all share vestings during 2024.

<sup>9</sup> 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.

<sup>10</sup> Shares forfeited due to performance conditions not met in full.

<sup>11</sup> 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.

<sup>12</sup> Kumba DBA shares awarded related to the previous position she held prior to her appointment as the Chief Transformation Officer.

<sup>13</sup> 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:

Scheme	Award date	Earliest date of vesting	Number of shares					R'000		
			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
<b>Executive directors<sup>1</sup></b>										
<b>ND Zikalala</b>										
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 <sup>5</sup>	1 March 2022	1 March 2025	19,011	—	—	—	19,011	—	6,534	—
LTIP <sup>5</sup>	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
<b>Sub-total</b>			<b>68,550</b>	<b>33,719</b>	<b>7,213</b>	<b>22,972</b>	<b>72,084</b>	<b>15,595</b>	<b>24,339</b>	<b>1,262</b>
<b>TM Mkhwanazi</b>										
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 <sup>5,6</sup>	11 August 2020	1 March 2023	36,430	—	24,262	12,168	—	5,837	—	—
LTIP <sup>5</sup>	1 March 2021	1 March 2024	20,510	—	—	—	20,510	—	5,141	—
Anglo American plc share awards (JSE)										
DBA <sup>7</sup>	1 March 2020	1 March 2024	27,574	—	—	9,191	18,383	6,470	11,180	—
<b>Sub-total</b>			<b>145,894</b>	<b>—</b>	<b>24,262</b>	<b>46,114</b>	<b>75,518</b>	<b>25,606</b>	<b>38,596</b>	<b>—</b>
<b>BA Mazarura</b>										
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 <sup>5,6</sup>	11 August 2020	1 March 2023	13,558	—	9,029	4,529	—	2,172	—	—
LTIP <sup>5</sup>	1 March 2021	1 March 2024	8,015	—	—	—	8,015	—	2,009	—
LTIP <sup>5</sup>	1 March 2022	1 March 2025	8,771	—	—	—	8,771	—	3,014	—
LTIP <sup>5</sup>	1 March 2023	1 March 2026	—	14,085	—	—	14,085	—	4,927	329
<b>Sub-total</b>			<b>44,158</b>	<b>17,134</b>	<b>9,029</b>	<b>12,475</b>	<b>39,788</b>	<b>6,331</b>	<b>15,373</b>	<b>329</b>

# 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

Scheme	Award date	Earliest date of vesting	Number of shares					R'000		
			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
<b>Prescribed officers</b>										
<b>PG Nortje<sup>7</sup></b>										
Anglo American plc share awards (JSE) <sup>7</sup>										
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
<b>Sub-total</b>			<b>28,040</b>	<b>8,676</b>	<b>2,977</b>	<b>11,345</b>	<b>22,394</b>	<b>7,557</b>	<b>3,629</b>	<b>706</b>
<b>V Kumar</b>										
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) <sup>7</sup>										
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	—	—
<b>Sub-total</b>			<b>30,309</b>	<b>8,806</b>	<b>4,181</b>	<b>12,200</b>	<b>22,734</b>	<b>8,140</b>	<b>9,811</b>	<b>863</b>
<b>PC Madlala</b>										
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 <sup>8</sup>	1 March 2022	1 March 2023	1,414	—	—	1,414	—	687	—	—
<b>Sub-total</b>			<b>4,635</b>	<b>—</b>	<b>—</b>	<b>4,635</b>	<b>—</b>	<b>2,236</b>	<b>—</b>	<b>—</b>

# 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

Scheme	Award date	Earliest date of vesting	Number of shares					R'000		
			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
<b>SA Martin</b>										
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
<b>Sub-total</b>			<b>20,971</b>	<b>6,618</b>	<b>4,161</b>	<b>6,169</b>	<b>17,259</b>	<b>3,151</b>	<b>7,477</b>	<b>650</b>
<b>GM Mc Gavigan</b>										
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
<b>Sub-total</b>			<b>23,273</b>	<b>7,345</b>	<b>4,618</b>	<b>6,846</b>	<b>19,154</b>	<b>3,497</b>	<b>8,299</b>	<b>721</b>
<b>P Ramchander</b>										
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) <sup>9</sup>										
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	—	—
<b>Sub-total</b>			<b>21,182</b>	<b>6,508</b>	<b>2,737</b>	<b>7,865</b>	<b>17,088</b>	<b>5,270</b>	<b>7,425</b>	<b>639</b>

