Appendix 4E
Preliminary final report

Incitec Pivot Limited

ABN 42 004 080 264

Financial year ended	**Previous financial year ended**
(current period)	(previous corresponding period)
30 September 2024	30 September 2023

Results for announcement to the market

Extracts of the Incitec Pivot Limited results for the financial year ended 30 September 2024				**$A mill**
Revenues from ordinary activities	down	$A mill 643.2 (10.7%)	to	5,364.9
Net profit for the financial year attributable to members of Incitec Pivot Limited	down	$A mill 870.9 (155.5%)	to	(310.9)
Profit after tax excluding individually material items attributable to members of Incitec Pivot Limited	down	$A mill 181.3 (31.1%)	to	400.8
Revenues from continuing ordinary activities	down	$A mill 125.0 (2.3%)	to	5,278.5
Net profit from continuing operations for the period attributable to members of Incitec Pivot Limited	down	$A mill 754.4 (272.6%)	to	(477.7)
Profit after tax from continuing operations excluding individually material items attributable to members of Incitec Pivot Limited	up	$A mill 68.5 (23.7%)	to	357.8

Dividends	**Amount per security cents**	**Franked amount per security cents**
Current Period		
Interim dividend	4.3	–
Special dividend	10.2	–
Final dividend	6.3	–
Previous corresponding period		
Interim dividend	10.0	6.0
Final dividend	5.0	–

Record date for determining entitlements to the final dividend: 4 December 2024

Payment date of final dividend: 18 December 2024

The Dividend Reinvestment Plan remains suspended until further notice and will not be in operation for the 2024 final dividend.

	Current period	**Previous corresponding period**
Net tangible asset backing per ordinary security	$1.22	$1.60

Net tangible assets include the right-of-use assets recognised under AASB 16 Leases.

The information should be read in conjunction with the consolidated financial report, which is set out on pages 46 to 88.

For the profit commentary and any other significant information needed by an investor to make an informed assessment of Incitec Pivot's results please refer to the accompanying Incitec Pivot Limited Profit Report.

Conduit foreign income component:

Current period		*Previous corresponding period*	
Interim dividend		Interim dividend	
Ordinary	4.3	Ordinary	4.0
Special dividend		Final dividend	
Ordinary	10.2	Ordinary	5.0
Final dividend			
Ordinary	6.3		

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Annual General Meeting

The Annual General Meeting will be held as follows:

Location	Melbourne Convention and Exhibition Centre The Clarendon Auditorium (Level 1) 2 Clarendon Street South Wharf VIC 3006
Date	19 December 2024
Time	11.30am AEDT
Approximate date the 2024 Annual Report will be available	18 November 2024

Compliance Statement

This report has been prepared under accounting policies which comply with the *Corporations Act 2001* (Cth), the Accounting Standards and other mandatory professional reporting requirements in Australia, and the *Corporation Regulations 2001* (Cth).

This report uses the same accounting policies as the financial statements prepared under the *Corporations Act 2001* (Cth). This gives a true and fair view of the matters disclosed. The financial report is based on accounts which have been audited.

For further information, please contact:

Investor Relations
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Directors' Report

The directors of Incitec Pivot Limited (the Company or IPL) present their report together with the financial report of the Company and its controlled entities (the Group) for the year ended 30 September 2024 and the auditor's report.

The following sections of the Annual Report form part of, and are to be read in conjunction with, this Directors' Report:

» Board of Directors
» Operating and Financial Review (OFR)
» Remuneration Report
» Auditor's Independence Declaration

Directors

Particulars of the qualifications, other directorships, experience and special responsibilities of each Director as at the date of this report are set out in the Board of Directors section.

During the financial year, the following changes to the composition of the Board of Directors occurred:

» Mr B Kruger ceased as Board Chair and director on 11 November 2023
» Mr G Biltz ceased as a director on 20 December 2023
» Dr X Liu ceased as a director on 31 May 2024
» Mr M Neves commenced as CEO & Managing Director on 22 January 2024
» Ms F Hick commenced as a director on 1 September 2024.

Directors' meetings

The number of Board and Board Committee meetings attended by each of the directors of the Company during the financial year are listed below:

	Board		Audit and Risk Management Committee		People and Remuneration Committee		Nominations Committee		Health, Safety, Environment and Community Committee		Additional Meetings(1)	
Director – Current(2)(3)(4)	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
G Robinson(5)	8	8	5	5	6	6	2	2	4	4	9	9
B Brook(6)	8	8	5	5	6	6	2	2	–	2	8	6
T Dwyer	8	8	5	5	6	6	2	2	–	4	7	7
M Carroll	8	8	–	5	–	4	–	2	4	4	6	6
J Ho(7)	8	7	–	–	–	3	–	–	–	–	6	6
F Hick(8)	1	1	–	1	–	1	–	1	–	–	–	–
M Neves(9)	6	6	–	4	–	3	–	–	3	3	6	5
Former:												
G Biltz(10)	2	2	–	1	–	1	–	–	1	1	2	2
B Kruger(11)	1	1	–	1	–	1	–	–	1	0	1	1
X Liu(12)	5	5	3	3	–	3	–	1	3	3	5	5

Chair Member

(1) Reflects the number of additional formal Board meetings attended by each director during the financial year, and includes attendance at Board Sub-Committee meetings where any two directors are required to form a quorum.
(2) 'Held' indicates the number of meetings held during the period that the director was a member of the Board or Committee.
(3) 'Attended' indicates the number of meetings attended by a director. A director is deemed to have attended a meeting if they were present for more than half of the duration of the meeting.
(4) In addition to the Board and Committee meetings held during the year, directors attended site visits at Salt Lake City (Utah, US), Cheynne (Wyoming, US), Louisiana (Missouri, US), Soma (Türkiye), Ankara (Türkiye) and Vonges (France).
(5) Mr Robinson commenced as Board Chair on 11 November 2023.
(6) Mr Brook was an apology for two additional meetings that were convened at short notice. Whilst Mr Brook was an apology for these meetings, he discussed and provided input to the Chair and Management prior to these meetings.
(7) Mr Ho was an apology for a Board meeting due to a pre-existing commitment.
(8) Ms Hick commenced as a director and as a Member of the Health, Safety, Environment and Community Committee on 1 September 2024.
(9) Mr Neves commenced as CEO & Managing Director and as a member of the Health, Safety, Environment and Community Committee on 22 January 2024.
(10) Mr Biltz retired as a director on 20 December 2023.
(11) Mr Kruger ceased as Board Chair and Non-executive Director on 11 November 2023.
(12) Dr Liu resigned as a director on 31 May 2024.

Directors' interests in share capital

The relevant interests of each director in the share capital of the Company as at the date of this report is disclosed in the Remuneration Report.

Company Secretary

Ms Richa Puri was appointed to the role of Company Secretary on 8 August 2019. Ms Puri (LLB (Hons), B. Com (Accounting), FGIA, GAICD) is a corporate lawyer and governance adviser with over 15 years relevant professional experience. She has practiced as a lawyer for legal firms in Australia and has experience in providing in-house legal, governance and company secretarial advice to ASX listed companies.

Principal activities

The principal activities of the Group during the course of the financial year were the manufacture and distribution of industrial explosives, industrial chemicals and fertilisers, and the provision of related services. No significant changes have occurred in the nature of these activities during the financial year.

Dividends

Dividends since IPL's 2023 Annual Report:

Dividend type	Dividend per share	Total amount $mill	Franked percentage	Date of payment
Paid during the financial year				
2023 final dividend	5.0 cents	97.1	100% unfranked	19 Dec 2023
2024 special dividend	10.2 cents	197.5	100% unfranked	8 Feb 2024
2024 interim dividend	4.3 cents	83.6	100% unfranked	4 Jul 2024
To be paid after end of the financial year				
2024 final dividend	6.3 cents	119.2m(1)	100% unfranked	18 Dec 2024

(1) Based on number of shares on issue at 30 September 2024.

Review and results of operations

A review of the operations of the Company during the financial year, the results of those operations and the Company's financial position is contained in the OFR.

Significant changes in the state of affairs

There have been no significant changes to the Group's state of affairs during the financial year other than as noted in the OFR.

On 1 December 2023, IPL completed the sale of its ammonia manufacturing facility located in Waggaman, Louisiana (WALA) for a total value of $2.3b.

The Group also secured a 25-year ammonia supply agreement from WALA for up to 200,000 short tonnes of ammonia per annum at estimated producer cost to support the Dyno Nobel Americas (DNA) explosives business.

As a result of the agreement, IPL retains access to approximately 25% of the equivalent WALA volumes and the associated financial and strategic benefits.

The supply agreement has been assigned a value of $454m which offset part of the proceeds, resulting in net cash proceeds of $1.8b after transaction costs. The Group recorded a gain on sale (after tax) of $123.8m which included a gain of $254.1m relating to the release of the foreign currency translation reserve as required by Australian Accounting Standards.

On 8 February 2024, the Company returned ~$500m of surplus capital to shareholders. The cash distribution of 25.7 cents per share was in the form of a 15.6 cents per share capital reduction, totalling $302.4m and an unfranked special dividend of 10.2 cents per share, totalling $197.5m.

Additionally, the Group bought back shares valued at ~$149m as part of the planned $900m on-market share buyback program. The Group remains committed to executing the remainder of the program and has sufficient cash reserves and committed bank facilities to complete the buyback.

On 10 July 2024, IPL announced that it had ceased previous negotiations for the sale of its Fertilisers business. IPL continues to manage the Dyno Nobel and Incitec Pivot Fertilisers separately, whilst options are assessed for the structural separation of the two businesses. There has been no impact on the financial statements for financial year 2024 other than the costs incurred to date which have been classified as an individually material item and disclosed in the notes to the financial statements.

Events subsequent to reporting date

On 11 November 2024, IPL announced a final dividend of 6.3 cents per share unfranked, to be paid on 18 December 2024. The record date for entitlement to this dividend is 4 December 2024. Based on the number of shares on issue at 30 September 2024, the total dividend payment will be $119.2m.

Other than the matters reported on above, the directors have not become aware of any other significant matter or circumstance that has arisen since the end of the financial year, that has affected or may affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent years, which has not been covered in this report.

Likely developments

The OFR contains information on the Company's 2024 financial performance and prospects for future financial years, and refers to likely developments in the Company's operations and the expected results of these operations in future financial years. Information on likely developments in the Company's operations for future financial years and the expected results of those operations together with details that could give rise to material detriment to the Company (for example, information that is commercially sensitive, confidential or could give a third party a commercial advantage) have not been included in this report where the directors believe it would likely result in unreasonable prejudice to the Company.

Environmental regulation and performance

The operations of the Group are subject to environmental regulation under the jurisdiction of the countries in which those operations are conducted including Australia, US, Mexico, Chile, Canada, Indonesia, Papua New Guinea, Turkey and France. The Group is committed to complying with environmental legislation, regulations, standards and licences relevant to its operations.

The environmental laws and regulations generally address certain aspects and potential impacts of the Group's activities in relation to, among other things, air and noise quality, soil, water, biodiversity and wildlife. The Group operates under a Global Health, Safety and Environment Management System which sets out guidelines on the Group's approach to environmental management, including a requirement for sites to undertake environmental risk assessments identifying controls for our significant risks and developing and implementing improvements plans.

In certain jurisdictions, the Group holds licences for some of its operations and activities from the relevant environmental regulator. The Group Environmental Licence Compliance Procedure requires sites with permits or licences to set up actions to maintain compliance, the completion of which are tracked monthly at Business Unit and Group levels. The Group also reports statutory non-compliances as required.

Measurement of the Group's environmental performance, including determination of areas of focus and assessment of projects to be undertaken, is based not only on the actual impact of incidents, but also upon the potential consequence, consistent with IPL's risk-based focus.

During the year, the Group has continued to focus on licence compliance and identification and mitigation of environmental risks. Compliance and remediation works have progressed at several sites in Australia and the US.

Good environmental performance was achieved with zero Significant (consequence category 5+) Environmental Incidents reported in the 2024 financial year. The continued focus on identifying our environmental regulatory obligations and the development of appropriate compliance activities with regular tracking of performance of action completions have led to this result.

This year a pilot environmental assurance program has been carried out at six sites across the different business units as a self-verification activity. Preliminary conclusions are that there is good compliance with IPL's Environmental Standard and associated procedures.

This financial year, one penalty of US$5,000 was received for a non-compliance at DNA's Ormstown, Quebec facility. During a routine internal permit review, it was discovered that the site's open burn permit had expired. A voluntary notification was made to Quebec Ministry of Environment and a new application was submitted. The Ministry issued a US$5,000 penalty. The application was submitted, and the Ministry issued the new open burn permit.

The remaining tasks of the 2020 USEPA Consent Decree related to Carthage and Louisiana (Missouri) have been completed. A three-year period of compliance with existing permits and regulations now takes effect and continues for three years before a request for termination of the Consent Decree can be submitted. An exceedance of a water discharge permit criteria was identified and reported to the Missouri Department of Natural Resources (MDNR) on 30 August 2024 who accepted the site's response to the investigation of the exceedance. The EPA and US Department of Justice were also notified as per the Consent Decree.

Following a 2019 Notice of Potential Violation from the USEPA for our Cheyenne (Wyoming) facility, agreement was reached in FY23 on breaches of the Clean Air Act (CAA) and the Emergency Planning and Community Right to Know Act (EPCRA). Under the CAA a fine of US$394,906 and an Administrative Order on Consent (AOC) was agreed for process safety and mechanical integrity violations. The requirements of the AOC have all been completed and the fine paid in April 2024.

At Gibson Island (Queensland), obligations and milestones under an Environmental Protection Order (EPO) and a separate Enforceable Undertaking (EU) (both issued in June 2023) were met during the year with several agreed modifications and regular engagement with the Department of Environment, Science and Innovation (DESI). These obligations are related to committed improvements to stormwater release quality and groundwater contamination and extend into FY25. An amendment to the site environmental licence set challenging stormwater discharge criteria in March 2024, and the site has significant projects underway to achieve compliance with these new licence conditions. For the site to implement these projects over a reasonable period, site management submitted a Transitional Environmental Program (TEP) which was approved by the regulator in September 2024. The TEP charts the site's transition to compliance through to May 2026.

At Geelong, North Shore (Victoria) the Environment Protection Authority (EPA) issued three Notices in FY24 requiring the site to:

- Revise the site's Risk Management and Monitoring Program (RMMP). A revised RMMP was submitted and the Notice revoked on 3 October 2024.
- Carry out an investigation on the potential risks to human health and the environment from tracking of materials in the vicinity of the site's exit gates. This investigation report has been submitted with commitments to improve dust and tracking management.
- Provide a plan detailing how the risk of harm from dust to nearby residents will be controlled. A plan was submitted prior to 31 October 2024.

Indemnities and insurance

The Company's Constitution provides that, to the extent permitted by law, the Company must indemnify any person who is, or has been, a director or secretary of the Company against any liability incurred by that person including any liability incurred as an officer of the Company or a subsidiary of the Company and legal costs incurred by that person in defending an action.

The Constitution further provides that the Company may enter into an agreement with any current or former director or secretary or a person who is, or has been, an officer of the Company or a subsidiary of the Company to indemnify the person against such liabilities.

