COP30 Presidency Contribution:

Fortescue Submission

Submitted to: The COP 30 Presidency (COP30-TAFF-Roadmap@unfccc.int)

Fortescue welcomes the opportunity to respond to the invitation to provide input to the COP 30 Presidency Roadmap on the Transition Away from Fossil Fuels in a Just, Orderly and Equitable Manner.

Fortescue is a global metals and green energy company focused on delivering real, practical solutions to eliminate fossil fuels. Through its 2030 Real Zero target, Fortescue has committed to eliminate fossil fuels from its terrestrial Australian operations and replace them with renewable energy and zero-emissions technologies.

Real Zero means a focus on genuinely reducing emissions through the most cost-effective solutions, rather than relying on cost-ineffective approaches with high failure rates such as Carbon Capture and Storage, or purely ineffective approaches such as carbon offsets.

This submission focuses on what is needed to move from commitments to action, including the barriers that need to be addressed, and the steps required to accelerate the transition away from fossil fuels.

Part I - COP30 Presidency Roadmap for Transitioning Away from Fossil Fuels in a Just, Orderly and Equitable Manner

a) ***What are the most critical barriers - whether physical, economic, financial, institutional, technological or social - preventing a transition away from fossil fuels?***

Fortescue is a proud Australian company and one of the world's largest iron ore producers, with a strong track record in delivering large-scale, complex resource projects. Today, it is evolving into an integrated global metals and green energy company, positioning itself at the forefront of the transition away from fossil fuels. Fortescue has set industry-leading targets to achieve Real Zero Scope 1 and 2 emissions across its Pilbara iron ore operations by 2030, alongside a net zero Scope 3 target by 2040, supported by a detailed Climate Transition Plan. As global demand shifts toward low-carbon products, Fortescue is also advancing the opportunity for Australia to become an export leader in green metals, particularly through the development of large-scale green iron production powered by renewable energy.

Fortescue is demonstrating that eliminating fossil fuels in heavy industry is achievable.

We are pursuing Real Zero across our Australian iron ore operations by 2030 - without voluntary offsets and without carbon capture and storage (CCS) - because the technologies required to remove fossil fuels from operations exist today and can be deployed at scale.

Renewable energy is now affordable in most markets, electrification of vehicles and industrial equipment is feasible, and the costs of green hydrogen are falling. The challenge is not whether the solutions exist, it is whether policy, markets and institutions are aligned to deploy them at pace.

A fundamental and pervasive barrier remains confusion around what constitutes a cost-effective solution to climate change. While many global platforms and institutions have traditionally maintained a focus on emissions reductions, the evidence is now incontrovertible that the most cost-effective way to reduce emissions is through reducing the combustion of fossil fuels. Approaches such as carbon offsets have been proven ineffective, with integrity and non-equivalence with fossil fuel phase-out now well documented in the scientific literature. Approaches such as Carbon Capture and Storage have also been well-documented to have high failure rates (~88% over recent decades) with challenging economics. A critical barrier to the energy transition is the continued efforts to rely on offsets and CCS, which has led to reduced focus on cost-effective solutions.

A second key barrier is structural economic dependence on fossil fuels. Many economies rely on fossil fuel revenues, employment and industrial infrastructure. At the same time, global industries remain dependent on fossil-fuel-intensive inputs. For iron ore producers, the majority of emissions occur in downstream steelmaking, which continues to rely on carbon-intensive processes. Until viable green steel and other low-emissions industrial pathways are deployed at scale and supported by policy, this dependence will slow progress across entire value chains.

A second barrier is policy misalignment and inconsistent economic signals. In some jurisdictions emissions reduction policies exist alongside fiscal incentives that continue to support fossil fuel use. For example, diesel fuel tax concessions in Australia lower the effective cost of fossil fuels for heavy industry while governments simultaneously seek to reduce emissions. In addition, entities

can use unlimited, cheap offsets to achieve the targets for emissions reductions set by government. At the same time, renewable generation and transmission projects often face slow approvals, grid congestion and regulatory uncertainty. These mixed signals make it harder for companies to make long-term investment decisions to replace fossil assets.

A third barrier is the lack of coordinated global rules for fossil fuel phase-down. There is no binding international framework that clearly defines how fossil fuel production and use should decline over time. Most nations lack clear roadmaps for fossil fuel phase-down, and therefore governments and businesses remain unaware of the investment required, the savings that will accrue from decarbonisation or the milestones that they need to pass to manage their national transitions. In addition, countries are moving at different speeds, creating uncertainty for businesses operating across multiple jurisdictions. Trade considerations, competitiveness concerns and geopolitical tensions further complicate international cooperation.