# 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

Scheme	Award date	Earliest date of vesting	Number of shares					R'000		
			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
<b>S Ramgoolam</b>										
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
<b>Sub-total</b>			<b>4,975</b>	<b>5,673</b>	<b>—</b>	<b>2,758</b>	<b>7,890</b>	<b>1,459</b>	<b>3,665</b>	<b>102</b>
<b>NM Sibanyoni</b>										
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
<b>Sub-total</b>			<b>4,846</b>	<b>6,140</b>	<b>—</b>	<b>—</b>	<b>10,986</b>	<b>112</b>	<b>4,767</b>	<b>315</b>
<b>F Patel</b>										
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	—
<b>Sub-total</b>			<b>2,956</b>	<b>1,327</b>	<b>—</b>	<b>415</b>	<b>3,868</b>	<b>350</b>	<b>2,353</b>	<b>—</b>
<b>Total</b>			<b>399,789</b>	<b>101,946</b>	<b>59,178</b>	<b>133,794</b>	<b>308,763</b>	<b>79,304</b>	<b>125,734</b>	<b>5,587</b>

<sup>1</sup> Kumba share awards granted in terms of the Bonus and Retention Share Plan (DBA) and Performance Share Plan (LTIP).

<sup>2</sup> Shares forfeited due to performance conditions not met in full (actual vesting of 4.00% and 5.00% for Anglo American plc shares).

<sup>3</sup> Includes dividend payments received in March 2023 and August 2022 as well as face value of all share vestings during 2023.

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> 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.

<sup>7</sup> Anglo American plc (JSE) shares previously awarded when employed by Anglo American Coal SA.

<sup>8</sup> Accelerated vesting due to retirement on 31 July 2023.

<sup>9</sup> 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.

Capacity and name	2024			2023		
	Direct shareholding	Long-term incentive scheme shares	Total beneficial interest	Direct shareholding	Long-term incentive scheme shares	Total beneficial interest
Executive directors						
ND Zikalala <sup>1</sup>	568	22,418	22,986	—	12,544	12,544
BA Mazarura <sup>2</sup>	—	18,394	18,394	—	19,554	19,554
<b>Sub-total</b>	<b>568</b>	<b>40,812</b>	<b>41,380</b>	<b>—</b>	<b>32,098</b>	<b>32,098</b>
Non-executive directors						
TM Mkhwanazi <sup>2</sup>	95,788	37,292	133,080	78,725	65,517	144,242
<b>Sub-total</b>	<b>95,788</b>	<b>37,292</b>	<b>133,080</b>	<b>78,725</b>	<b>65,517</b>	<b>144,242</b>
<b>Total</b>	<b>96,356</b>	<b>78,104</b>	<b>174,460</b>	<b>78,725</b>	<b>97,615</b>	<b>176,340</b>

<sup>1</sup> Long-term incentive scheme reflects the DBA awards granted under the rules of the BRP as disclosed in the tables above.

<sup>2</sup> 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.

Kumba Iron Ore Company

# Statement of financial position

as at 31 December

Rand million	Notes	2024	2023
<b>ASSETS</b>			
Investment (shares at cost)	1	3	3
Loans to subsidiaries	1	215	256
Deferred tax assets		1	1
<b>Non-current assets</b>		<b>219</b>	260
Cash and cash equivalents	2	398	420
Current tax asset	9	—	14
<b>Current assets</b>		<b>398</b>	434
<b>Total assets</b>		<b>617</b>	694
<b>EQUITY AND LIABILITIES</b>			
Share capital and premium	3	367	367
Reserves		49	100
Accumulated loss		(82)	(70)
<b>Total equity</b>		<b>334</b>	397
<b>LIABILITIES</b>			
Other payables	4	271	297
Current tax liabilities	9	12	—
<b>Current liabilities</b>		<b>283</b>	297
<b>Total liabilities</b>		<b>283</b>	297
<b>Total equity and liabilities</b>		<b>617</b>	694

# Statement of profit or loss and other comprehensive income

for the year ended 31 December

Rand million	Notes	2024	2023
Revenue	5	<b>13,840</b>	12,529
Net operating expenses	6	<b>(61)</b>	(119)
<b>Operating profit</b>		<b>13,779</b>	12,410
Finance income		<b>99</b>	101
<b>Profit before taxation</b>		<b>13,878</b>	12,511
Taxation	7	<b>(50)</b>	(30)
<b>Profit for the year</b>		<b>13,828</b>	12,481
<b>Total comprehensive income for the year</b>		<b>13,828</b>	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.

# 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
<b>Balance at 31 December 2022</b>	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)
<b>Balance at 31 December 2023</b>	<b>3</b>	<b>364</b>	<b>100</b>	<b>(70)</b>	<b>397</b>
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)
<b>Balance at 31 December 2024</b>	<b>3</b>	<b>364</b>	<b>49</b>	<b>(82)</b>	<b>334</b>

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
<b>Cash flows utilised in operating activities</b>			
Cash generated from operations <sup>1</sup>	8	13,739	12,418
Finance income received		99	101
Dividends paid		(13,840)	(12,529)
Taxation paid	9	(24)	(27)
		(26)	(37)
<b>Cash flows from investing activities</b>			
Loan granted to subsidiary	1	(8)	(54)
Loans repaid by subsidiary	1	49	148
		41	94
<b>Cash flows utilised in financing activities</b>			
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
<b>Cash and cash equivalents at the end of the year</b>	2	<b>398</b>	420

<sup>1</sup> This amount includes R13,840 million (2023: R12,529 million) in respect of dividends received from SIOC.