In accordance with the Company's Constitution, the Company has entered into Deeds of Access, Indemnity and Insurance with each director of the Company and certain officer's and members of senior management. Pursuant to those deeds, the Company has paid a premium in respect of a contract insuring directors and officers of the Group against any liability for costs and expenses incurred by them in defending civil or criminal proceedings involving them as such officers, with some exceptions. The contract of insurance prohibits disclosure of the nature of the liability insured against and the amount of the premium paid.

Auditor independence and non-audit services

Deloitte Touche Tohmatsu (Deloitte) was appointed as the Company's external auditor at the 2011 Annual General Meeting and continues in office in accordance with section 327B(2) of the *Corporations Act 2001*. Ms Suzana Vlahovic was appointed as the Company's lead audit partner commencing for the 2024 financial year.

The Group may decide to engage the auditor, Deloitte, for the provision of non-audit services, where such services are not in conflict with their role as auditor and their expertise and/or detailed experience with the Company may allow cost efficiencies for the work.

The Board has considered the position and, in accordance with advice received by the Audit and Risk Management Committee, is satisfied that the provision of non-audit services during the year by Deloitte is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and does not compromise the external auditor's independence.

The Board also notes:

- the engagements for all non-audit services provided by Deloitte were reviewed by the Chief Financial Officer, and where relevant, approved by the Audit and Risk Management Committee, in accordance with the Committee's Charter and the Company's policy on the engagement of the external auditor for the provision of non-audit services to ensure they do not impact the integrity and objectivity of the auditor; and

» the non-audit services provided by Deloitte did not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Group, acting as an advocate for the Group or jointly sharing economic risks or rewards.

Deloitte provided non-audit services to the amount of $568k during the year ended 30 September 2024 (refer to note 24 to the financial statements).

The lead auditor has provided a written declaration that no professional engagement for the Group has been carried out during the year that would impair Deloitte's independence as auditor. A copy of the auditor's independence declaration is set out on page 45 and forms part of this report.

Proceedings on behalf of IPL

No application has been made under section 237 of the Corporations Act 2001 in respect of IPL, and there are no proceedings that a person has brought or intervened in on behalf of IPL under that section.

Rounding

As the Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts shown in this report and in the financial statements have been rounded off, except where otherwise stated, to the nearest one hundred thousand dollars.

The Directors' Report, which includes the OFR and the Remuneration Report, is signed in accordance with a resolution of the directors of IPL.

Greg Robinson
Board Chair

Mauro Neves
CEO & Managing Director

11 November 2024

Operating and Financial Review

Group Overview

IPL is a leading supplier in the resources and agricultural sectors with an unrelenting focus on Zero Harm. With a team of over 5,600 dedicated employees, the Company adds value to its customers through leading technology solutions, innovation, world class services focused on the needs of its customers and manufacturing reliability. Sustainability is interlinked with IPL's strategy which is aimed at delivering sustainable growth and shareholder returns, while proactively managing those issues most material to the long-term sustainability of our business, the broader environment, and the communities in which we operate. IPL has an ambition of achieving Net Zero operational emissions by 2050, or sooner if practical.

IPL operates through three business units, details of which are set out in this review:

- Dyno Nobel Americas;
- Dyno Nobel Asia Pacific; and
- Fertilisers Asia Pacific.

Through Dyno Nobel, the Company plays a critical role in releasing the world's natural resources, to help build infrastructure and generate the energy we need to live in a modern world.

Through Incitec Pivot Fertilisers' 100-year heritage in Australian agriculture, IPL plays an important role in enabling sustainable food production to meet the rapidly rising demand for food around the world.

The Company has operations in Australia, North America, Europe, Asia, Latin America and Africa.

Dyno Nobel Americas

Following the sale of the ammonia manufacturing facility at Waggaman, Louisiana on 1 December 2023, the Dyno Nobel Americas business now comprises two businesses:

- Explosives; and
- Agriculture & Industrial Chemicals.

Explosives

Dyno Nobel provides ammonium nitrate, initiating systems and services to the Quarry & Construction sector across the US; the Base & Precious Metals sector in the US mid-West, US West, Canada and Chile; and to the Coal sector in the Powder River Basin, Illinois Basin and Appalachia.

In North America, Dyno Nobel manufactures ammonium nitrate at its Cheyenne, Wyoming and Louisiana, Missouri plants. The Cheyenne, Wyoming plant is adjacent to the Powder River Basin, North America's most competitive thermal coal mining region and is well positioned to service Base & Precious Metals in Western US. The Louisiana, Missouri plant has a competitive logistic footprint from which to support mining in both the Illinois Basin and Appalachia, as well as Quarry & Construction in the US mid-West, where it is the market leader.

Initiating systems are manufactured at Dyno Nobel's facilities in Connecticut, Kentucky, Illinois, Missouri, Chile and Mexico, and are also sourced from DetNet South Africa (Pty) Ltd (DetNet), an IPL electronics joint venture.

Agriculture & Industrial Chemicals

The Dyno Nobel Americas business manufactures and distributes nitrogen-based fertilisers in the United States from its St Helens, Oregon and Cheyenne, Wyoming plants.

Dyno Nobel Asia Pacific

Through Dyno Nobel Asia Pacific, IPL provides ammonium nitrate based industrial explosives, initiating systems and services to the Metallurgical Coal and Base & Precious Metals sectors in Australia, and internationally to a number of countries including Indonesia, France, Papua New Guinea and Turkey through its subsidiaries and joint ventures. Ammonium nitrate is often sold in conjunction with proprietary initiating systems and services.

Dyno Nobel is the second largest industrial explosives distributor in Australia by volume, which in turn is the world's third largest industrial explosives market. In Australia, Dyno Nobel primarily supplies its products to metallurgical coal mines in the east and to iron ore mines in the west.

In Australia, Dyno Nobel manufactures ammonium nitrate at its Moranbah ammonium nitrate plant, which is located in the Bowen Basin, the world's premier metallurgical coal region.

It also sources third party ammonium nitrate including in Western Australia to service the Iron ore and Underground sectors.

Initiating systems are manufactured in Australia at Dyno Nobel's Helidon, Queensland facility and are also sourced from IPL facilities in the Americas and from DetNet (South African joint venture).

The Titanobel business, which was acquired in FY22, is highly complementary to Dyno Nobel's existing operations and provides access to new markets where Dyno Nobel can leverage its premium technology offering. Titanobel is a leading industrial explosives manufacturer and drilling, blasting and technical services provider based in France.

Fertilisers Asia Pacific

IPL's Fertilisers business in Australia is the largest domestic manufacturer and supplier of fertilisers by volume.

Internationally, the Fertilisers business sells to major offshore agricultural markets in Asia Pacific, the Indian subcontinent, Brazil and the United States. It also procures fertilisers from overseas manufacturers to meet domestic seasonal peaks. Much of this activity is conducted through Southern Cross Fertilisers Pte. Ltd., a Singapore based subsidiary.

The Fertilisers business manufactures Di/mono ammonium phosphate fertilisers (DAP/MAP) at its Phosphate Hill manufacturing facility in Queensland, Australia.

Group Summary

	Year ended 30 September		
IPL Group	FY24 A$m	FY23 A$m	Change A$m
Reported Revenue and Earnings			
Revenue	5,364.9	6,008.1	(643.2)
EBITDA ex IMIs	924.8	1,215.4	(290.6)
EBIT ex IMIs	**579.8**	**879.8**	**(300.0)**
NPAT ex IMIs	**400.8**	**582.1**	**(181.3)**
IMIs after tax	**(711.7)**	**(22.1)**	**(689.6)**
Group NPAT	**(310.9)**	**560.0**	**(870.9)**
Return On Invested Capital[1]			
Including goodwill	6.3%	6.1%	
Excluding goodwill	8.7%	8.8%	
Shareholder Returns			
Cents Per Share			
Earnings per share ex IMIs	20.7	30.0	
Total ordinary dividends	10.6	15.0	

Credit Metrics	30-Sep-24	30-Sep-23
Net debt[2]	(651.6)	(1,415.0)
Net debt / EBITDA (ex IMIs)[3]	0.8x	1.2x
Net debt incl TWC facilities / EBITDA[4]	0.8x	1.4x
Interest cover[5]	12.5x	9.9x

Net Profit After Tax (NPAT) excluding Individually Material Items (ex IMIs)

IPL reported NPAT (ex IMIs) of $401m, a decrease of 31% compared to $582m in the pcp. The decrease is primarily due to the reduced earnings in FY24 from sold and discontinued operations (WALA and Gibson Island). The financial performance in this document is analysed on the underlying basis after re-basing for discontinued operations. Further information on the financial performance for the year is included in IPL's Profit Report which accompanies IPL's FY24 Financial Results materials released on the ASX on 11 November 2024.

Individually Material Items (IMIs)

NPAT for FY24 includes after tax IMIs totalling a loss of $712m (FY23 $22m) primarily relating to:

» a non-cash $791m (after tax) impairment of the global Fertilisers business based on a value-in-use approach;

» costs totalling $6m (after tax) incurred to optimally position Incitec Pivot Fertilisers (IPF) for standalone operations;

» a gain of $124m (after tax) on the sale of WALA;

» business transformation costs of $22m (after tax) to identify opportunities for innovation, collaboration and more efficient ways of working across the Dyno Nobel business; and

» site closure costs of $17m (after tax) relating to closure of manufacturing at the emulsion plant located in Warkworth, New South Wales.

Capital Management

Earnings per share (EPS) ex IMIs of 20.7 cents decreased by 9.3 cents compared to the FY23 EPS of 30.0 cents largely due to the sale of WALA and closure of Gibson Island.

A final dividend of 6.3 cents per share (unfranked) has been announced. This represents a 50% payout ratio of NPAT (ex IMIs).

Following the sale of WALA, IPL returned approximately $500m to shareholders via a pro-rata capital return including a share capital reduction of $302m and an unfranked special dividend of $198m.

Additionally, IPL bought back shares valued at $149m as part of a planned $900m on-market share buyback program. IPL remain committed to executing the remainder of the program and has sufficient cash reserves and committed bank facilities to complete the buyback.

The share buyback will be conducted in the ordinary course of trading and the exact amount and timing of share purchases will be dependent on regulatory requirements and market conditions.

These capital returns are in line with IPL's Capital Allocation Framework which aims to enhance shareholder value through optimising its weighted average cost of capital while retaining an appropriately strong credit profile in support of its investment grade credit ratings.

Net Debt

Net debt decreased by $763m to $652m at 30 September 2024 (pcp: $1,415m) and net debt/EBITDA ex IMIs decreased to 0.8x (pcp: 1.2x).

Net debt decreased during the year following receipt of $1.6bn of net cash proceeds from the sale of WALA, partly offset by $829m of total shareholder returns including a share capital return of $302m, dividends of $378m and a share buyback program of $149m.

The Group's investment grade credit ratings were maintained:

» S&P: BBB (stable outlook)

» Moody's: Baa2 (stable outlook)

Zero Harm

IPL's Total Recordable Injury Frequency Rate (TRIFR)[6] for the rolling twelve-month period ended 30 September 2024 was 1.08, up slightly from 0.92[7] at 30 September 2023. There were 18 Process Safety Incidents[8] recorded in FY24 (pcp: 14). The Company maintained its strong environmental safety record with no Significant Environmental Incidents during the year[9].

(1) Return in invested capital, calculated as 12 month rolling Net Operating Profit After Tax, excluding individually material items/13 month rolling average operating fixed assets, intangible assets, operating net working capital, and assets classified as held-for-sale.
(2) Net debt comprises the net of interest-bearing liabilities, cash and cash equivalents, and the fair value of derivative instruments economically hedging the Group's interest-bearing liabilities.
(3) Net debt (adjusted for average exchange rate for the year)/EBITDA ratio is calculated using 12 month rolling EBITDA ex IMIs, minus lease depreciation.
(4) Net debt incl TWC facilities (adjusted for average exchange rate for the year)/EBITDA ratio is calculated using 12 month rolling EBITDA ex IMIs, minus lease depreciation. Net debt for this ratio has been adjusted to include the usage of trade working capital facilities.
(5) Interest Cover = 12 month rolling EBITDA ex IMIs/net interest expense before accounting adjustments.
(6) TRIFR is calculated as the number of recordable incidents per 200,000 hours worked and includes contractors. TRIFR results are subject to finalisation of the classification of any pending incidents.
(7) FY23 TRIFR has been restated due to the reclassification of two injuries.
(8) Tier 1 and Tier 2 Process Safety Incidents as defined by the Center for Chemical Process Safety.
(9) Significant Environmental Incidents as assessed against IPL's internal risk matrix with actual consequences of 5 or higher on a 6-level scale.

Financial Performance

Income Statement	FY24 A$m	FY23 A$m	Change %
	Year ended 30 September		
Revenue			
Business Revenue			
DNA	1,847.1	2,380.8	(22)
DNAP	1,478.4	1,500.6	(1)
Fertilisers APAC	2,098.0	2,203.4	(5)
Eliminations	(58.6)	(76.7)	24
Group Revenue	**5,364.9**	**6,008.1**	**(11)**
EBIT			
Business EBIT ex IMIs			
DNA	262.0	587.8	(55)
DNAP	256.7	188.3	36
Fertilisers APAC	119.8	153.2	(22)
Eliminations	(0.6)	0.6	(200)
Corporate	(58.1)	(50.1)	(16)
Group EBIT ex IMIs	**579.8**	**879.8**	**(34)**
EBIT margin	*10.8 %*	*14.6 %*	
NPAT			
Underlying interest expense[(1)]	(97.5)	(143.0)	32
Non-cash unwinding liabilities	(6.9)	(5.7)	(21)
Net borrowing costs	**(104.4)**	**(148.7)**	**30**
Tax expense ex IMIs	(75.5)	(149.2)	49
Minority interest	0.9	0.2	nm*
NPAT excluding IMIs	**400.8**	**582.1**	**(31)**
IMIs after tax	(711.7)	(22.1)	nm*
Group NPAT	**(310.9)**	**560.0**	**(156)**

* nm = not meaningful

FY24 Business Review

The Group reported FY24 EBIT (ex IMIs) of $580m, a decrease of $300m compared to the pcp. When adjusted for re-basing items including the Gibson Island facility, the sale of WALA and commodities movements, IPL delivered strong underlying earnings across all customer-facing businesses. Major movements for the year were as follows:

Re-basing items:

Gibson Island Closure: As previously disclosed, the Gibson Island plant ceased manufacturing activities in January 2023 and no further manufacturing activity is expected from this asset in its current state. As a result, production was lower compared to the pcp, decreasing earnings by $30m.

WALA sale: As previously announced, IPL sold its ammonia manufacturing facility, WALA, effective 1 December 2023. As a result, only two months of earnings from the plant were included in the FY24 result, which has decreased earnings by $338m when compared to the pcp.

Commodities & Foreign Exchange: FY24 earnings decreased by $22m driven by lower commodity prices related to the Ag & IC business, mainly due to Urea prices which decreased by 18% compared to the pcp.