Finally, unequal access to finance, technology and infrastructure remains a major constraint. Many developing economies face higher capital costs and limited access to renewable infrastructure or clean technology. This makes it more difficult for them to adopt rapid transition pathways, even where the technologies exist.

Taken together, these barriers reinforce each other. Economic dependence shapes domestic policy choices, policy inconsistency slows investment, and fragmented international coordination weakens collective progress. Addressing these barriers is essential to accelerate the transition away from fossil fuels at the pace required.

b) What potential levers, whether economic, financial, institutional, social or technological, exist for accelerating the implementation of the transitioning away commitment?

Accelerating the transition away from fossil fuels requires removing the barriers to doing what is already possible today and focusing on real, immediate emissions reduction.

Clear policy direction is critical. This includes setting defined timelines for the phase-out of fossil fuels, removing fossil fuel subsidies, and streamlining approvals for renewable energy, transmission, and electrification infrastructure. Delays in approvals and inconsistent policy settings remain a key barrier to deployment.

A shift in capital allocation is also required. Investment must move away from fossil fuel expansion and toward renewable energy, electrification, and green fuels. Large-scale industrial decarbonisation will require significant upfront capital, and policy settings should support early movers and reduce project risk.

The priority should be on deploying technologies that are already available. Renewable energy, electrification, battery storage, and green hydrogen can be implemented today across a range of sectors. Progress should not be delayed by over-reliance on technologies that are not yet proven at scale.

Market signals also need to support the transition. This includes strengthening demand for low-carbon products and supporting the development of new industries such as green iron and green fuels. As renewable energy becomes lower cost and more stable than fossil fuels, particularly in volatile global markets, the economic case for transition is increasing.

Finally, coordination across government, industry and the investment community is required to enable delivery. This includes aligning policy, workforce, infrastructure and supply chains to support rapid implementation.

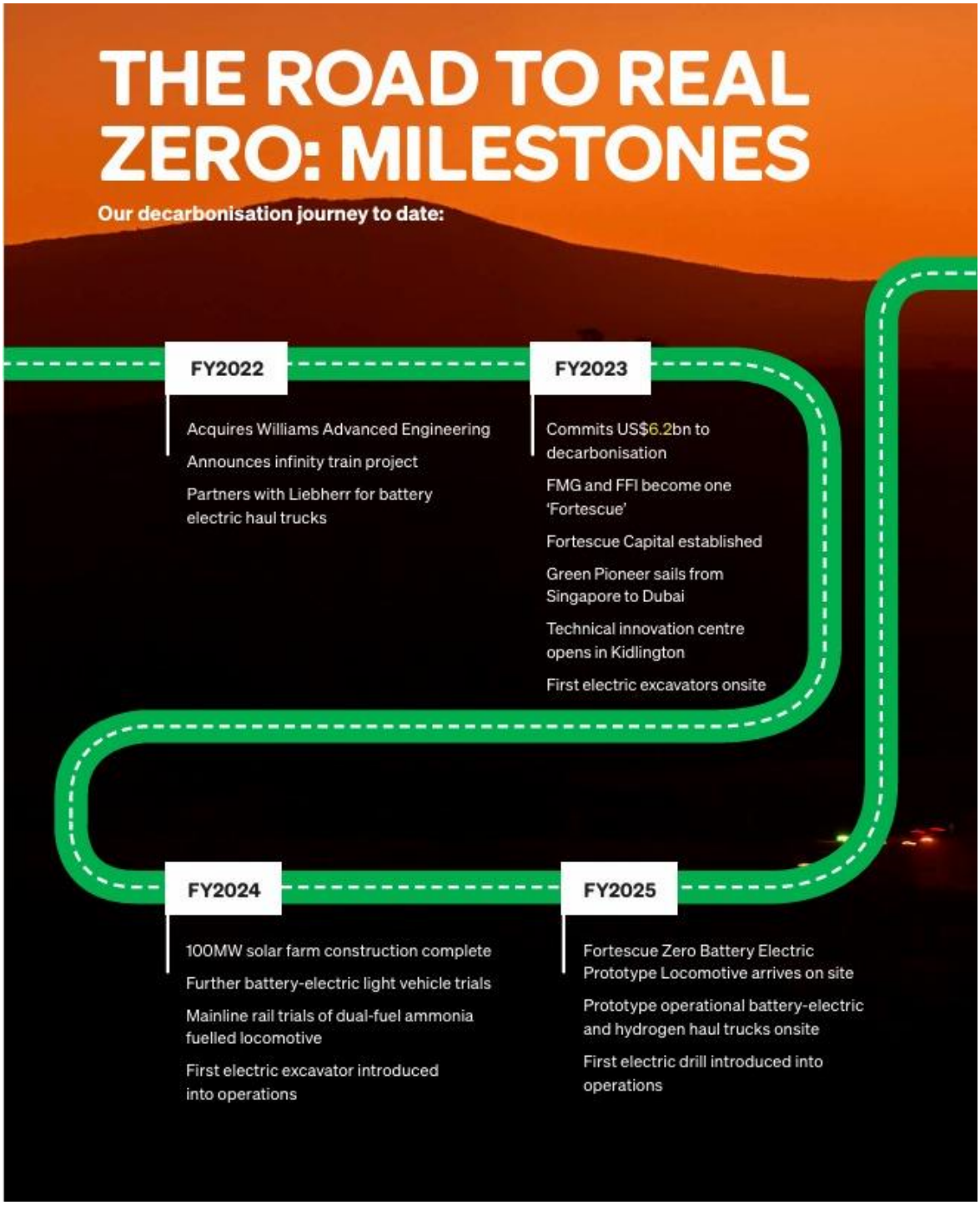
Fortescue's experience demonstrates that the transition away from fossil fuels can be delivered using existing technologies, provided the right policy settings, investment signals and execution are in place.