# Notes to the annual financial statements

## for the year ended 31 December

### 1. Interests in subsidiaries

Rand million	2024	2023
<b>Reflected as non-current assets, consist of:</b>		
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
<b>Currency analysis of cash and cash equivalents</b>		
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
<b>Authorised</b>		
500,000,000 ordinary shares of R0.01 each	<b>500,000,000</b>	500,000,000
<b>Issued</b>		
Ordinary shares of R0.01 each	<b>322,085,974</b>	322,085,974
<b>Reconciliation of issued shares</b>		
Number of shares at the beginning of the year	<b>322,085,974</b>	322,085,974
<b>Number of shares at the end of the year</b>	<b>322,085,974</b>	322,085,974

For further details, refer to note 21 of the group consolidated financial statements.

Rand million	2024	2023
<b>Reconciliation of share capital and premium</b>		
Share capital	<b>3</b>	3
Share premium	<b>364</b>	364
	<b>367</b>	367

### 4. Other payables

Rand million	2024	2023
Unclaimed dividends <sup>1</sup>	<b>267</b>	296
Other payables	<b>4</b>	1
<b>Balance at the end of the year</b>	<b>271</b>	297

<sup>1</sup> Balance relates to dividends unclaimed by shareholders.

### 5. Revenue

Rand million	2024	2023
Dividends received from subsidiary (refer to note 10)	<b>13,840</b>	12,529

# Notes to the annual financial statements continued

## for the year ended 31 December

### 6. Net operating expenses

Rand million	2024	2023
<b>Cost by nature</b>		
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 <sup>1</sup>	(29)	(26)
	61	119
<b>The above costs are stated after including:</b>		
Directors' remuneration <sup>2</sup>	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

<sup>1</sup> This relates to management fees receivable from SIOC.

<sup>2</sup> Refer to note 35 in the group consolidated financial statements for details of remunerations paid to directors.

### 7. Taxation

Rand million	2024	2023
<b>Charge to income</b>		
South African normal tax		
Current year	25	29
Prior year	25	–
Deferred tax	–	1
<b>Total</b>	50	30
	<b>%</b>	<b>%</b>
<b>Reconciliation of taxation rates</b>		
Taxation as a percentage of profit before taxation	0.4	0.2
Taxation effect of:		
Disallowable expenditure <sup>1</sup>	(0.1)	(0.2)
Exempt income <sup>2</sup>	26.9	27.0
Prior year under provision	(0.2)	–
<b>Standard tax rate</b>	27.0	27.0

<sup>1</sup> These percentages comprise many immaterial amounts which have therefore been aggregated; no individual disclosure has been provided.

<sup>2</sup> 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)
<b>Cash flows generated from operating activities</b>	<b>13,739</b>	<b>12,418</b>

## 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
<b>Taxation paid during the year per the statement of cash flow</b>	<b>24</b>	<b>27</b>

# 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 129 to 131.

#### Related-party transactions:

Rand million	2024	2023
<b>Rendering of services</b>		
SIOC – payroll costs <sup>1</sup>	18	19
<b>Rendering of services and finance income</b>		
SIOC – finance income	64	68
SIOC – service recovery fee <sup>2</sup>	29	36
<b>Amounts owing by related parties</b>		
SIOC – loan	153	202
KIO Investment Holdings – loan	62	54
<b>Dividends paid to/(by) Kumba</b>		
SIOC	13,840	12,529
Holding company	(9,648)	(8,734)

<sup>1</sup> This relates to payroll costs recovered from Kumba by SIOC for work performed for Kumba by SIOC employees.

<sup>2</sup> 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.

# Annexure 1:

## Investments in subsidiaries for the year ended 31 December

R'000	Country of incorporation <sup>1</sup>	Principal place of business <sup>1</sup>	Nature of business <sup>2</sup>	Percentage holding	Nominal issued capital R	Investments at cost		Loans to subsidiaries	
						2024	2023	2024	2023
<b>Direct investments</b>									
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
<b>Total investments in subsidiaries</b>						<b>3,009</b>	<b>3,009</b>	<b>215,192</b>	<b>255,272</b>

### Indirect subsidiaries

	Country of incorporation <sup>1</sup>	Principal place of business <sup>1</sup>	Nature of business <sup>2</sup>	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<sup>3</sup>

	Country of incorporation <sup>1</sup>	Principal place of business <sup>1</sup>	Nature of business <sup>2</sup>	Percentage holding
Kumba Iron Ore Rehabilitation Trust <sup>4</sup>	RSA	RSA	D	100%
Kumba BSP Trust <sup>4</sup>	RSA	RSA	E	100%
SIOC Employee Share Ownership Plan Trust (Semela)	RSA	RSA	E	100%
SIOC Employee Benefit Scheme (Karlo)	RSA	RSA	E	100%

<sup>1</sup> RSA – South Africa, JE – Jersey, UK – United Kingdom, NE – Netherlands, LUX – Luxembourg, SNG – Singapore.