Operational Performance:

Asia Pacific Explosives: DNAP delivered its highest EBIT result on record with margins and earnings increasing strongly compared to the pcp. Further progress in customer recontracting delivered excellent returns ($45m), and EBIT was further increased by additional growth in Metals customers and improved performance in Western Australia. The business continued to see a steady uptake of its premium technology suite, particularly electronic detonators and Differential Energy emulsions, delivering improved earnings of $11m in FY24. Titanobel continued to deliver against the acquisition business case with an additional $3m contribution from this business compared to the pcp. The result reflected ongoing cost management discipline across DNAP's diverse end markets in Australia, Indonesia and EMEA. With a high quality customer base and strategically located manufacturing assets, DNAP is well positioned to continue earnings momentum and deliver further growth.

Americas Explosives: Earnings improved by $11m ($13m including Ag & IC) during the year mainly driven by customer and technology growth in the higher margin Metals market with continued uptake in Dyno Nobel's technology products. Ongoing pricing discipline and a keen focus on cost management across the business also increased earnings in FY24 with customer pricing increases and cost management initiatives more than offsetting additional costs relating to inflation. As a result, EBIT margins improved to 13.3% (FY23 11.7%) with the business well positioned for strategic growth.

Fertilisers Distribution: The Fertilisers Distribution business delivered its strongest result on record with above average rainfall on the east coast of Australia increasing fertiliser demand which, when combined with a well-managed supply chain, resulted in earnings growth of $14m.

Phosphate Hill Gas: Phosphate Hill's contracted gas supply continued to be disrupted throughout the year due to the underperformance of a third-party provider. As a result, gas was purchased through optimisation across short term contract arrangements and spot purchases. The incremental cost of these purchases was $30m lower than the pcp, with the reduction resulting from a combination of lower gas usage and lower average cost.

Manufacturing Reliability: Manufacturing reliability improved significantly in the second half. The negative impact on earnings for the full year of $50m was a reduction from the first half impact of $79m. The improvement was primarily driven by excellent production rates at Phosphate Hill which produced 479kmt in the second half, up from 261kmt in the first half which was impacted by cyclone Kirrily and by planned and unplanned plant downtime. The improved reliability at Phosphate Hill follows a series of successful interventions at the site including the implementation of a reliability taskforce together with a refreshed site leadership team. Reliability at IPL's other major ammonia manufacturing facilities was strong with the Moranbah plant continuing its solid run despite nearing the end of its four year maintenance cycle and the Cheyenne facility attaining reliability levels above 90% post its FY23 turnaround.

Turnarounds: There were no major turnarounds conducted in FY24. The favourable movement of $12m related to turnarounds at LOMO and Cheyenne in the pcp. In FY25, planned maintenance is scheduled at Moranbah and LOMO. Phosphate Hill will continue to implement a program of works designed to deliver reliability improvements with the benefits reflected in improved production in the second half of FY24.

(1) Underlying interest expense represents total borrowing costs less non-cash discount unwind on the Group's long-term liabilities.

Financial Position

Balance Sheet A$m	Year ended 30 September 30 Sep 2024	30 Sep 2023	Change A$m
Assets			
TWC - Fertilisers APAC	257.4	220.6	36.8
TWC - Explosives	584.7	619.3	(34.6)
TWC - Facilities	–	(266.2)	266.2
Group TWC	**842.1**	**573.7**	**268.4**
Net PP&E	2,435.9	3,182.7	(746.8)
Lease assets	243.4	209.3	34.1
Intangible assets	2,545.7	2,394.4	151.3
Net assets classified as held for sale	–	2,207.3	(2,207.3)
Net other assets	183.5	205.8	(22.3)
Total Assets	**6,250.6**	**8,773.2**	**(2,522.6)**
Liabilities			
Environmental & restructure liabilities	(212.8)	(154.7)	(58.1)
Tax liabilities	(270.0)	(542.1)	272.1
Lease liabilities	(271.3)	(234.7)	(36.6)
Net debt	(651.6)	(1,415.0)	763.4
Total Liabilities	**(1,405.7)**	**(2,346.5)**	**940.8**
Net Assets	**4,844.9**	**6,426.7**	**(1,581.8)**
Equity	**4,844.9**	**6,426.7**	**(1,581.8)**
Key Performance Indicators			
Net Tangible Assets per Share	1.22	1.60	
Fertilisers APAC – Ave TWC % Rev[(1)]	19.1%	20.8%	
Explosives – Ave TWC % Rev[(1)]	21.7%	21.1%	
Group – Ave TWC % Rev[(1)]	20.7%	21.0%	
Credit Metrics			
Net debt[(2)]	(651.6)	(1,415.0)	
Net debt / EBITDA (ex IMIs)[(3)]	0.8x	1.2x	
Net debt incl TWC facilities / EBITDA[(4)]	0.8x	1.4x	
Interest cover[(5)]	12.5x	9.9x	

Major movements in the Group's Balance Sheet during the year include:

Assets

Trade Working Capital (TWC): Net increase of $268m. The movement was mainly due to a reduction in TWC facility usage during the year ($266m).

The average trade working capital as a percentage of sales for the Explosives business increased by 0.6% compared to the pcp. The increase was largely due to investments in geographical growth markets and supported higher earnings in the International businesses which have a longer cash cycle. Methods to further rationalise trade working capital levels continue to be explored across the Explosives business as a key workstream of the business transformation project. Average trade working capital as a percentage of sales in the DNAP business improved year on year reflecting very strong debtor compliance and a reduction in inventory levels.

The average trade working capital as a percentage of sales for the Fertilisers business decreased by 1.7% compared to the pcp, reflecting the ongoing focus on optimising trade working capital metrics during the year and optimisation of average inventory levels.

Trade Working Capital Facilities

IPL uses trade working capital facilities to effectively manage the Group's cash flows, which are impacted by seasonality, demand and supply variability.

The Group has a non-recourse receivable purchasing agreement to sell certain domestic and international receivables to an unrelated entity in exchange for cash. As at 30 September 2024, there were no receivables sold under this arrangement (2023: $118m).

IPL also offers suppliers the opportunity to use supply chain financing. The Group evaluates supplier arrangements against several indicators to assess whether to classify outstanding amounts as payables or borrowings. As at 30 September 2024, the balance of the supply chain finance program was $nil (2023: $148m).

Once the proceeds from the sale of WALA were received in FY24 and Balance Sheet metrics were strong, the trade working capital facilities were repaid as an interest saving measure. IPL will continue to utilise the facilities in the future to manage the Group's cash flows.

Net Property, Plant & Equipment (PP&E): Decrease of $747m ($671m excluding the impact of FX translation) mainly as a result of the non-cash impairment of the Fertilisers business ($794m) and the depreciation charge for the year ($262m). This was partially offset by sustenance, strategic sustenance, and turnaround capital expenditure ($284m) and growth and sustainability capital spend ($95m) during the year.

Intangible assets: Increase of $151m ($250m excluding the impact of FX translation) largely due to the recognition of the ammonia offtake agreement arising from the WALA sale ($454m), partially offset by the non-cash impairment of the Fertilisers business ($196m) relating to goodwill.

Liabilities

Environmental & restructure liabilities: Increase of $58m largely driven by provisions recognised during the year in relation to the business transformation project and cessation of manufacturing at the Warkworth emulsion plant. In addition, the asset retirement obligation at Phosphate Hill was increased to reflect current estimates of future cash outflows. This was partially offset by spend against provisions associated with the closure of manufacturing at Gibson Island.

Tax liabilities: Decrease of $272m mainly due to deferred tax assets recognised following the non-cash impairments of the Fertilisers business during the year. This tax accounting treatment does not generate a tax cash flow as the impairment charge is not tax-deductible.

Net debt: Decrease of $763m ($695m excluding the impact of FX translation) mainly due to net proceeds from the sale of WALA ($1,640m) and operating cash inflows for the year ($290m). This was partially offset by dividends paid during the year ($378m), capital returned to shareholders ($302m) and a share buyback program ($149m). In addition, net debt was impacted by sustenance and strategic capital expenditure ($284m), growth and sustainability capital ($95m) and lease liability payments ($53m). Further details of movements in net debt are provided in the Cash Flow section of this report.

(1) Average TWC as % of revenue = 13-month average trade working capital/12 months rolling revenue. FY23 metrics include trade working captial balances classified as held-for-sale. FY22 metrics have been restated due to a reclassification of Precious Metals from PPE to Inventory in March 2022.

(2) Net debt comprises the net of interest-bearing liabilities, cash and cash equivalents, and the fair value of derivative instruments economically hedging the Group's interest-bearing liabilities.

(3) Net debt (adjusted for average exchange rate for the year)/EBITDA ratio is calculated using 12 month rolling EBITDA ex IMIs, minus lease depreciation.

(4) Net debt incl TWC facilities (adjusted for average exchange rate for the year)/EBITDA ratio is calculated using 12 month rolling EBITDA ex IMIs, minus lease depreciation. Net debt for this ratio has been adjusted to include the usage of trade working capital facilities.

(5) Interest Cover = 12 month rolling EBITDA ex IMIs/net interest expense before accounting adjustments.

Net Debt A$m	Maturity Month/Year	Facility Amount	Drawn Amount	Undrawn Amount
Syndicated Term Loan	10/25	779.0	–	779.0
EMTN / Regulation S notes	02/26	104.1	104.1	–
Medium Term Notes	03/26	431.3	431.3	–
EMTN / Regulation S Notes	08/27	441.9	441.9	–
US Private Placement Notes	10/28	361.3	361.3	–
US Private Placement Notes	10/30	361.3	361.3	–
Total debt		**2,478.9**	**1,699.9**	**779.0**
Fair value and other adjustments			(48.6)	
Loans from JVs, associates/other short term facilities			32.8	
Cash and cash equivalents			(1,068.9)	
Fair value of hedges			36.4	
Net debt[1]			**651.6**	
Net debt / EBITDA (ex IMIs)[2]			**0.8x**	

Financial indebtedness decreased by $993m as explained in the Cash Flow section of this report.

Financial Indebtedness A$m	30 Sep 2024	30 Sep 2023	Change A$m
Net debt[1]	652	1,415	(763)
Lease liabilities	271	235	36
Trade working capital financing facilities	–	266	(266)
Total Financial Indebtedness	**923**	**1,916**	**(993)**

Credit Metrics

Net debt/EBITDA: The ratio of 0.8x decreased by 0.4x compared with the pcp. The decrease was primarily a result of reduced net debt following the sale of WALA. The ratio remains well within the target ratio of equal or less than 1.5x.

Interest cover: Increased to 12.5x (pcp: 9.9x) and was well below the target range of equal or more than 6.0.

Credit ratings: Investment Grade credit ratings remained unchanged:

- S&P: BBB (stable outlook)
- Moody's: Baa2 (stable outlook)

Debt Facilities

IPL has sufficient liquidity and headroom with $779m of available undrawn committed debt facilities at 30 September 2024.

The average tenor of the Group's debt facilities at 30 September 2024 was 2.6 years (September 2023: 3.4 years). No committed debt facilities are due to mature until October 2025.

Capital Allocation – Capital Expenditure

IPL's capital allocation process is centralised and overseen by the Group's Corporate Finance function. Capital is invested on a prioritised basis and all submissions are assessed against risk factors including health, safety, sustainability, operational, financial and other strategic risks. Capital is broadly categorised into first order capital (sustenance, turnaround, strategic, sustainability and minor growth) and second order capital (major growth where the total project is expected to cost greater than $5m).

The table below includes a summary of cash spend per business on capital:

	Year ended 30 September		
IPL Group	**FY24 A$m**	**FY23 A$m**	**Change A$m**
Capital Expenditure			
DNA	69.2	92.6	(23.4)
DNAP	47.6	39.8	7.8
Fertilisers	70.7	58.2	12.5
Sustenance	**187.5**	**190.6**	**(3.1)**
DNA	3.9	95.8	(91.9)
DNAP	15.3	–	15.3
Fertilisers	12.1	2.1	10.0
Turnaround	**31.3**	**97.9**	**(66.6)**
DNA	28.1	27.8	0.3
DNAP	–	3.2	(3.2)
Fertilisers	34.5	26.0	8.5
Strategic Sustenance	**62.6**	**57.0**	**5.6**
DNA	9.1	0.3	8.8
DNAP	9.2	5.6	3.6
Fertilisers	5.5	25.2	(19.7)
Sustainability	**23.8**	**31.1**	**(7.3)**
DNA	23.5	39.0	(15.5)
DNAP	35.8	31.0	4.8
Fertilisers	12.0	16.0	(4.0)
1st and 2nd Order Growth	**71.3**	**86.0**	**(14.7)**
Total Continuing Operations	**376.5**	**462.6**	**(86.1)**
Discontinued Operations	**2.2**	**32.5**	**(30.3)**
Total	**378.7**	**495.1**	**(116.4)**

The FY24 sustenance spend of $188m was within the FY24 guidance previously provided of $180m to $200m. Sustenance capital expenditure is used to ensure reliable operations at the Group's manufacturing and distribution facilities in line with long term asset plans. The turnaround spend in FY24 of $31m largely related to completion of the Mt Isa turnaround, as well as preparations for the Moranbah turnaround in FY25.

Strategic one-off spend in FY24 of $63m largely included upgrades of Gibson Island distribution assets, the relocation of a research and development facility in the DNA business and Phosphate Hill mine life investment.

Subject to currency fluctuations, sustenance spend in FY25 is expected to be in the range of $180m to $220m. Turnaround spend is expected to be approximately $120m to $140m largely due to the major turnaround at Moranbah, with spend on sustainability targeted to be around $10m. These amounts exclude one-off strategic sustenance expenditure on Phosphate Hill mine life, Gibson Island relocation and system upgrades.

Sustenance spend is influenced by asset management plans and strategies. The Group is focused on improving capital effectiveness and efficiency to ensure asset reliability and optimal returns are delivered.

(1) Net debt comprises the net of interest-bearing liabilities, cash and cash equivalents, and the fair value of derivative instruments economically hedging the Group's interest-bearing liabilities.

(2) Net debt (adjusted for average exchange rate for the year)/EBITDA ratio is calculated using 12 month rolling EBITDA ex IMIs, minus lease depreciation.