Our specific recommendations are:

1. **Move away from Net Zero framing, which places too much emphasis on cost-ineffective measures such as offsets, CCS and Carbon Dioxide Removal, towards Real Zero framing**, which places the focus for governments and businesses on new technologies that reduce the need for fossil fuel combustion.
2. **Establish timelines for fossil fuel phase out at every level, though corporate, national and global roadmaps.** Every major business should have a roadmap detailing the investment and milestones required to reduce and remove fossil fuel use, as Fortescue does, to ensure a managed, just and orderly transition. Every nation should have a roadmap too, similar to the UK's seventh carbon budget, which presents the investment required nationally and the savings accrued over time by sector. This acts as a practical manual to national decarbonisation but also provides investors with certainty and citizens with understanding of the economic benefits resulting from the investments. At a global level, international collaboration between nations and businesses is critical to fossil fuel phase-out, and this, too, must be mapped out through a global framework, to generate the certainty required by businesses, investors and governments to enable the outcome.
3. **Remove policy misalignments and establish policy settings that incentivise fossil fuel phase out.** Most importantly this includes phasing out, in a managed and orderly fashion, fossil fuel subsidies and frameworks that equate the purchase of ineffective approaches such as offsets with fossil fuel phase out.

c) What country, regional or sector roadmap experiences, best practices, and lessons learned can be shared?

From Fortescue's perspective, one of the clearest roadmap experiences that can be shared is the company's decarbonisation pathway. A key lesson is the value of setting a clear, near-term delivery sequence against real assets and real deadlines. As shown in the roadmap image below, taken from Fortescue's Climate Transition Plan, reflects Fortescue's decarbonisation plan as of September 2025. The image maps the transition from 2022 through to full deployment of zero-emissions mining mobility by 2030, including specific milestones for haul trucks, rail, charging infrastructure, battery storage, transmission and renewable energy. The lesson is that transition plans need to move beyond high-level ambition and set out what will be deployed, when, and in what order.


THE ROAD TO REAL ZERO: MILESTONES
Our decarbonisation journey to date:
FY2022
Acquires Williams Advanced Engineering
Announces infinity train project
Partners with Liebherr for battery electric haul trucks
FY2023
Commits US$6.2bn to decarbonisation
FMG and FFI become one 'Fortescue'
Fortescue Capital established
Green Pioneer sails from Singapore to Dubai
Technical innovation centre opens in Kidlington
First electric excavators onsite
FY2024
100MW solar farm construction complete
Further battery-electric light vehicle trials
Mainline rail trials of dual-fuel ammonia fuelled locomotive
First electric excavator introduced into operations
FY2025
Fortescue Zero Battery Electric Prototype Locomotive arrives on site
Prototype operational battery-electric and hydrogen haul trucks onsite
First electric drill introduced into operations

Strategic Ambition | AMBITION

Figure: Our current roadmap to achieving our Real Zero Target.

FY2026

- Electrical infrastructure installed at first mine site
- Heavy mobile fast charging commences
- First battery electric haul truck commissioned
- Scaling cabled electric excavators across all hematite mining operations
- First two battery energy storage systems commissioned (370 MWh total)

FY2027

- Further deployment of cabled excavators and drills
- Prototype battery electric ancillary heavy mobile equipment
- Electrical infrastructure installed at second mine site
- 190MW solar farm commissioned
- Additional 640 MWh battery energy storage system commissioned

FY2028

- Electrical infrastructure installed at third mine site
- First stage wind farm commissioned
- Third solar farm and battery energy storage systems commissioned
- More battery electric heavy mobile equipment (trucks, graders, water carts, etc.)