<sup>2</sup> A – Mining, B – Iron ore marketing and sales, C – Dormant, D – Mine closure fund, E – Share incentive scheme administrator.

<sup>3</sup> Controlled by Kumba.

<sup>4</sup> 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 2:

### Investments in associates and joint ventures for the year ended 31 December

R'000	Country of incorporation <sup>1</sup>	Principal place of business <sup>1</sup>	Nature of business <sup>2</sup>	Number of shares held	Percentage holding	Investment at cost R	Group loan balance		Company loan balance	
							2024	2023	2024	2023
<b>Associates</b>										
Unlisted										
Essential Prospects 101 Proprietary Limited (Essential)										
	RSA	RSA	A	26	26%	50,000	13,050	11,002	13,050	11,002
<b>Total investment in associates</b>						50,000	13,050	11,002	13,050	11,002
<b>Incorporated joint venture</b>										
Unlisted										
Polokwane Iron Ore Company Proprietary Limited (PIOC)										
	RSA	RSA	A	4,000	50%	3,740	*	*	—	—
<b>Total investment in joint venture</b>						3,740	—	—	—	—

<sup>1</sup> RSA – South Africa.

<sup>2</sup> 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.

# Annexure 3:

## 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
<b>Balance at the beginning of the year</b>	—	158,680	139,628	63,694	7,443
Bonus shares awarded	<b>181,279</b>	—	—	—	—
Awards forfeited	<b>(6,295)</b>	(5,999)	(1,107)	—	—
Awards exercised <sup>1</sup>	<b>(20,674)</b>	(25,071)	(16,180)	—	—
Awards exercised on vesting	—	(19,389)	(50,531)	(63,694)	—
<b>Balance at 31 December 2024</b>	<b>154,310</b>	108,221	71,810	—	7,443
<b>Balance at the beginning of the year</b>	—	—	155,896	110,992	208,663
Bonus shares awarded	—	167,270	—	—	—
Awards forfeited	—	(4,160)	(4,588)	(7,921)	(9,022)
Awards exercised <sup>1</sup>	—	(4,430)	(11,680)	(39,377)	—
Awards exercised on vesting	—	—	—	—	(192,198)
<b>Balance at 31 December 2023</b>	—	158,680	139,628	63,694	7,443

<sup>1</sup> 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 3:

## Equity-settled share-based payment schemes continued for the year ended 31 December

### 1. BRP scheme continued

	Number of awards	Expiry date
<b>Vesting period of awards granted</b>		
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
<b>Fair value assumptions</b>				
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.

# Annexure 3:

## 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
<b>Balance at the beginning of the year</b>	—	84,649	56,063	68,073	16,697	22,832
Conditional awards issued	<b>87,614</b>	—	—	—	—	—
Conditional awards forfeited	<b>(9,690)</b>	(5,916)	(1,901)	(40,108)	—	(6,108)
Conditional awards vested	—	—	—	(16,209)	—	(16,724)
<b>Balance at 31 December 2024</b>	<b>77,924</b>	78,733	54,162	11,756	16,697	—
<b>Balance at the beginning of the year</b>	—	—	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)
<b>Balance at 31 December 2023</b>	—	84,649	56,063	68,073	16,697	22,832

	Number of conditional awards	Expiry date
<b>Vesting period of conditional awards granted</b>		
Less than 1 year	<b>70,859</b>	<b>2025</b>
1 to 2 years	<b>90,489</b>	<b>2026</b>
2 to 5 years	<b>77,924</b>	<b>2027</b>

#### 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
<b>Fair value assumptions</b>					
Share price on date of grant (Rand)	<b>533.55</b>	518.91	628.88	655.45	537.03
Annualised expected volatility (%)	<b>40.61</b>	51.31	48.64	49.19	50.81
Expected share option life (years)	<b>3</b>	3	3	3	3
Expected dividend yield (%)	<b>5.00</b>	5.00	5.00	5.00	5.00
Risk-free interest rate (%)	<b>9.10</b>	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 3:

## 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
<b>Balance at the beginning of the year</b>	—	8,179	—	—
Awards exercised on vesting	—	(8,179)	—	—
<b>Balance at 31 December 2024</b>	—	—	—	—
<b>Balance at the beginning of the year</b>	—	8,179	6,288	—
Awards exercised on vesting	—	—	(6,288)	—
<b>Balance at 31 December 2023</b>	—	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.