Cash Flow

Cash Flow	FY24 A$m	FY23 A$m	Change A$m
	Year ended 30 September		
Operating Cash Flow			
EBITDA continuing operations ex IMIs	866.1	808.0	58.1
EBITDA discontinued operations	58.7	407.4	(348.7)
Net interest paid	(83.1)	(125.4)	42.3
Net income tax paid	(122.1)	(313.9)	191.8
TWC movement (excl FX movements)	(311.4)	20.1	(331.5)
Profit from JVs and associates	(62.2)	(61.4)	(0.8)
Dividends received from JVs	32.8	37.7	(4.9)
Environmental and site clean-up	(14.0)	(53.8)	39.8
Restructuring costs	(7.8)	(22.3)	14.5
Other non-TWC	(66.8)	4.4	(71.2)
Operating Cash Flow	**290.2**	**700.8**	**(410.6)**
Investing Cash Flow			
Growth capital	(71.3)	(86.0)	14.7
Sustenance and strategic capital	(283.6)	(358.6)	75.0
Sustainability capital	(23.8)	(50.5)	26.7
Proceeds from asset sales	30.4	13.3	17.1
Proceeds from sale of discontinued operations	1,639.7	–	1,639.7
Acquisition of subsidiaries & non-controlling interests	(4.3)	–	(4.3)
Investing Cash Flow	**1,287.1**	**(481.8)**	**1,768.9**
Financing Cash Flow			
Dividends paid to members of IPL	(378.2)	(524.4)	146.2
Capital returned to members of IPL	(302.5)	–	(302.5)
Share buyback	(140.6)	–	(140.6)
Lease liability payments	(53.0)	(50.5)	(2.5)
Purchased shares for IPL employees	(5.5)	–	(5.5)
Non-cash gain on translation of foreign currency net debt	68.1	(17.5)	85.6
Non-cash movement in net debt	(2.2)	(5.4)	3.2
Financing Cash Flow	**(813.9)**	**(597.8)**	**(216.1)**
Change to net debt	763.4	(378.8)	1,142.2
Opening balance net debt	**(1,415.0)**	**(1,036.2)**	**(378.8)**
Closing balance net debt	**(651.6)**	**(1,415.0)**	**763.4**

Operating Cash Flow

Operating cash flows of $290m decreased by $411m compared to the pcp. Significant movements included:

EBITDA continuing operations ex IMIs: Increased underlying EBITDA for the Group of $58m driven by growth across all customer-facing businesses including successful customer recontracting for DNAP, customer and technology growth in the Metals market for DNA and record earnings for the Fertilisers Distribution business.

Net interest paid: Decreased by $42m principally as a result of reduced net debt levels for the Group following the receipt of proceeds from the sale of WALA.

Net income tax paid: Decreased by $192m in line with lower earnings compared to the pcp resulting from the sale of WALA in FY23.

TWC movement (excl FX movements): Decreased by $332m mainly driven by a reduction in TWC facility usage during the year.

Environmental and site clean-up: Related largely to payments against the Gibson Island closure provision.

Other non-TWC: Decreased by $71m mainly due to operational prepayments and settlement of legal provisions.

Investing Cash Flow

Net investing cash flows of $1,287m increased by $1,769m compared to the pcp. Significant movements included:

Sustenance and strategic capital: Reduced capital spend of $75m was mainly due to lower turnaround spend during the year with turnarounds at LOMO, St Helens and Cheyenne in FY23, as well as lower spend at WALA following the sale of the facility in December 2023.

Sustainability capital: Sustainability spend in FY24 primarily reflected spend on the LOMO tertiary abatement and the Moranbah abatement project in line with IPL's decarbonisation pathway. Spend was lower compared to the pcp driven by the sale of WALA.

Proceeds from asset sales: Increased by $17m reflecting the sale of excess land at Cheyenne.

Proceeds from sale of discontinued operations: Represented the cash proceeds from the sale of WALA. A partial tax payment relating to the WALA sale was made in September 2024 ($157m) with the remaining balance of approximately $380m expected to be paid in January 2025.

Financing Cash Flow

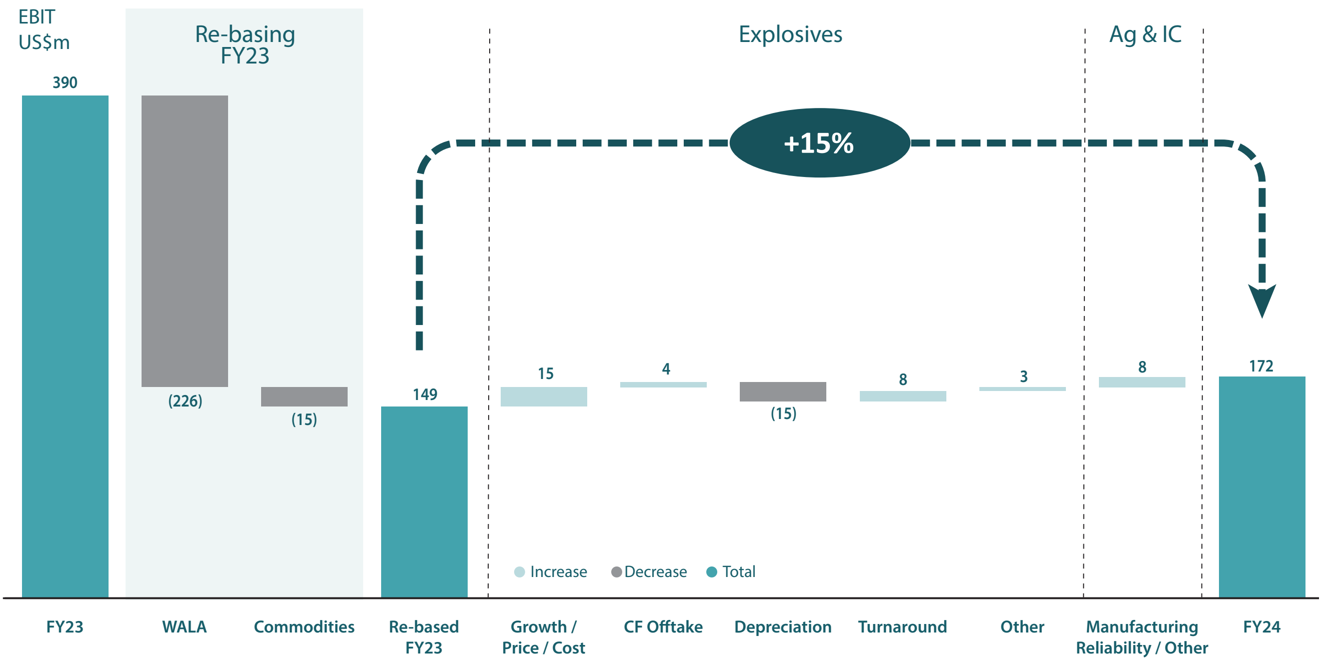
Net financing cash outflow of $814m was $216m higher compared to the pcp. Significant movements included:

Dividends paid to members of IPL: Dividends of $378m included the $198m special dividend component of the previously announced $500m pro-rata capital return paid to shareholders in February 2024. This was funded from the proceeds of the WALA sale.

Capital returned to members of IPL: The $302m outflow was the capital reduction component of the $500m pro-rata capital return noted above.

Share buyback: During the year, the Group bought back shares valued at $149m (of which $8m was settled post year-end) as part of a planned $900m on-market share buyback program.

Dyno Nobel Americas



	Year ended 30 September		
Dyno Nobel Americas	**FY24 US$m**	**FY23 US$m**	**Change %**
Explosives	989.0	999.0	(1)
Ag & IC	171.0	181.1	(6)
Total Continuing Operations	**1,160.0**	**1,180.1**	**(2)**
WALA	55.5	403.1	(86)
Total Revenue	**1,215.5**	**1,583.2**	**(23)**
Explosives	131.9	117.1	13
Ag & IC	2.0	8.9	(78)
Total Continuing Operations	**133.9**	**126.0**	**6**
WALA	37.7	264.0	(86)
EBIT	**171.6**	**390.0**	**(56)**
EBIT margin			
Explosives	*13.3 %*	*11.7 %*	
Ag & IC	1.2 %	4.9 %	
WALA	*67.9 %*	*65.5 %*	
A$m			
Revenue	**1,847.1**	**2,380.8**	**(22)**
EBIT	**262.0**	**587.8**	**(55)**
Notes			
Average realised A$/US$ exchange rate	0.66	0.66	
Urea (FOB NOLA) Index Price (US$/mt)	358	439	

Dyno Nobel Americas FY24 earnings of US$172m decreased by US$218m, or 56%, compared to the pcp. Outlined below are the major earnings movements during the year for each business segment.

Explosives

Re-basing items

WALA sale

The sale of the WALA facility in December 2023 resulted in a US$226m decrease in EBIT compared to the pcp.

Commodities

Unfavourable movements in Urea pricing reduced earnings by US$15m compared to the pcp.

Operational Business Performance

Explosives earnings for FY24 of US$132m was US$15m higher than the pcp principally due to the following:

EBIT Margins: EBIT margins (as a percentage of revenue) increased strongly in the period reflecting recent pricing increases and cost management initiatives. When measured on an EBIT per tonne basis, margins grew 15% during the year primarily reflecting the continued change in sales mix away from coal and into Metals.

Growth / Price / Cost: Favourable movement of US$15m driven by increased demand in the higher margin Metals markets with a 12% growth in volumes on pcp due to growth in the Chile operations and continued customer uptake of Dyno Nobel's technology. The net result of pricing increases and cost management initiatives also had a favourable impact on earnings during the year, offsetting any negative impacts relating to inflation. This was partly offset by lower coal volumes compared to the pcp and lower contributions from overseas joint ventures. Q&C volumes also experienced temporary negative impacts during the year, mainly driven by adverse weather in the US.

CF Offtake: The offtake agreement with CF Industries added a net EBIT benefit of US$4m in FY24. This included a margin benefit of US$16m and a transport cost of US$2m for a total cash benefit of US$14m. This cash benefit was partially offset by a non-cash charge of US$10m relating to the amortisation of the original value of the agreement.

Depreciation: In line with previous guidance, depreciation expense was US$15m higher than the pcp mainly due to the Cheyenne and LOMO turnarounds successfully completed in FY23.

Turnaround: Earnings improved by US$8m reflecting the recovery of costs associated with the Cheyenne and LOMO turnarounds in FY23.

Other: The US$3m uplift largely reflected the net gain on sale of excess land at the Cheyenne, WY facility.

Market Summary

Quarry & Construction

41% of Explosives revenue was generated from the Quarry & Construction sector in FY24 (43% pcp). This sector was slightly softer, however, we expect improved demand in the following financial year.

Base & Precious Metals

42% of Explosives revenue was generated from the Base & Precious Metals sector in FY24 (37% pcp). Volumes increased 12% during the year with revenues (in dollar terms) up 11% compared to the pcp. The largest increases in volumes came from higher production levels in the US Iron Range and operations in Chile.

Coal

17% of Explosives revenue was generated from the Coal sector in FY24 (20% pcp). Volumes were down 11% versus the pcp as lower natural gas prices incentivised the power sector to switch to gas-generated power. This sector is expected to gradually decline over time. Increases in the Metals and Q&C markets are expected to more than offset the decline in coal earnings.

Agriculture & Industrial Chemicals (Ag & IC)

Ag & IC FY24 earnings, excluding the impact of commodity price movements (refer "Commodities" section above), increased by US$8m compared to the pcp. The favourable result was driven by recovery in production levels following the equipment failure and turnaround at St Helens in FY23, partially offset by unplanned outages at St Helens in FY24.

WALA Operations

The results of WALA up until completion date of the sale are presented below:

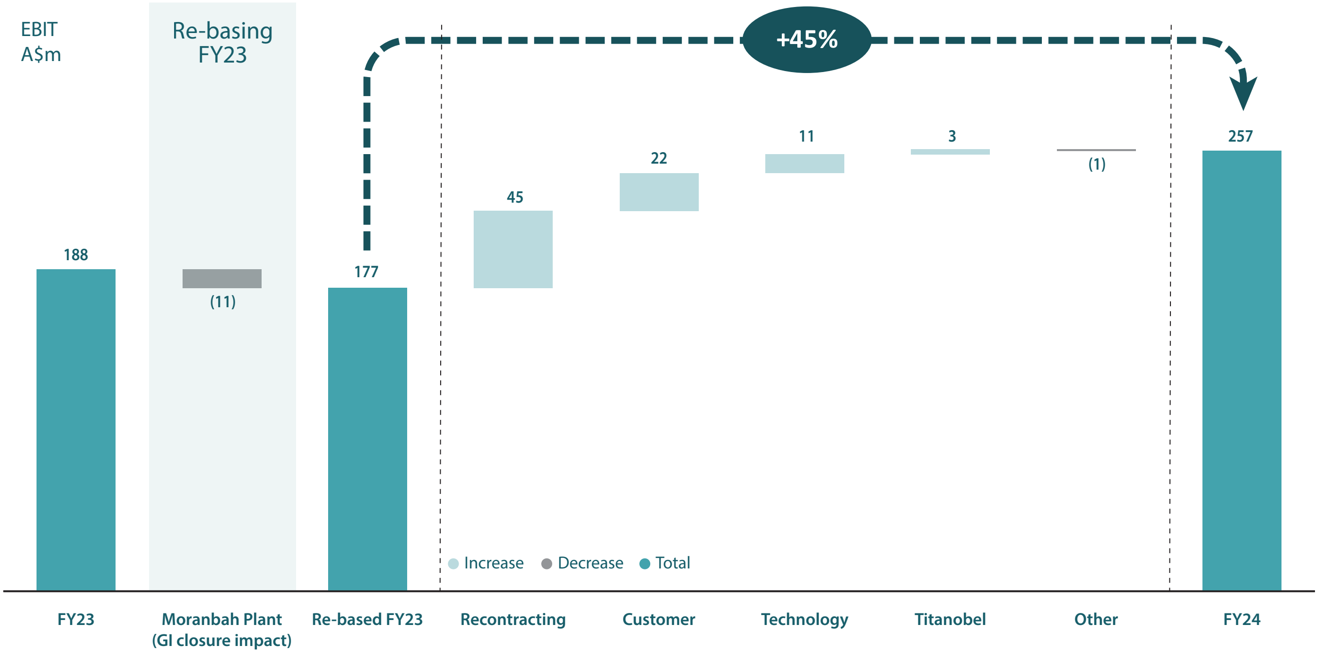
	Year ended 30 September		
WALA	**FY24**	**FY23**	**Change %**
Thousand metric tonne			
Ammonia manufactured at WALA	144.4	822.5	(82)
Ammonia sold	155.8	829.6	(81)
US$m			
External Revenue	55.5	403.1	(86)
Internal Revenue	9.4	53.5	(82)
Total Revenue	**64.9**	**456.6**	**(86)**
EBIT	**37.7**	**264.0**	**(86)**
EBIT margin	*67.9 %*	*65.5 %*	
Notes			
Ammonia Realised Price (US$/mt)(1)	437	550	
Realised Gas Cost (US$/mmbtu) (delivered)	3.04	3.66	
Ammonia Tampa Index Price (US$/mt)(1)	600	653	
Index Gas Cost (US$/mmbtu)(2)	2.96	3.58	
Gas efficiency (mmbtu/mt)	30	34	

WALA was sold effective 1 December 2023. WALA earnings of US$38m compared to US$264m in the pcp reflected the timing of the sale of the business with two months of earnings included in FY24 compared to twelve months in the pcp. FY24 earnings were also impacted by a significant fall in ammonia prices (approximately US$65m EBIT impact compared to the pcp), partly offset by a favourable movement in Henry Hub gas prices (approximately US$12m EBIT benefit).

(1) WALA ammonia sales prices are based on a combination of index Ammonia Tampa prices and 1-month lagged index Ammonia Tampa prices. The index price shown in the table represents the average index price for the financial year adjusted for the one-month lag.

(2) Average closing price of Nymex Henry Hub 1-month futures.