FY2030–31

- Solar, wind and battery energy storage systems capacity commissioned, electrical infrastructure in place and integrated into operations, heavy mobile fleet transitioned to zero emissions

A second lesson is that any roadmap must clearly set out both the investment required and the expected savings. Fortescue is investing US$6.2 billion in decarbonisation initiatives that not only contribute to a sustainable future for the planet but also deliver significant value to our business. Further, Fortescue's Climate Transition Plan shows that removing fossil fuels requires significant upfront investment in renewable energy, electrification, transmission and battery storage. This reflects the need to build enabling infrastructure alongside operational change.

At the same time, our CTP highlights that fuel is a major cost. Removing diesel reduces exposure to volatile global fuel prices and leads to more stable energy costs over time.

The lesson for nations as they develop roadmaps, and for global efforts, is that transitions at scale require upfront capital and early commitment. Clear timelines need to be matched by early capital allocation, not deferred to later years.

The UK Climate Change Committee, Leeds University and Colombia's climate committee are developing a roadmap for Colombia that incorporates all of these elements and seeks to set best practice for how standardised national roadmaps are developed.

d) ***How can a just, orderly and equitable transition best reflect the diverse realities of countries at different stages of development and with different degrees of dependence on fossil fuels?***

From Fortescue's perspective, a just, orderly and equitable transition must reflect the fact that countries are starting from very different positions. There should not be a one-size-fits-all pathway. Countries with strong balance sheets, mature institutions and abundant renewable resources will be able to move faster. Countries that are more dependent on fossil fuel revenues, imports, or legacy infrastructure will need more time, more support and a practical pathway that matches their circumstances. The goal should remain the same - a transition away from fossil fuels - but the pace, sequencing and support required will differ.

For countries with higher levels of fossil fuel dependence, the transition must be anchored in replacement industries, not just closure. Fortescue's experience is that the transition gains traction when it is linked to new jobs, new exports and new sources of growth. In Australia, that means using renewable energy and mineral resources to build industries such as green iron, green hydrogen and green ammonia. The same principle applies elsewhere: countries need credible opportunities to replace fossil fuel income with new industrial activity, rather than being asked to give up existing industries without an economic alternative.

An analysis for the Business for 75 campaign in 2025, which Fortescue commissioned with Future Group from Deloitte in the lead up to Australia deciding its Nationally Determined Contribution, illustrates this point. The analysis forecast that GDP would be AU$370 billion greater by 2035 under a 75 per cent NDC, compared to a business-as-usual approach. This would translate to a per-capita GDP increase of over $10,000 by 2035, with an estimated 69,000 additional Australian jobs supported each year between 2025-2035. The key message was that countries are in a race to secure the global capital required to establish new green export industries; setting a lower target today comes at the cost of lower business investment. In contrast, a strong target would drive investment, innovation and industries for growth, leading to AU$190 billion more exports by mid-century, compared to business-as-usual, the analysis showed.

Access to capital will be a major differentiator as countries seek to capture the upside of the transition. Many developing countries have strong renewable resources but face higher financing costs, weaker grid infrastructure and greater project risk. A just transition therefore requires concessional finance, blended finance, export credit support and multilateral backing to lower the cost of capital and help bring projects forward. Fortescue's own recent financing outcomes show how lower-cost capital can support large-scale investment, but those conditions are not available everywhere and should not be taken for granted.

Technology access and deployment are also critical. Fortescue's position is that the transition should be built around technologies that are already available and can be deployed now - renewable energy, electrification, battery storage and green fuels - rather than relying on offsets or waiting for solutions that are not yet proven at scale. For many countries, the challenge is not whether these technologies exist, but whether they can access them at the right cost and with the right delivery partners. International cooperation should therefore focus on deployment, supply chains, skills and project execution.

A just transition must also work for workers, communities and local businesses. In Fortescue's view, this means creating local employment, building skills, supporting suppliers and ensuring communities that host projects share in the benefits. Fortescue's approach with First Nations communities in Australia shows that transition planning is stronger when it includes local procurement, employment, business development and long-term partnership, rather than treating communities as an afterthought. That principle is relevant across all countries, particularly where existing industries are central to local livelihoods.

In practical terms, an equitable transition should allow for differentiated pathways, but not differentiated ambition. All countries should move away from fossil fuels, but support should be targeted to each country's starting point. For some, the priority will be replacing coal-fired power with renewables. For others, it will be electrifying industry, building transmission, developing green exports, or creating new jobs in regions currently tied to fossil fuels. The test of a just and orderly transition is whether it delivers real emissions reductions while strengthening economic resilience and creating a credible path forward for the countries and communities most exposed to change.