# Annexure 3:

## 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
<b>Balance at the beginning of the year</b>	—	219,688	176,148	—	—
Awards forfeited	—	(3,468)	(2,460)	—	—
Awards exercised <sup>1</sup>	—	(15,377)	(171,726)	—	—
Awards exercised on vesting	—	—	(1,962)	—	—
<b>Balance at 31 December 2024</b>	—	200,843	—	—	—
<b>Balance at the beginning of the year</b>	—	227,543	182,493	213,403	44
Awards forfeited	—	(6,095)	(4,905)	(3,453)	—
Awards exercised <sup>1</sup>	—	(1,760)	(1,440)	—	—
Awards exercised on vesting	—	—	—	(209,950)	(44)
<b>Balance at 31 December 2023</b>	—	219,688	176,148	—	—

<sup>1</sup> 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	<b>200,843</b>	<b>2025</b>

#### 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
<b>Fair value assumptions</b>					
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 3:

## 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
<b>Balance at the beginning of the year</b>	—	283,164
Shares awarded	<b>331,055</b>	—
Awards forfeited	<b>(1,237)</b>	(4,571)
Awards exercised	<b>(1,650)</b>	(19,064)
Awards exercised on vesting	—	—
<b>Balance at 31 December 2024</b>	<b>328,168</b>	259,529
<b>Balance at the beginning of the year</b>	—	—
Shares awarded	—	284,853
Awards forfeited	—	(1,002)
Awards exercised	—	(687)
Awards exercised on vesting	—	—
<b>Balance at 31 December 2023</b>	—	284,164

	Number of conditional awards	Expiry date
Vesting period of awards granted:		
Less than 1 year	—	2025
1 to 2 years	<b>259,529</b>	2026
2 to 5 years	<b>328,168</b>	2027

# Annexure 3:

## 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
<b>Fair value assumptions</b>		
Share price on date of grant (Rand)	<b>404.82</b>	476.54
Expected share option life (years)	<b>3</b>	3
Expected dividend yield (%)	<b>5.00</b>	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 4:

## 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 sole 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 identify 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.

# Annexure 5:

## Statement of financial position – US Dollar convenience translation (supplementary information) – as at 31 December

US Dollar million	2024	2023
<b>ASSETS</b>		
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
<b>Non-current assets</b>	<b>3,518</b>	<b>3,197</b>
Inventories	513	615
Trade and other receivables	307	559
Current tax assets	31	1
Cash and cash equivalents	903	957
<b>Current assets</b>	<b>1,754</b>	<b>2,132</b>
<b>Total assets</b>	<b>5,272</b>	<b>5,329</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' equity	2,817	2,806
Non-controlling interests	880	875
<b>Total equity</b>	<b>3,697</b>	<b>3,681</b>
<b>LIABILITIES</b>		
Lease liabilities	4	10
Provisions	170	200
Deferred tax liabilities	753	640
<b>Non-current liabilities</b>	<b>927</b>	<b>850</b>
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
<b>Current liabilities</b>	<b>648</b>	<b>798</b>
<b>Total liabilities</b>	<b>1,575</b>	<b>1,648</b>
<b>Total equity and liabilities</b>	<b>5,272</b>	<b>5,329</b>
<b>Exchange rate</b>		
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 6:

## Statement of profit or loss – US Dollar convenience translation (supplementary information) – for the year ended 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)
<b>Operating profit</b>	<b>1,439</b>	2,206
Finance income	44	37
Finance costs	(28)	(33)
<b>Profit before taxation</b>	<b>1,455</b>	2,210
Taxation	(402)	(593)
<b>Profit for the year</b>	<b>1,053</b>	1,617
<b>Attributable to:</b>		
Owners of Kumba	803	1,233
Non-controlling interests	250	384
	<b>1,053</b>	1,617
<b>Earnings per share attributable to the ordinary equity holders of Kumba (US Dollar per share)</b>		
Basic	2.50	3.84
Diluted	2.49	3.83
<b>Exchange rate</b>		
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 final 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

# Shareholder analysis

**Register date: 31 December 2024**

**Issued share capital: 322,085,974**

	Number of shareholdings	%	Number of shares	%
<b>Shareholder spread</b>				
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
<b>Total</b>	<b>18,237</b>	<b>100.00</b>	<b>322,085,974</b>	<b>100.00</b>
<b>Distribution of shareholders</b>				
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
<b>Total</b>	<b>18,237</b>	<b>100.00</b>	<b>322,085,974</b>	<b>100.00</b>
<b>Public/non-public shareholders</b>				
<b>Non-public shareholders</b>				
	<b>25</b>	<b>0.14</b>	<b>268,007,603</b>	<b>83.20</b>
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
<b>Public shareholders</b>	<b>18,212</b>	<b>99.86</b>	<b>54,078,371</b>	<b>16.80</b>
<b>Total</b>	<b>18,237</b>	<b>100.00</b>	<b>322,085,974</b>	<b>100.00</b>
<b>Beneficial shareholders holding 2% or more</b>				
			<b>Number of shares</b>	<b>%</b>
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 <sup>1</sup>			8,536,271	2.65
<b>Total</b>			<b>274,570,801</b>	<b>85.24</b>

<sup>1</sup> includes various funds detailed on page 131.