Dyno Nobel Asia Pacific



	Year ended 30 September		
DYNO NOBEL ASIA PACIFIC	**FY24**	**FY23**	**Change %**
Thousand metric tonne			
Ammonium Nitrate – manufactured at Moranbah	331.2	372.1	(11)
Ammonium Nitrate sold	722.8	756.9	(5)
A$m			
Australian Coal	593.7	556.4	7
Base & Precious Metals	540.2	550.4	(2)
International	344.5	393.8	(13)
Total Revenue	**1,478.4**	**1,500.6**	**(1)**
EBIT	**256.7**	**188.3**	**36**
EBIT margin	*17.4%*	*12.5%*	

Business Performance

Dyno Nobel Asia Pacific (DNAP) FY24 earnings of $257m, increased $68m compared to the pcp due to the following:

Customer Recontracting: $45m growth on the pcp from positive customer recontracting outcomes in Australia with the successful renewal of a significant portion of the customer contract book now completed.

Customer Growth: $22m growth on the pcp, mostly driven by higher activity levels across Metals customers, improved performance in Western Australia and favourable mix in the Coal portfolio.

Technology Growth: $11m growth on the pcp, driven by strong electronics and Differential Energy emulsion volumes.

Titanobel: $3m growth on the pcp, driven by increased export demand and improved pricing with customers. Business integration and synergy is progressing in line with the acquisition plan.

EBIT Margins: EBIT margins improved significantly from 12.5% in the pcp to 17.4% in FY24 primarily due to the impact of recontracting outcomes which have a direct benefit to EBIT. The decrease in total revenue for the DNAP business was largely a function of a deterioration in exchange rates impacting revenue in the international businesses.`

Moranbah Plant: Production was 41kmt lower than the pcp due to the impact of the closure of Gibson Island as well as the short shutdown in March 2024 to complete the planned N_2O abatement project.

Market Summary

Australian Coal

40% of DNAP revenue for the year was generated from the Australian Coal sector, most of which was from supply to the metallurgical coal mines in the Bowen Basin.

Volumes from the Australian Coal sector decreased approximately 6% due to lower Moranbah production volumes as noted above.

Base & Precious Metals

37% of DNAP revenue was generated from the Base & Precious Metals sector, which comprises iron ore mines in Western Australia and hard rock and underground mines throughout Australia.

Volumes from the sector decreased 4% compared to the pcp as a result of temporary reductions in mining activities at certain customer sites.

International

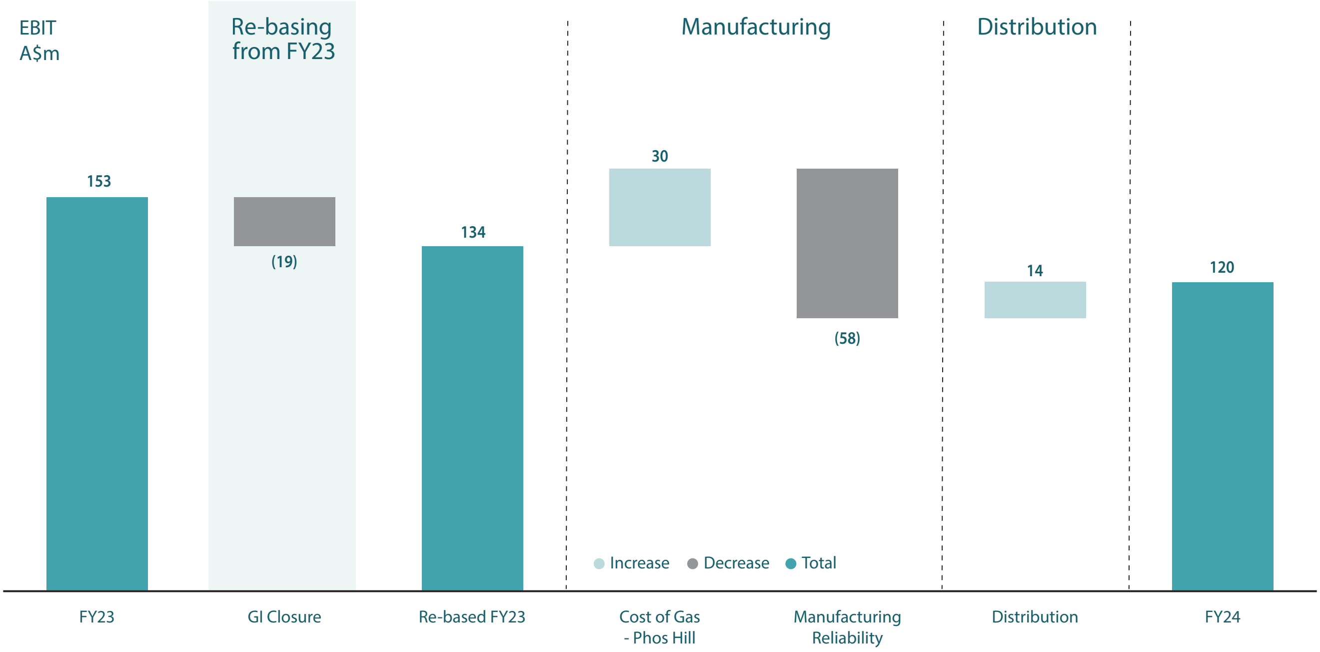
23% of DNAP revenue was generated internationally in Indonesia, Turkey, Papua New Guinea and France.

Volumes decreased by 1% compared to the pcp, mainly driven by reduced mining activities at large customer site.

Manufacturing

Production at Moranbah was 11% lower in FY24 reflecting the closure of Gibson Island. Ammonia Plant reliability improved to 96% following a strong second half performance.

Fertilisers Asia Pacific



	Year ended 30 September		
Fertilisers Asia Pacific	**FY24**	**FY23**	**Change %**
Thousand metric tonne			
Phosphate Hill production (ammonium phosphates)	739.5	864.4	(14)
Gibson Island production (urea equivalent)	–	138.9	(100)
A$m			
Manufacturing	472.4	648.8	(27)
Distribution	1,625.6	1,554.6	5
Fertilisers APAC Revenue	**2,098.0**	**2,203.4**	**(5)**
Manufacturing	59.6	107.5	(45)
Distribution	60.2	45.7	32
Fertilisers APAC EBIT	**119.8**	**153.2**	**(22)**
EBIT margin	*5.7 %*	*7.0 %*	
EBIT margin			
Manufacturing	*12.6%*	*16.6%*	
Distribution	*3.7%*	*2.9%*	
Notes			
Fertilisers APAC			
Realised A$/US$ Exchange Rate[1]	0.66	0.72	
Total Fertilisers APAC volumes sold (kmt)	2,714.2	2,703.7	
Domestic Fertilisers APAC volumes sold (kmt)	2,169.2	2,035.8	
Phosphate Hill			
Realised AP Price (US$/mt)	569	591	
Phosphate Hill production sold (kmt)	765	825	
Realised AP Freight Margin (US$/mt)	7.0	5.1	
Realised Cost per Tonne of AP (A$/mt)*	788	723	
Gibson Island			
Realised Urea Price (US$/mt)**	N/A	519	
Gibson Island production sold subject to urea price movement (kmt)	N/A	183	

* Weighted Average of AP including port costs.
** GI manufacturing ceased operations in January 2023, FY23 Urea price stated as at 30 Sept 2023

Business Performance

Fertilisers Asia Pacific earnings of $120m was 22% lower than the pcp. Major movements for the year were due to the following:

Gibson Island Closure: As previously disclosed, the Gibson Island plant ceased manufacturing activities in January 2023. The resulting decrease in production resulted in a year on year decrease in earnings of approximately $19m.

Cost of Gas – Phosphate Hill: Gas supply disruptions continued at Phosphate Hill in FY24 due to the underperformance of a third-party provider. As a result, gas was purchased through optimising across short term contract arrangements and spot purchases. The incremental cost of these purchases was $30m lower than the pcp, with the reduction resulting from a combination of lower gas usage and lower average cost.

Manufacturing Reliability: Manufacturing reliability was impacted by manufacturing interruptions and adverse weather events at Phosphate Hill during the first half of FY24. Production recovered strongly in the second half although earnings were impacted by $58m with lower production volumes compared to the pcp.

Volumes and Margins: The Distribution business delivered its strongest result on record[2] with earnings higher by $14m. The favourable result was driven by strong customer demand due to above average rainfall on the east coast of Australia and favourable farming conditions. Distribution EBIT margin per tonne increased strongly highlighting the benefit of the ongoing investment in IPF's distribution network and capability, as well as the effective management of fertiliser supply chains to accommodate the strength and timing of customer demand.

Market Summary

Total Fertilisers Asia Pacific domestic sales volumes of 2,169k metric tonnes (mt) were 7% higher compared to FY23 sales of 2,036kmt. Volume growth reflected the strong trading conditions in the second half of FY24.

Global fertiliser prices were slightly weaker compared to the prior year. Realised Ammonium Phosphate (AP) prices declined by 4%. However, the supply and demand dynamic remained broadly favourable to support stable prices in the near term.

(1) This rate is after allowing for the impact of hedging and is therefore different to the average spot rate for the year.
(2) Highest earnings since IPL began reporting Fertilisers Distribution as a separate line item in 2017.

Manufacturing

Manufacturing performance in the Fertilisers Asia Pacific business in FY24 was as follows:

Phosphate Hill

Ammonium Phosphate production decreased to 740kmt, down 14% on the pcp. The lower production reflects unplanned outages in the first half of FY24 in the ammonia and granulation plants at Phosphate Hill. Production was also impacted by the Cyclone Kirrily event and associated flooding in parts of northwest Queensland. Production volumes improved significantly during the second half of FY24 with improved plant reliability. Production in the second half of FY24 at 479kt was 10% higher than the pcp.

Ammonium Phosphate cost per tonne increased in FY24 reflecting the reduced production levels in the period.

Outlook and Sensitivities

IPL does not generally provide profit guidance, primarily due to the earnings variability resulting from commodity price and foreign exchange movements. Instead, IPL provides an outlook for business performance expectations and sensitivities to key earnings drivers based on management's current view at the time of this report.

Outlook

Dyno Nobel Global

» The global Dyno Nobel business is expected to benefit significantly from the sustainable transformation project.

» Turnarounds in FY25 are expected to have an earnings impact of $45m to $55m for the year.

Dyno Nobel Americas

» The base Explosives business is expected to achieve underlying growth rates in the mid-single digit range.

» The Metals markets are expected to continue to perform strongly and grow at above-GDP rates.

» Quarries & Construction markets are expected to be relatively subdued in the first half of FY25 due to the impacts of recent hurricanes in the US.

» Earnings will be impacted by turnaround activities at LOMO and Cheyenne plants and additional costs associated with global shortages of TNT.

» The first half / second half earnings split for FY25 is expected to be more pronounced than prior years at approximately 30% in the first half and 70% in the second half.

Dyno Nobel Asia Pacific

» Positive market conditions are expected to remain in Australia including firm, short-term demand outlook for coal and iron ore, and a tightening AN market.

» Customer recontracting is expected to deliver further earnings benefits in FY25.

» Moranbah production forecast is expected to be approximately 290kmt to 300kmt in FY25 compared to 331kmt in FY24 due to a planned 8 week turnaround of the ammonia plant.

» Titanobel earnings growth is expected to continue, consistent with the acquisition business case and synergy realisation opportunities.

» Technology growth is expected through the expansion of premium Differential Energy emulsion and continued uptake of premium electronic detonator technology, including Cyberdet wireless detonators.

» The first half / second half earnings split is again expected to be weighted towards the second half (approximately 40% in the first half and 60% in the second half).

Transformation Program

» The Dyno Nobel transformation program is progressing well and is expected to deliver further benefits in FY25.

» The Group currently expects an FY25 exit run rate of ~40-50% of the estimated total ~$300m EBIT uplift from the program.

Fertilisers Asia Pacific

» Fertiliser's earnings will continue to be dependent on global fertiliser prices, gas prices, the A$:US$ exchange rate and weather conditions.

» The FY25 production range for Phosphate Hill is forecast to be between 790kmt to 860kmt principally as a result of planned maintenance activities required to conduct repairs and other work to increase site reliability over the period and into the future.

» As a result of the planned outages, production at Phosphate Hill in FY25 is expected to be lower in the first half with approximately 40% to 45% of the full year production forecast to be delivered during the first half of FY25.

» Phosphate Hill gas – Phosphate Hill will continue to use a mix of supply sources including, gas supplied under the current contract from Power and Water Corporation (PWC), and top-up gas from Northern Territory and East Coast suppliers. The diversity in gas supply has ensured Phosphate Hill production was not affected by the reduction of contracted gas supply from PWC. The incremental cost of procuring shortfall gas will vary significantly depending on the level of contracted gas that is supplied to the plant. IPL is currently assessing a range of gas cost scenarios. Based on these scenarios, IPL expects the incremental cost of shortfall gas compared to contract pricing in FY25 to be in the range of $30m to $90m depending on the timing of the recommencement of supply under the contract.

» A further update on Phosphate Hill gas supply will be provided at half year.

» Distribution - earnings are expected to be within the normal $40m to $60m range, dependent on market conditions.

» The first half / second half earnings split for FY25 is expected to be more pronounced than prior years at approximately 20% in the first half and 80% in the second half.

Group

Corporate: Corporate costs are expected to be approximately $50-55m in FY25.

Borrowing Costs: Net borrowing costs for FY25 will be impacted by the size and timing of any returns of capital to shareholders, including the on-market share buyback. Net interest expense in FY25 is forecast to be $125m to $130m.

Taxation: IPL's effective tax rate for FY25, excluding IMIs is expected to be between 20% and 25%. The expected increase in the Group's effective tax rate from the FY24 level is mainly driven by a reduction in the percentage of taxable earnings in the US following the sale of WALA. The tax rate range is highly sensitive to earnings mix movements across jurisdictions.

Sensitivities

The table provides sensitivities to key earnings drivers and should be read in conjunction with the footnotes found below.

Commodity	Proxy Index	EBIT Sensitivities
Americas		
Urea[(1)]	FOB NOLA	+ / - US$10/mt = +/-U$1.8m
FX EBIT Translation[(2)]		+ / - A$/US$0.01 = -/+ A$3.0m
Asia Pacific		
Ammonium Phosphates[(3)]	FOB China/Saudi	+ / - US$10/mt = +/-A$11.2m
FX EBIT Transactional[(3)]		+ / - A$/US$0.01 = -/+A$9.5m

Note: Proxy Index prices are available on Bloomberg.

(1) Based on St Helens plant capacity of 175kmt of urea equivalent product.

(2) Based on actual FY24 Dyno Nobel Americas EBIT (excl WALA) of US$134m and an average foreign exchange rate of A$/US$ 0.66.

(3) Based on actual FY24 Phosphate Hill production of 740kmt; average FY24 realised AP price of US$569; and an average foreign exchange rate of A$/US$ 0.66.

Sustainability

IPL's commitment to operating sustainably is driven by the Company's values which are core to the way it does business. IPL's strategy is to deliver sustainable growth and shareholder returns while proactively managing those issues most material to the long-term sustainability of its business.

Issues considered material to the sustainability of the Company are included in its 2024 Annual Report, 2024 Corporate Governance Statement, 2024 Climate Change Report, and 2024 Sustainability Report. These reports are expected to be released on 18 November, 2024.

IPL is committed to respecting human rights and addressing modern slavery risks in its operations and supply chains and will release its fourth annual Modern Slavery Statement in February 2025. This Statement sets out the actions taken in FY24 as well as future management plans.