# Shareholder analysis continued

Register date: 31 December 2024

Issued share capital: 322,085,974

## Breakdown of non-public holdings

	Number of shares	%
<b>Directors, associates and executives of the Company</b>		
<b>Mkhwanazi, TM (non-executive director)</b>	<b>133,080</b>	<b>0.04</b>
Mkhwanazi, TM	78,725	0.02
Mkhwanazi, TM	37,292	0.01
Mkhwanazi, TM	17,063	0.01
<b>Zikalala, ND (Chief Executive)</b>	<b>22,986</b>	<b>0.01</b>
Zikalala, ND	22,418	0.01
Zikalala, ND	568	0.00
<b>Mazarura, BA (Chief Financial Officer)</b>	<b>18,394</b>	<b>0.01</b>
Mazarura, BA	18,394	0.01
<b>Ramchander, P</b>	<b>7,346</b>	<b>0.00</b>
Ramchander, P	5,437	0.00
Ramchander, P	1,909	0.00
<b>Roux, AD</b>	<b>6,803</b>	<b>0.00</b>
Roux, AD	6,803	0.00
<b>Mbatha, SB</b>	<b>4,847</b>	<b>0.00</b>
Mbatha, SB	4,847	0.00
<b>Sibanyoni, NM</b>	<b>4,739</b>	<b>0.00</b>
Sibanyoni, NM	4,498	0.00
Sibanyoni, NM	241	0.00
<b>Ramgoolam, S</b>	<b>4,245</b>	<b>0.00</b>
Ramgoolam, S	4,245	0.00
<b>Nortje, PG</b>	<b>2,339</b>	<b>0.00</b>
Nortje, PG	2,328	0.00
Nortje, PG	11	0.00
<b>Total</b>	<b>204,779</b>	<b>0.06</b>
<b>Strategic holdings</b>		
Anglo American	224,535,915	69.71
Industrial Development Corporation of South Africa Limited	41,498,615	12.88
<b>Total</b>	<b>266,034,530</b>	<b>82.59</b>

# Shareholder analysis continued

**Register date: 31 December 2024**

**Issued share capital: 322,085,974**

## Breakdown of related party shareholdings

	Number of shares	%
<b>Related party holdings</b>		
<b>Mercantile Shareholder Nominees – Exxaro</b>	<b>947,257</b>	<b>0.29</b>
Mercantile Shareholder Nominees – Exxaro	947,257	0.29
<b>SIOC Employee Share Ownership Plan - Allocated</b>	<b>589,700</b>	<b>0.18</b>
SIOC Employee Share Ownership Plan - Allocated	589,700	0.18
<b>SIOC Employee Share Ownership Plan – Unallocated</b>	<b>1,565</b>	<b>0.00</b>
SIOC Employee Share Ownership Plan - Unallocated	1,565	0.00
<b>Kumba BSP Trust - Unallocated</b>	<b>2,513</b>	<b>0.00</b>
Kumba BSP Trust - Unallocated	2,513	0.00
<b>SIOC Employee Benefit Trust – Allocated</b>	<b>201,899</b>	<b>0.06</b>
SIOC Employee Benefit Trust – Allocated	201,899	0.06
<b>SIOC Employee Benefit Trust – Unallocated</b>	<b>25,360</b>	<b>0.01</b>
SIOC Employee Benefit Trust – Unallocated	25,360	0.01
<b>Total</b>	<b>1,768,294</b>	<b>0.55</b>

## Breakdown of beneficial shareholders holding 2% or more

	Number of shares	%
<b>Beneficial shareholders</b>		
<b>Anglo American</b>	<b>224,535,915</b>	<b>69.71</b>
Anglo American South Africa Proprietary Limited	224,535,915	69.71
<b>Industrial Development Corporation of South Africa Limited</b>	<b>41,498,615</b>	<b>12.88</b>
Industrial Development Corporation of South Africa Limited	41,498,615	12.88
<b>Government Employee Pension Fund</b>	<b>8,536,271</b>	<b>2.65</b>
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
<b>Total</b>	<b>274,570,801</b>	<b>85.24</b>

# 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 134 to 135.

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
<b>Add back:</b>		
Depreciation	5,713	5,005
<b>EBITDA</b>	<b>32,074</b>	45,710
<b>Less:</b>		
Impairment reversal	(3,940)	—
<b>Adjusted EBITDA</b>	<b>28,134</b>	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)
<b>Attributable free cash flow</b>	<b>14,467</b>	14,875

# Supplementary non-IFRS financial measures continued

## 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
<b>Net assets attributable to owners of Kumba (Rand per share)</b>	<b>163.98</b>	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)
<b>Net cash</b>	<b>14,717</b>	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 126 and 127, 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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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

<b>Adjusted EBITDA</b>	Operating profit before deducting depreciation, amortisation and impairment charges and before adding impairment reversals
<b>ADR</b>	Alternative dispute resolution
<b>AIDS</b>	Acquired immunodeficiency syndrome
<b>ART</b>	Antiretroviral therapy
<b>Attributable free cash flow</b>	The amount of cash available to finance returns to shareholders or growth after servicing debt, providing a return to non-controlling shareholders and meeting existing capital expenditure commitments.
<b>B-BBEE</b>	Broad-based black economic empowerment
<b>BEE</b>	Black economic empowerment
<b>BRP</b>	Bonus and Retention Share Plan
<b>BSP</b>	Bonus Share Plan
<b>C1 unit cost</b>	All direct cash costs incurred in the mining and production of iron ore
<b>CAT</b>	Central Africa Time
<b>CFR</b>	Cost and freight
<b>CGU</b>	Cash-generating unit
<b>CO2e</b>	Carbon dioxide equivalent
<b>CODM</b>	Chief operating decision-maker
<b>Covid-19</b>	Coronavirus (SARS-CoV2) disease of 2019
<b>DBA</b>	Deferred bonus arrangement
<b>DMRE</b>	Department of Mineral Resources and Energy
<b>dmt</b>	Dry metric tonne
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation
<b>ECD</b>	Early childhood development
<b>Employees living with disabilities</b>	Included in the calculation, all permanent employees, fixed term employees as well as trainees in our workforce
<b>EPS</b>	Earnings per share
<b>ESG</b>	Environmental, social and governance
<b>ESOP</b>	Employee Share Ownership Plan
<b>EU</b>	European Union
<b>FCTR</b>	Foreign currency translation reserve
<b>Fe</b>	Iron
<b>FOB</b>	Free-on-board
<b>FVTPL</b>	Fair value through profit or loss
<b>GBV</b>	Gender-based violence
<b>GHG</b>	Greenhouse gas
<b>GISTM</b>	Global Industry Standard on Tailings Management
<b>GJ</b>	Gigajoule
<b>HEPS</b>	Headline earnings per share
<b>Historically disadvantaged South Africans in management</b>	Included in the calculation, all permanent employees, fixed term employees as well as trainees in our workforce
<b>HIV</b>	Human immunodeficiency virus
<b>HME</b>	Heavy mobile equipment
<b>IAS</b>	International Accounting Standards
<b>IASB</b>	International Accounting Standards Board
<b>ICMM</b>	International Council of Mining and Metals
<b>IFRS Accounting Standards</b>	International Financial Reporting Standards as issued by the IASB
<b>IODEX</b>	Platts Iron Ore Index
<b>IOEC</b>	Iron Ore Export Channel
<b>IRMA</b>	Initiative for Responsible Mining Assurance
<b>JIBAR</b>	Johannesburg Interbank Average Rate

# Glossary of terms and acronyms continued

<b>JIG</b>	A plant that uses jig separators to process minerals and concentrate them by density
<b>JSE</b>	Johannesburg Stock Exchange
<b>King IV™</b>	King IV Report on Corporate Governance for South Africa, 2016
<b>Level 3 – 5 environmental incidents</b>	Those environmental incidents that we consider to have prolonged impacts on the local environments
<b>LoAP</b>	Life-of-asset plan
<b>LTI</b>	Lost-time injury
<b>LTI FR</b>	Lost-time injury frequency rate – the number of lost-time incidents per 1,000,000 hours worked (LTI * 1,000,000/total hours)
<b>LTIP</b>	Long-term incentive plan
<b>MENA</b>	Middle East and North Africa region
<b>ML</b>	Megalitres
<b>MOI</b>	Memorandum of Incorporation
<b>Mt</b>	Million tonnes
<b>Mtpa</b>	Million tonnes per annum
<b>MW</b>	Megawatt
<b>NEMA</b>	National Environmental Management Act
<b>Net cash</b>	Total cash and cash equivalents, less total borrowings and lease liabilities
<b>Net working capital</b>	Total inventory (including non-current) plus trade and other receivables, less trade and other payables (including contract liabilities). These balances principally relate to assets and liabilities to support our operations
<b>NGO</b>	Non-governmental organisation
<b>OEC</b>	Ore Export Corridor
<b>OUF</b>	Ore User's Forum
<b>PSP</b>	Performance Share Plan
<b>PV</b>	Photovoltaic
<b>ROCE</b>	Return on adjusted capital employed - calculated as annualised EBIT divided by adjusted average capital
<b>RREE</b>	Regional renewable energy ecosystem
<b>SAICA</b>	South African Institute of Chartered Accountants
<b>SAMREC Code</b>	The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves – SAMREC Code 2016 Edition
<b>SARB</b>	South African Reserve Bank
<b>SARS</b>	South African Revenue Service
<b>SCA</b>	Supreme Court of Appeal
<b>SENS</b>	Stock Exchange News Service
<b>SIB</b>	Stay in business
<b>SIOC</b>	Sishen Iron Ore Company Proprietary Limited
<b>SOFR</b>	Secured overnight funding rate
<b>Tangible net worth</b>	Measures the value of a company's physical assets (excluding intangible assets) minus its liabilities. It is calculated as the sum of paid up issued share capital and share premium of the Company, the consolidated reserves of the group and the retained income of the group minus intangible assets.
<b>TB</b>	Tuberculosis
<b>TCFD</b>	Task Force for Climate Change and Decarbonisation
<b>TRIFR</b>	Total recordable injury frequency rate
<b>TSFs</b>	Tailings storage facilities
<b>UHDMS</b>	Ultra-high dense media separation
<b>Unit cost</b>	All costs incurred by the operations in the mining and production of iron ore, including overheads and non-cash costs like depreciation, accounting provisions and share-based payment costs