Sustainability Performance Benchmarking

IPL has been included in the S&P Global CSA (formerly the Dow Jones Sustainability Index -DJSI) since 2010. Selection for the index is made each year following a review of IPL's sustainability reporting as well as a comprehensive Corporate Sustainability Assessment questionnaire. IPL's performance is benchmarked against peers in the global Chemicals sector.

During 2024, IPL was again selected for membership after completing the comprehensive Corporate Sustainability Assessment (CSA) questionnaire.

S&P Global Corporate Sustainability Assessment

Calendar Year	2024	2023	2022	2021	2020	2019
DJSI Dimension						
Economic	66	71	78	81	78	72
Environmental	56	61	72	69	71	73
Social	61	64	69	65	58	60
Total for IPL	**60**	**65**	**73**	**72**	**69**	**69**
Chemicals sector average	29	23	26	30	36	47

The Company is also a member of the FTSE4Good Index, completes the CDP Climate Change and Water Security reports each year and the EcoVadis questionnaire biennially, and is rated by MSCI, Moody's VE Connect, Sustainalytics, CGI Glass Lewis and the CSR Hub.

During 2024, IPL participated in the Bloomberg Gender-Equality Index (GEI) for the sixth consecutive year. The GEI is a modified market capitalisation-weighted index that aims to track the performance of public companies committed to transparency in gender-data reporting. The reference index measures gender equality across five pillars: female leadership & talent pipeline, equal pay & gender pay parity, inclusive culture, anti-sexual harassment policies, and pro-women brand. The 2024 Index has not yet been released by Bloomberg.

Principal Risks

Set out below are the principal risks and uncertainties associated with IPL's business and operations. These risks, which may occur individually or concurrently, could significantly affect the Group's business and operations. Any loss from such risks may not be recoverable in whole or in part under IPL's insurance policies. The treatment strategies noted below are not exhaustive and do not remove the risks; while in some cases they may either partially or fully mitigate the exposure, residual risk remains. The Group's process for managing risk is set out in the Corporate Governance Statement.

Risk Categories	Description and potential consequences	Treatment strategies employed by IPL
Macroeconomic Factors	Geopolitical uncertainty borne out of current economic and supply chain challenges in China, impacts from Russia's invasion of Ukraine, escalating tensions / military activity in the middle east and global inflationary pressures could have a negative impact on IPL's cost base, sales and/or market share.	» IPL monitors long term trends in the mining and fertiliser sectors through industry forecasts of commodities demand. » In the mining sector these trends have been incorporated into our business strategy through aligning our explosives business growth with predicted customer demand profiles by segment and the delivery of technology solutions to leverage these. » In the fertiliser sector analysis of customer demand, climate and seasonal forecasts and supply chain reliability inform strategy development and product offerings. » Continuous review of country specific risks helps proactive management of potential exposures.
Strategy	Continuing consolidation in the explosives industry could lead to heightened competition and pricing pressures. In respect of IPL's advanced technologies, there is a risk that the intellectual property may be replicated or challenged, resulting in potential loss of business. The execution of IPL's strategy to separate its fertilisers and explosive business is contingent on a number of external factors, including market conditions and obtaining relevant approvals, that could delay the execution of this strategic initiative and disrupt the normal business operations. Dyno Nobel's Transformation Program is expected to require significant changes to the company's operating model, including changes to reporting structures, processes, procedures and systems which could result in unexpected disruptions to normal business operations and fail to deliver the expected benefits in full or within the forecast timeframes.	» IPL seeks to maintain or develop competitive cost positions in its chosen markets, whilst maintaining quality product and service offerings. » IPL continues to invest in new technologies and premium product offerings in order to meet the needs of our customers while limiting and improving both IPL's, and our customers', carbon footprints. » IPL has implemented business separation governance processes designed to minimise cost and disruption to normal operations and meet market expectations of the proposed structural separation process. » Dyno Nobel has established governance frameworks to identify and mitigate the risks associated with the Transformation Program. These include, but are not limited to, the establishment of a dedicated project management office, detailed governance processes and procedures and strict adherence to management of change processes.
Climate Change	The global energy transition presents strategic risks and opportunities for IPL. These may include a rapid transition away from fossil fuels, which could significantly decrease demand for thermal coal, and a shift to new technologies, such as renewable hydrogen. The impact of carbon emissions, and governments' policies and actions to limit them, may also have an impact on IPL's operations and supply chains. In addition, there are physical risks associated with climate change which could impact on IPL's operations, supply chains and customers. A detailed discussion of the risks and opportunities identified through IPL's assessment of both physical and transitional risks can be found in IPL's 2023 Climate Change Report.[(1)]	» IPL is continuing to progress a number of major projects to support its Net Zero Pathway and has allocated 'Sustainability Capital' within the Capital Allocation Frameworks for its explosives and fertilisers businesses in order to support these. They include the Moranbah Tertiary N_2O abatement project, which was installed this year, the LOMO N_2O Abatement Project which is targeted for installation in 2025, and pursuing Green Ammonia projects. » Through engagement with an expert third party in 2024, a comprehensive assessment of the physical and transitional risks and opportunities associated with climate change was completed for each of IPL's businesses using four updated future climate-related scenarios. The scenarios used and the identified risks and opportunities, along with management strategies for each, are included in IPL's 2024 Climate Change Report.
Health, Safety, Environment, Community	IPL is exposed to operational risks associated with the manufacture, transportation, storage and use of hazardous and inherently dangerous products and materials. IPL, its customers and suppliers, are required to comply with various environmental laws and regulations and have specific operating licences in place. Failure to abide by the laws and/or licensing conditions may have a detrimental effect on IPL's operations and financial performance.	» A comprehensive Health, Safety, Environment and Community (HSEC) management system is in place. » HSEC risk identification, mitigation and management strategies are consistently employed across all sites. » The Group continues to foster and encourage a Zero Harm culture with a focus on leadership development and creating an atmosphere of "Safe Ground" through programs such as SafeTeams. » Systems and procedures are established, documented, implemented and maintained to reduce HSEC risk in all work activities. » The Group has strict processes around the stewardship, movement and safe handling of dangerous goods and other chemicals.

(1) Refer to IPL's Climate Change Policy (available on IPL's website) for further details. We support the international climate agreement developed at the 2015 Paris Conference of Parties, as well as the Nationally Determined Contributions of the countries in which we operate.

Risk Categories	Description and potential consequences	Treatment strategies employed by IPL
Compliance	IPL's business, and that of its customers and suppliers, is subject to various laws, policies and regulatory provisions across the jurisdictions in which it operates, including anti-bribery and corruption laws, sanctions, anti-trust laws, modern slavery, domestic or international laws relating to import and export quotas, tariffs and geopolitical risk. Failure to abide by these laws and regulatory provisions may adversely impact its business, financial condition and operations. IPL is also exposed to potential regulatory actions, legal claims or other disputes in the course of its business and in connection with its operations.	» Corporate functions are in place to ensure regulatory risks are identified and addressed, including regular reviews of country regulatory risk, comprehensive checks of customers and suppliers for compliance with relevant sanctions and modern slavery laws, and the undertaking of due diligence processes as required. » IPL has dedicated business processes to monitor and manage the compliance requirements for ethical procurement, including modern slavery. » IPL engages with governments and other key stakeholders to ensure potential adverse impacts of regulatory changes are understood and, where possible, mitigated. » Regular training is provided to relevant staff on their obligations under applicable laws. » IPL's whistleblower hotline allows employees and third parties to anonymously notify the Company of any suspected fraudulent, illegal or unethical activity.
People	IPL operates in regional and remote locations where it can be difficult to attract and retain critical and diverse talent. A shortage of skilled labour or loss of key personnel could disrupt IPL's business operations or adversely affect financial performance. Changes in employment and workplace relations laws across several jurisdictions within which IPL operates is increasing the coverage of collective agreements, placing upward pressure on remuneration and creating the need for new methods of workplace engagement. There is a possibility of increased industrial action as a result of these changes.	» Critical roles are identified and policies implemented to help ensure that appropriate succession and retention plans are in place for those roles. » Employee remuneration and benefits are actively monitored and benchmarked to ensure competitive offerings to attract and retain staff. » Active monitoring is in place to ensure compliance with employment laws and industrial instruments. » IPL has capable leaders who engage directly with their teams, experienced internal employee relations specialists, and constructive relationships with relevant trade unions.
Manufacturing	IPL's manufacturing systems are vulnerable to equipment breakdowns, energy or water disruptions (including high baseline water stress, resulting from climate change), natural disasters and severe weather events, unforeseen human error, legacy design issues, sabotage, terrorist attacks and other unforeseen events which may disrupt operations and materially affect financial performance. Sulphuric acid is a major raw material required to produce ammonium phosphates. Sulphuric acid supply into Phosphate Hill could be negatively impacted, should the Mt Isa Mines copper smelter close. Failure to access suitable ore reserves, due to a lack of resource verification or resulting from cultural heritage considerations, may result in a shortening of Phosphate Hill's operational life. In September 2024, IPL announced a strategic review of assets within the fertiliser business (IPF). The outcome of this review may result in the closure of fertiliser manufacturing facilities held within IPF. Should IPL decide to close these facilities, it is possible that closure and remediation costs could exceed provisions already made.	» The Group continues to implement its Operations Risk Management (ORM) Program designed to effectively manage material operations risks. » The Group has implemented global engineering standards and processes to prevent reliability related events. » IPL undertakes business continuity planning and disaster preparedness across all sites. » Insurance is obtained to ensure the appropriate coverage is in place with regard to damage to the Group's plants, property and related business interruption costs. » Glencore recently announced that it expects the operation of the smelter to continue to 2030 pending capital approvals and we are continuing to work on alternative sources to mitigate the loss of sulphuric acid due to potential closure or reduced production. » A life of mine project is currently underway at Phosphate Hill. Discussions with traditional owners in relation to access to potential mine areas are also ongoing. » IPL develops and updates closure and rehabilitation estimates in accordance with applicable Accounting Standards and regulatory requirements.
Gas Supply	There is a risk that a reliable, committed source of natural gas (a major input required for ammonia production) at economically viable prices may not be available for IPL's global manufacturing operations.	» Medium term gas contracts are in place for the Australian manufacturing sites. The contracts have various tenures and pricing mechanisms. IPL sources replacement gas, when required, from a mix of third-party sources and explores new gas supply arrangements as part of ongoing operations. » The natural gas market in the United States is deep and liquid.
Customer	IPL has strong relationships with key customers and these relationships are fundamental to the Group's financial performance. The loss of key customer(s) may have a negative impact on the Group's financial performance.	» The Group attempts to diversify its customer base and geographical segments to reduce the potential impact of the loss of any single customer. » Where practical, for customers in the Explosives sector, IPL prefers to engage in long term customer contractual relationships. » Ongoing investment in development and commercialisation of differentiated products and services.

Risk Categories	Description and potential consequences	Treatment strategies employed by IPL
Supply Chain	Disruption to the timeliness and economic supply of key raw materials represents a potential risk to the Group's ability to manufacture and supply products. In some markets in which IPL operates, economic supply of key raw materials is reliant on only a few external parties and in some cases, only one. In some markets, the availability of transportation routes for moving materials is reliant on only a few external parties. There is a risk that if these transportation routes or methods are disrupted, IPL's manufacturing and distribution capacities may be reduced, impacting plant uptime and earnings.	» Where possible, flexible supply chain and alternative sourcing solutions are explored and maintained as a contingency. » Reviews of single-point sensitivity exposures within IPL's supply chain are undertaken and IPL is actively seeking to reduce single source supply sensitivity. » Plants have storage capacity, as well as logistics capability, that allows for offtake to be distributed via various channels, including via rail, truck, barge and pipeline. » More detail on management strategies to mitigate the impacts of future extreme weather events on IPL's supply chains are described in IPL's 2023 Climate Change Report.
Commodity Price	The pricing of internationally traded commodities is based on international benchmarks and is affected by global supply and demand forces. Price fluctuations in these products, combined with fluctuations in foreign currency exchange rates, particularly the A$/US$ rate, could adversely affect IPL's manufacturing operations and financial performance. Weaker hard and soft commodity prices could have an adverse impact on customers' demand, impacting volume and market prices.	» IPL manages commodity price risk via a trading book approach including value at risk modelling which allows the business to better manage its short and medium-term exposures to commodity price fluctuations, while taking into account its commercial obligations and the associated price risks. » The Group may enter into derivative contracts, where available on a needs basis, to mitigate commodity price risk. However, in some instances price risk exposure cannot be economically mitigated by either contractual arrangements or derivative contracts. » To ensure volume and price commitments are upheld, the Group has firm customer supply contracts. » The Group also has internal currency risk and hedging policies.
Demand	The current global economic and business climate, energy situation, and any sustained downturn in the North American, South American, Asian, European or Australian economies may adversely impact IPL's overall performance by affecting demand for industrial explosives, industrial chemicals and fertilisers and related products and services, and profitability in respect of them. Seasonal conditions (particularly rainfall) are a key factor for determining demand and sales of explosives and fertilisers. Any prolonged change in weather patterns and severity of adverse weather conditions, as well as changes to growing regions in the Fertiliser business, could impact the future profitability and prospects of IPL.	» Diversification across explosives and fertilisers markets, including across numerous geographically diverse locations and through exposure to, and diversity across, varied market segments, helps manage exposures. » Continuous review of country specific risks helps proactive management of potential exposures. » The Company's Integrated Business Planning process incorporates forecasting on a rolling 24-month basis which enables scenario planning and some supply flexibility. Forecasts are based on typical weather conditions and are reviewed on an ongoing basis as the seasons progress to help align supply to changing demand. » IPL also completes annual strategic reviews, which include a deep dive into the different markets and segments within which IPL operates.
Finance	Foreign exchange movements against the Australian dollar, movements in interest rates and imposition or removal of tariffs may materially affect IPL's financial performance. Changes in tax legislation or compliance requirements in the jurisdictions in which IPL operates may result in additional compliance costs and/or increased risk of regulatory action.	» IPL's capital management strategy is aimed at maintaining an investment grade credit profile, an appropriate mix of A$/US$ debt, funding flexibility by accessing different debt markets and reducing refinancing risk by ensuring a spread of debt maturities. A detailed discussion of financial risks is included in Note 18 (Financial Risk Management). » Financial risk management is undertaken in accordance with policies, including hedging strategies, that are approved by the Board. » IPL engages with governments and other key stakeholders to ensure potential adverse impacts of proposed fiscal and/or tax changes are understood and, where possible, mitigated.
Security	IPL's operations are potentially exposed to sabotage, terrorist attacks and other unforeseen events which may disrupt IPL's operations and supply chain and materially affect its financial performance.	» The Group has strict processes around the stewardship, movement and safe handling of dangerous goods and other chemicals. » IPL undertakes business continuity planning and disaster preparedness across all sites.

Risk Categories	Description and potential consequences	Treatment strategies employed by IPL
Cyber	Loss or exposure of sensitive data relating to IPL or its internal or external stakeholders may result in a negative impact to reputation or competitive advantage, and potential breach of regulatory compliance obligations. IPL may be the target of cyber-attacks which could result in commercial, financial, health and safety, environmental, community or reputational impacts.	» Policies, procedures and practices are in place regarding the use of company information, personal storage devices, IT systems and IT security. » Assurance of cybersecurity program and controls effectiveness is validated through annual audits, penetration testing, disaster recovery testing, third-party risk assessments, tabletop exercises, and critical control verifications. » A data breach response plan has been established to respond to, and mitigate the effects of, any instances of sensitive data breaches that may occur. This plan provides a clear escalation path to the Global Crisis Management Team in the event of a broad cybersecurity incident. » Security Operations Centre, threat intelligence, advanced threat analytics, system/network controls and industry standard cyber frameworks are collectively leveraged for the prevention and detection of, and response against, cyber threats. » To ensure a degree of risk transfer in the event of a major cyber security incident, IPL retains a cyber insurance policy.

Introduction from the Chair of the People and Remuneration Committee

Dear Shareholders,

On behalf of the Board, I am pleased to present the Remuneration Report for FY24 which sets out the remuneration arrangements for the Executive Key Management Personnel (KMP) and the Non-executive Directors.

Our approach

The Board's objective is to ensure our remuneration framework provides a bridge between Group and individual performance and the creation of shareholder value, whilst supporting alignment with our other key stakeholders.

We measure performance using targets that align to IPL's values, long-term strategy and metrics, shorter term financial targets and relevant individual goals.

Financial Year 2024 in review

FY24 saw the continuation of our multiyear strategic repositioning of the Group to focus on our world leading global explosives business – Dyno Nobel. Following the closure of the Gibson Island ammonia manufacturing facility in January 2023 and the sale of our Waggaman, Louisiana (WALA) facility in December 2023, efforts were focused on continuing the process of structural separation of the Australian Fertilisers business, and improving commercial outcomes in our explosives business.

In January we welcomed our new CEO & Managing Director (CEO & MD), Mr Mauro Neves, and under his leadership, the Executive Leadership Team commenced work in earnest on a business transformation program to drive operational efficiency and profitability in the Group. We launched a refreshed strategy in September focused on delivering long-term value creation and our plan to become the leading global explosives business.

Whilst FY24 statutory financial results reflected the impact of the significant restructuring of our business portfolio[(1)], underlying earnings performance was strong across the Group led by the Dyno Nobel business with Dyno Nobel Asia Pacific (DNAP) achieving record EBIT, up 36% on the previous year and Dyno Nobel Americas (DNA) up 6% on last year. The earnings contribution from the Australian Fertilisers business, EBIT down 10%, was impacted by unplanned plant outages at Phosphate Hill in the first half but the distribution business delivered a record year. Pleasingly, the second half was stronger than the first reflecting both market conditions, but also the early impacts of our business transformation program.

Climate change initiatives delivered strong results with the tertiary nitrous oxide (N_2O) abatement at the nitric acid plant at Moranbah now operational (7% reduction) and the abatement at Louisiana, Missouri (LOMO) (19% reduction) on track for installation in 2025.

In February, we tragically lost an IPL employee in a car accident on a public road in Australia. Her death has reinforced our focus on risk management across all our sites globally. In other respects, Health, Safety & Environment (HSE) outcomes for the year were mixed. TRIFR[(2)] increased this year with a Group TRIFR of 1.08 in FY24 above the target of 0.80 and there was an increase in Tier 1 and Tier 2 incidents compared to FY23. This was balanced by being able to sustain our excellent environmental performance across the company, with Zero Significant Environmental Incidents. Nevertheless, in recognition of the loss of our colleague, the Board and management agreed that Executive KMP would forfeit the safety component of their Short Term Incentive (STI) for FY24.

The termination of the Australian Fertilisers sale process in July triggered a review of the carrying value of the Australian Fertilisers business in the Group Balance sheet at the half year resulting in a non-cash impairment of $498m. A further write down of $393m has been recognised in the full year accounts. These write downs largely reflect the impact of the challenges in the Australian east coast gas market in relation to both price and certainty of supply. In view of the failure to complete this important strategic transaction, the Board and management team agreed to a moderation of Strategic Objective outcomes in the FY24 STI for all Executives, regardless of their involvement with the transaction (see below and section 2.3). The management team is now progressing the sale of the assets and operations individually with a view to maximising value.

In the US, a sales process is underway in relation to our manufacturing facility at St Helens. The process triggered a review of the carrying value of that asset resulting in a $100m impairment.

The termination of the Australian Fertilisers sale process enabled the Group to commence the return of capital to shareholders. Of the $1.4bn commitment, we have returned $649m as at 30 September by way of capital return, special dividend and share buyback.

The Board has declared a final dividend of 6.3c per share bringing the total ordinary dividends per share to 10.6c per share for the year in addition to the capital return.

Key Management Personnel changes in FY24

As mentioned above, in January 2024 Mr Neves commenced as CEO & MD.

Mr Paul Victor served as Interim CEO until the appointment of Mr Neves before returning to his substantive position as Chief Financial Officer (CFO). In October, we announced that Mr Victor will leave the Company in February 2025. The Board wishes to thank Mr Victor for his strong contribution to IPL both as CFO and as Interim CEO. Mr Scott Bowman was appointed President, IPF with effect from 1 June 2024. Prior to this time Mr Bowman had served as Interim President, IPF.

Mr Brian Kruger, Mr George Biltz and Dr Xiaoling Liu ceased as Non-executive Directors during the year. Ms Fiona Hick was appointed as an Independent Non-executive Director with effect from 1 September 2024.

Remuneration Framework changes in FY24

On the appointment of Mr Neves as CEO & MD, the Board took the opportunity to review the Executive Remuneration Framework for the Group to more strongly align remuneration arrangements with the creation of long-term shareholder value, and, in particular, align with the achievement of stretch outcomes over the coming three year period through the business transformation program.

The CEO & MD's remuneration package was restructured. Fixed annual remuneration (FAR) and STI opportunity were decreased compared to the previous incumbent and the CEO's long-term incentive (LTI) grant opportunity was increased to 200% to further align to longer-term shareholder returns.

Following extensive consultation with shareholders and proxy advisers in October/November 2023 and as discussed at our Annual General Meeting in December 2023, the LTI program for the 2023/26 grant consists of both a grant of Performance (Rights) and a one-off grant of Share Options (Options) aligned to the achievement of stretching, shareholder value aligned Absolute Total Shareholder Return (Absolute TSR) targets (see section 4). The grant under the LTI 2023/26 will be made to the CEO & MD following approval by shareholders at the upcoming 2024 Annual General Meeting.

The measures for the Rights have also been simplified from previous years and will vest depending upon the achievement of Relative Total Shareholder Return (Relative TSR) and Return on Invested Capital (ROIC) performance measures.

(1) Profit attributable to IPL members, including individual material items (-$310.9m).

(2) Total Recordable Injury Frequency Rate.

To align with the restructuring of the CEO's remuneration package, the LTI opportunity for Executives was increased from 80% to 120% FAR in the LTI 2023/26 plan and their STI opportunity at target will be decreased from 60% to 50% FAR with effect from FY25.

Finally, KMPs other than the CEO & MD received a FAR increase of 3.2% as of 1 January 2024.

Board fees did not change in FY24.

FY24 outcomes under IPL's Incentive Plans

Short-term incentive

The CEO & MD achieved an STI outcome of 72% of his maximum opportunity and the average Executive KMP STI outcome was 63% of maximum.

At Group level, Headline NPAT (excluding IMIs) was achieved at stretch levels and Adjusted NPAT (excluding IMIs and adjusted for currency and commodity prices) was achieved at between target and stretch.

Strong financial performance in the DNAP business resulted in an Adjusted underlying EBIT outcome of stretch being achieved for the President DNAP. Adjusted EBIT was slightly above target for DNA and did not reach threshold levels for IPF.

Continuing progress on Climate Change measures and positive performance against strategic initiatives including measures linked to our business transformation program, resulted in outcomes ranging from below target to between target and stretch for these measures. As mentioned above, overall STI outcomes for KMP reflect a zero outcome for HSE performance and a moderation of 10 basis points against Strategic Objective outcomes to reflect the termination of the Australian Fertilisers sales process.

Section 2.1 outlines additional information on the Company's FY24 performance and resulting outcomes are provided in section 2.3 of this report.

Long-term incentive

The four metrics for the LTI 2021/24 plan were Relative TSR, ROIC, Long-Term Value Metrics (LTVM) and Sustainability. Of the 60% of Rights linked to non-TSR performance conditions, 20% will vest (see section 2.5). The Relative TSR condition will be tested following IPL's full year results in November 2024 and the final vesting outcome will be reported at the AGM and in the 2025 Remuneration Report. We anticipate an overall level of vesting between 20% and 50%.

For the LTI 2020/23 plan the testing of performance period for the Relative TSR condition occurred in November 2023, 88.5% of performance rights vested (see section 2.4).

FY25 remuneration framework and KMP changes

The CEO & MD will receive a FAR increase of 8%, resulting in a new FAR of $1.35m, effective January 2025. The FAR increase reflects his strong performance in the role since commencement. Mr Hayne also received a FAR increase to reflect his new role as President, DNA (see section 5 for further details). No other Executive KMP received a FAR increase.

As mentioned above, in FY25 the target and maximum STI opportunity for KMP, other than the CEO & MD, will be reduced from 60% FAR (at target) and 120% FAR (at maximum) to 50% FAR (at target) and 100% FAR (at maximum). This change reflects the increased weighting towards the LTI for Executive KMP (120% FAR). The FY25 STI target and maximum opportunity for the CEO & MD will remain at the same level.

The Board has also reviewed the arrangements for STI deferral. With effect from FY25, 50% of STI awards for the CEO & MD and 25% for other Executives will be deferred for a minimum period of 12 months, amending the previous practice where STI was paid entirely in cash once an executive met their Minimum Shareholding Requirement (MSR). In addition, the MSR has been increased to 100% of FAR for Executives other than the CEO & MD, whose MSR is set at 200% FAR. For further information on the FY25 remuneration framework (see section 5).

Following the one-off grant of Options in the LTI 2023/26, the LTI 2024/27 scheme will revert to a grant of Rights only. The Board reviewed the performance measures for the LTI 2024/27 and resolved to amend the measures to reflect equal weightings to Relative TSR and Absolute TSR, rewarding participants for delivering improved performance relative to ASX100 peers as well as in absolute shareholder return terms. Whilst improving ROIC will remain an important target for the Group, the Board felt that the extent of adjustments necessary to this measure as a consequence of the material movements in the Group's assets over the coming period, would require considerable judgement, making this measure less transparent than Relative TSR and Absolute TSR in the short term. Further, the Board believes that improved ROIC will be needed to achieve the Absolute TSR targets. The Board will consider the reintroduction of a ROIC component to the LTI program following the completion of the disposal of the business and assets of the Australian Fertilisers business (see section 5).

Following an internal reorganisation of the Executive Leadership Team, with effect from 1 October 2024, Mr Greg Hayne has assumed the role of President – Dyno Nobel Americas and Dr Braden Lusk has assumed the role of Chief Technology and Marketing Officer and will no longer be a KMP. In October, we announced that Ms Tanya Rybarczyk will join the Company in early 2025 as President, DNAP.

As mentioned above, Mr Victor will leave IPL on 15 February 2025. Mr Victor will receive his contractual entitlements up to that date including a payment equivalent to 6 months FAR on cessation of employment. His outstanding LTI awards will be prorated to 15 February 2025 and will remain on foot to be tested in the ordinary course. He will not participate in FY25 STI or LTI 2024/27 plans. We anticipate announcing Mr Victor's replacement in early 2025.

In FY25, the Chair has agreed to reduce his fee by 6% and fees for Non-executive Directors will move to a composite fee reflecting the practice of most directors to attend all Committee meetings. The change to these arrangements will result in the total fees paid to directors being broadly equivalent on an annualised basis.

Thank you for your ongoing support of IPL and of our remuneration practices.

Tonianne Dwyer
Chair, People and Remuneration Committee

REMUNERATION REPORT

Remuneration Report

Contents

1. Introduction and Remuneration Report Summary

The Directors of IPL present the Remuneration Report prepared in accordance with the *Corporations Act 2001 (Cth)* for the Company for the year ended 30 September 2024. This Remuneration Report is audited.

This Remuneration Report sets out remuneration information for KMP who had authority and responsibility for planning, directing and controlling the activities of the Company during the 2024 financial year, being each of the Non-executive Directors and designated Executives. The use of the term "Executives" in this report is a reference to the CEO & MD and certain direct reports during the 2024 financial year. Refer to Table 1 below for all individuals comprising IPL's KMP for the 2024 financial year. All KMP held their positions for the entirety of the 2024 financial year, unless noted otherwise.

Table 1 – Individuals forming IPL's KMP for the 2024 reporting period

Non-executive Directors	
Current	
Mr Gregory Robinson(1)	Chair and Independent Non-executive Director
Mr Bruce Brook	Independent, Non-executive Director
Mr Michael Carroll	Independent, Non-executive Director
Ms Tonianne Dwyer	Independent, Non-executive Director
Ms Fiona Hick(2)	Independent, Non-executive Director
Mr John Ho	Non-Independent, Non-executive Director
Former	
Mr Brian Kruger(3)	Chair and Independent, Non-executive Director
Mr George Biltz(4)	Independent, Non-executive Director
Dr Xiaoling Liu(5)	Independent, Non-executive Director
Executives	
Current	
Mr Mauro Neves(6)	CEO and Managing Director
Mr Paul Victor(7)	Chief Financial Officer
Mr Greg Hayne(8)	President, Dyno Nobel Asia Pacific
Dr Braden Lusk(9)	President, Dyno Nobel Americas
Mr Scott Bowman(10)	President, IPF

(1) Mr Robinson was appointed as Chair of the Board with effect from 11 November 2023.

(2) Ms Hick was appointed as an Independent Non-executive Director with effect from 1 September 2024.

(3) Mr Kruger ceased as Chair and Non-executive Director on 11 November 2023.

(4) Mr Biltz ceased as a Non-executive Director on 19 December 2023.

(5) Dr Liu ceased as a Non-executive Director on 31 May 2024.

(6) Mr Neves was appointed as CEO & MD with effect from 22 January 2024.

(7) Mr Victor ceased as Interim CEO with effect from 22 January 2024 and returned to his substantive role as CFO with effect from this date.

(8) Effective 1 October 2024, Mr Hayne will assume the role of President, Dyno Nobel Americas.

(9) Effective 1 October 2024, Dr Lusk will assume the role of Chief Technology and Marketing Officer and will cease to be KMP from this date.

(10) Mr Scott Bowman was appointed as President, IPF with effect from 1 June 2024.

A summary of the Company's approach to Executive remuneration for the 2024 financial year, including performance conditions and their link to the overall remuneration strategy is set out below:

Our key remuneration principles

IPL's remuneration strategy is designed to support the objectives of the business and to enable the Company to attract, retain and reward Executives of the requisite skill and calibre. The key principles of the Company's remuneration strategy are to:

- » reward Executives for outcomes at both the Group and business unit level that create sustained value for shareholders;
- » require behaviours aligned to Company values, culture and code of conduct;
- » drive strong alignment with shareholder interests;
- » ensure the majority of Executive remuneration is 'at risk' and subject to demanding financial and non-financial performance objectives;
- » be globally competitive to attract and retain talent;
- » reward individual high performance and encourage a one team culture; and
- » ensure the remuneration framework is equitable, transparent, simple to understand, communicate and implement.