# Glossary of terms and acronyms continued

<b>WHO</b>	World Health Organisation
<b>WIP</b>	Work in progress
<b>wmt</b>	Wet metric tonne
<b>Women in management</b>	Included in the calculation, all permanent employees, fixed-term employees as well as trainees in our workforce
<b>YES</b>	Youth Employment Services
<b>ZARONIA</b>	South African Rand Overnight Index Average

# Administration

## Company registration number

2005/015852/06  
JSE share code: KIO  
ISIN code: ZAE000085346

## Company Secretary and registered office

### Fazila Patel

144 Oxford Road  
Rosebank, Melrose  
2196  
South Africa  
Tel: +27 (0) 12 683 7000  
Mobile: +27 (0) 83 297 2293  
[fazila.patel@angloamerican.com](mailto:fazila.patel@angloamerican.com)

## Auditors

### PricewaterhouseCoopers Inc.

Registered Auditors  
4 Lisbon Lane  
Waterfall City  
2090  
South Africa  
Private Bag X36, Sunninghill, 2157

## Assurance providers

### Nexia SAB&T

Registered Auditors  
119 Witch-Hazel Avenue, Highveld Technopark  
Centurion  
South Africa  
PO Box 10512, Centurion, 0046  
Tel: +27 (0) 12 682 8800  
Fax: +27 (0) 12 682 8801

## Directors

**Non-executive:** TP Goodlace (British/South African) (Chairperson), MS Bomela, A Jeawon, MA Jenkins, NB Langa-Royds, TM Mkhwanazi, NV Mokhesi, SS Ntsaluba, MJ Tsele, MTS Walker (British)

**Executive:** ND Zikalala (Chief Executive), BA Mazarura (Zimbabwean) (Chief Financial Officer)

## Sponsor

### RAND MERCHANT BANK

(A division of FirstRand Bank Limited)  
Registration number: 1929/001225/06  
1 Merchant Place, corner Rivonia Road and Fredman Drive  
Sandton  
2146  
South Africa  
PO Box 786273, Sandton, 2146

## Transfer secretaries

### Computershare Investor Services Proprietary Limited

Rosebank Towers  
15 Biermann Avenue  
Rosebank  
2196  
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## Investor relations

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## Forward looking statements

Certain statements made in this report constitute forward looking statements. Forward looking statements are typically identified by the use of forward looking terminology such as 'believes', 'expects', 'may', 'will', 'could', 'should', 'intends', 'estimates', 'plans', 'assumes' or 'anticipates' or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of, for example, future plans, present or future events, or strategy that involves risks and uncertainties. Such forward looking statements are based on numerous assumptions regarding Kumba's present and future business strategies and the environment in which Kumba will operate in the future. Important factors that could cause Kumba's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, levels of actual production during any period, levels of global demand and commodity market prices, mineral resource exploration and development capabilities, recovery rates and other operational capabilities, the effects of global pandemics and outbreaks of infectious diseases, the availability of mining and processing equipment, the ability to produce and transport products profitably, the availability of transport infrastructure, the impact of foreign currency exchange rates on market prices and operating costs, the availability of sufficient credit, the effects of inflation, political uncertainty and economic conditions, the actions of competitors, activities by governmental authorities such as permitting and changes in taxation or safety, health, environmental or other types of regulation, conflicts over land and resource ownership rights and such other risk factors identified in Kumba's most recent integrated report. Forward looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward looking statements. No assurance can be given that future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Company and its subsidiaries. The forward looking statements contained in this report speak only as of the date of this report and the Company undertakes no duty to update any of them and will not necessarily do so, in light of new information or future events, except to the extent required by applicable law or regulation.

## **Kumba Iron Ore**

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