Component	Purpose	Link to strategy and performance
Fixed Annual Remuneration *Salary and other benefits* *Refer section 4.2 for further details*	**Reflects the accountabilities and expectations of the role**	Attract, retain and motivate the right talent to deliver on IPL's strategy. Benchmarked against relevant Australian and international peer companies of similar size and complexity. Future increases linked to individual performance and effectiveness whilst continuing to have regard to market relevance.
Short Term Incentive Annual incentive opportunity delivered in cash/restricted shares *Refer section 4.3 for further details*	**Motivate and reward performance aligned to near term strategy and supports longer-term value creation**	Is subject to achieving safety, financial, climate change and individual strategic objectives. Safety performance recognizes our commitment to 'Zero Harm for Everyone, Everywhere'. The financial performance conditions are designed to support the financial direction of the Company (the achievement of which is intended to translate through to shareholder return) and are clearly defined and measurable. Climate Change performance conditions are designed to align with the overall climate change strategy of the business. Key strategic and growth objectives targeted at delivering ongoing benefit to the Company.
Long Term Incentive Delivered through performance rights and a one-off grant of share options. *Refer section 4.4 for more details*	**Support the delivery of outstanding long-term returns to shareholders and align Executive and stakeholder interests through share ownership**	Performance conditions designed to encourage Executives to focus on the key performance drivers which underpin sustainable growth in shareholder value. Subject to three performance hurdles, measured over 3 years: » Performance Rights: Subject to Relative TSR (50%) and ROIC (50%) » Share Options: Subject to Absolute TSR (100%) A one-off grant of share options to create strong shareholder alignment and reward performance over FY24 to FY26 aligned to our transformaiton strategy.

Remuneration outcomes summary

FY24 STI	LTI (2020/23)	Payout
Results **CEO & MD:** 109.2% of target 72.8% of maximum **Other KMP* (average):** 121.3% of target 60.7% of maximum Full details in section 2.3	RTSR: 100% vesting (40%) ROIC: 100% vesting (40%) LTVM: 42.5% vesting (8.5%)	88.5% of total LTI vested Announced at 2023 AGM. Full details in section 2.4
	LTI (2021/24)	**Forecast payout**
	RTSR: Forecast 0% – 30% ROIC: 0% vesting (0%) LTVM: 66.6% vesting (10%) Sustainability: 100% vesting (10%)	20% – 50% of total LTI

*Includes Paul Victor's STI outcome as CFO only

2. Remuneration Outcomes in 2024 Financial Year relative to the 2024 Financial Year Performance

2.1 Analysis of relationship between the Company's performance, shareholder wealth and remuneration

The table below summarises key financial indicators of the performance of the Company and relevant shareholder returns over the current financial year and the preceding four financial years.

Table 2 – Indices relevant to the Board's assessment of the Company's performance and the benefit to shareholders

	2020	2021	2022	2023	2024
NPAT before IMIs and excluding non-controlling interests ($m)	188.2	358.6	1,027.1	582.1	400.8
EPS before IMIs (cents)	10.9	18.5	52.9	30.0	20.7
Share price ($) (Financial Year End)(1)	2.03	2.94	3.51	3.14	3.11
TSR (%) over 3 years(2)	(37)	(25)	24	61	–
ROIC (including goodwill) (%)(3)	4.3	7.7	12.4	6.1	6.3
Dividends per share (DPS) paid in the financial year (cents)	3.4	1.0	18.3	27.0	19.5
DPS declared in respect of the financial year (cents)	–	9.3	27.0	15.0	10.6
On-market share buyback ($m)	–	–	–	–	149.0
Capital return to shareholders of Incitec Pivot Limited ($m)(4)	–	–	–	–	500.0
Equity Raising (net of cost) ($m)	645.5	–	–	–	–

(1) Share Price as at the end of the 2019 financial year was $3.3406.

(2) TSR is calculated in accordance with the rules of the LTI 2020/23, LTI 2021/24 and LTI 2022/25 as been applicable over the three-year performance period, having regard to the volume weighted average price (VWAP) of the shares over the 5 business days immediately following the day that IPL's annual results are released in November. The TSR for LTI 2021/24 was not known at the time of printing and will be disclosed in next year's report.

(3) Current year ROIC % excludes WALA. ROIC for the previous 4 financial years has also be restated to exclude WALA.

(4) Following the sale of WALA, IPL returned approximately $500m to shareholders via a pro-rata capital return including a share capital reduction of $302m and an unfranked special dividend of $198m.

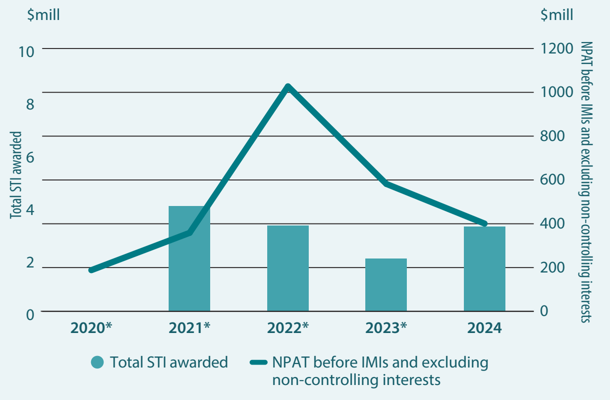
Relationship between the Company's performance and Executive KMP STI outcomes

The below graph shows the relationship between the Company's performance and STI awards for Executive KMP in respect of the year. For the 2024 financial year, Group NPAT (before IMIs and excluding non-controlling interests) decreased by 31.1% to $400.8m. The financial gate for the STI opened as outlined in section 4.3 of this report, resulting in Executives earning on average, 63.2% of Maximum 2024 STI awards.

Relationship between the Company's performance and Executive KMP LTI outcomes

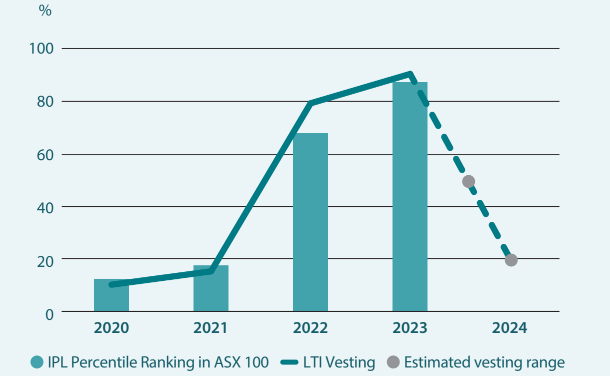
The below graph shows the relationship between IPL's TSR percentile ranking relative to its S&P/ASX 100 peer group over the three years that each plan operated, and the overall LTI vesting percentage that occurred for each plan. The LTI 2020/23 that vested in the 2024 financial year delivered 88.5% of total opportunity available for that plan. The LTI 2021/24 outcomes will be outlined in next year's report (refer to footnote (2) under Table 2 above).

Group performance and STI outcomes



* Includes profit contribution from WALA and Gibson Island.

LTI Vesting %, ASX 100 Percentile Ranking



2.2 2024 Fixed annual remuneration changes

The following changes were made to fixed annual remuneration arrangements for KMP during 2023/2024:

Mr Mauro Neves, CEO & MD, commenced on 22nd January 2024 with a FAR of $1.25m, 36% lower compared to the former MD & CEO.

Mr Scott Bowman, received a FAR of $655,000 with effect from his appointment as President IPF on 1 June 2024.

Other KMPs received a FAR increase of 3.2% as of 1 January 2024.

2.3 2024 STI outcomes

The following table outlines detailed STI outcomes for the CEO & MD. The measures outlined in the table reflect the objectives set for Mr Neves in his role as CEO & MD following his appointment. On appointment as CEO & MD on 22 January 2024, Mr Neves's target STI opportunity was 80% of his FAR with a maximum STI opportunity of 120% of his FAR reflecting a reduced weighting to STI and an increased weighting to LTI compared to the former MD & CEO. The overall STI outcome for Mr Neves reflects his STI opportunities as CEO & MD calculated on a pro-rated basis.

In recognition of the tragic car accident fatality which occurred this year, the Board and Management agreed that notwithstanding Health, Safety and Environment (HSE) assessed outcomes there would be no payment for the HSE component of the STI. The Board and Management also agreed that assessed outcomes for Strategic Objectives for all Executives would be reduced by 10 basis points to reflect the failure to complete the divestment of the Australian Fertilisers business during the financial year. Adjusted outcomes for the Strategic Objectives are shown in brackets below the originally assessed outcome. The total target and maximum opportunity awarded reflect the adjusted outcomes.

The statutory results reflect individually material items of $711.7m (net of tax) in aggregate, resulting in a statutory loss of $310.9m. The Board considered these items in determining Executive STI outcomes and whether it was appropriate for any further adjustments to be made. The Board determined that these items were predominantly as a result of structural challenges in the Australian gas market and were not matters within management control. It concluded that no further adjustment should be made to the overall STI outcomes.

Outcomes have been determined on the basis that the STI Financial Gate of $123.6m NPAT was met. Refer to section 4.3 for detail on the STI Financial Gate.

Measure	Weighting (at Target)	Objective (at Target)	Performance Outcome			Performance against Objective	Weighted Outcome	Commentary
			Threshold	Target	Stretch			
Health, Safety & Environment								
Balanced Scorecard	10%	**Lag Indicators:** Personal Safety; Process Safety; Environmental Incidents. **Leading Indicators:** Significant Event Management; Zero Harm Plan.				Scorecard achieved a threshold result	0%	Group HSE performance was assessed at threshold prior to consideration of the fatality. TRIFR performance and Process Safety (Tier 1 and 2) did not achieve target performance from an overall IPL Group perspective. All other HSE scorecard measures achieved at or above target levels. There was also Zero Signifcant Environmental Incidents, resulting in an overall threshold outcome.
Headline Financial								
Group Headline NPAT (1)	40%	$222m (excluding individually significant items)				$399.9m	60%	An outcome above Stretch was achieved reflecting the strong overall financial performance for the year.
Adjusted Financial								
Group Adjusted NPAT (2)	20%	$222m				$277.2m	28.2%	An outcome between target and stretch was achieved.
Climate Change								
Delivery of various Climate change related projects	10%	Moranbah tertiary abatement, Loop Purge and Waste Mine Gas readiness assessment Louisiana, Missouri (LOMO) Abatement Project and DNA Sustainability Plan				Projects achieved at target	10%	Moranbah tertiary abatement project was achieved at stretch level performance, mitigated by partial deferral of Loop Purge Gas project into FY26. LOMO project is progressing on time and on budget.
Individual Objectives								
Strategic objectives	20%	Initiatives aligned to IPL's business transformation program, including financial performance, cultural transformation, strategy and Australian Fertilisers divestment				Projects achieved between target and stretch	21% (11%*)	Individual strategic objectives aligned to IPL's business transformation program were achieved between target and stretch reflecting strong delivery on the business transformation program and development of the Dyno Nobel brand.
Overall STI Outcome			**% of Target Opportunity Awarded** **% of Maximum Opportunity Awarded**				**109.2%** **72.8%**	

(1) In the 2023 Remuneration Report it was reported that the weighting to Group Headline NPAT for the Interim CEO would be 20% and a 40% weighting Group Adjusted NPAT in FY24. For both Mr Neves as CEO & MD and Mr Victor in his role as Interim CEO, the correct weighting for FY24 is 40% weighting to Group Headline NPAT and 20% Group Adjusted NPAT.

(2) Adjusted means that results have been normalised to remove the impact of foreign exchange and commodity price movements.

The measures in the table below reflect the objectives set for Mr Victor in his roles as Interim CEO and CFO. Outcomes for Mr Victor were assessed against scorecards as Interim CEO for the period between 1 October 2023 to 21 January 2024 and as CFO from 22 January 2024 to 30 September 2024. As Interim CEO, Mr Victor's target STI opportunity was 100% of his FAR (including the higher duties allowance) with a maximum STI opportunity of 150% of his FAR (including the higher duties allowance). As CFO, Mr Victor's target STI opportunity is 60% of his FAR with a maximum STI opportunity of 120% of his FAR. The overall STI outcome for Mr Victor reflects his STI opportunities as both Interim CEO and CFO, calculated on a pro-rated basis.

Interim CEO

Measure	Weighting (at Target)	Performance Outcome			Weighted Outcome	Result % Target / % Max	Commentary
		Threshold	Target	Stretch			
Health, Safety & Environment (HSE)	10%				0%		Group HSE performance was assessed at threshold prior to consideration of the fatality. Headline NPAT was above stretch and Adjusted NPAT was between target and stretch, reflecting the strong overall financial performance for the year. Climate Change metrics linked to the progress of abatement projects at Moranbah and LOMO were assessed at target. Individual Strategic Objectives aligned to the period Mr Victor was Interim CEO including Waggaman handover, and capital measures were assessed at above target. Metrics relating to culture improvement were assessed at target. Measures relating to the structural separation of the Australian Fertlisers business were assessed below Threshold, resulting in an overall Target outcome for this measure.
Group Headline NPAT	40%				60%		
Group Adjusted NPAT	20%				28.2%	108.2%	
Climate Change	10%				10%	(Target)	
Individual Strategic Objectives	20%				20% (10%*)	72.1% (Max)	

*Overall Individual Strategic Objective outcomes were reduced by 10 basis points reflecting the failure to complete the divestment of the Australian Fertilisers business.

Stretch · Between Target & Stretch · Target · Between Threshold & Target · Threshold · Below Threshold

CFO

Measure	Weighting (at Target)	Performance Outcome: Threshold	Target	Stretch	Weighted Outcome	Result % Target / % Max	Commentary
Health, Safety & Environment (HSE)	10%				0%	141.7%	Group HSE performance was assessed at threshold prior to consideration of the fatality. Headline NPAT was above stretch and adjusted NPAT was between target and stretch, reflecting the strong overall financial performance for the year. Climate Change metrics aligned to projects being achieved within budget and Internal Rate of Return performance was between target and stretch, Individual Strategic Objectives aligned to IPL's business transformation program were achieved between target and stretch.
Group Headline NPAT	20%				40%	(Target)	
Group Adjusted NPAT	40%				72.7%	70.9%	
Climate change	6%				9%	(Max)	
Individual Strategic Objectives	24%				30% (20%*)		

Individual STI outcomes for other Executive KMP are summarised below.

Executive KMP	Objectives	Weighting (at Target)	Performance Outcome: Threshold	Target	Stretch	Weighted Outcome	Result % Target / % Max	Commentary
G Hayne	Health, Safety & Environment (HSE)	10%				0%	155%	DNAP HSE performance was assessed at below threshold prior to consideration of the fatality. Headline NPAT and Adjusted EBIT ($256.7m) was above stretch ($210m) reflecting the strong earnings performance of the Dyno Nobel Asia Pacific business. Strong progress was made on climate change objectives aligned to the Moranbah tertiary abatement project. Individual strategic objectives were delivered between target and stretch.
	Headline NPAT	20%				40%	(Target)	
	Adjusted EBIT	40%				80%	77.5%	
	Climate Change	10%				15%	(Max)	
	Individual Strategic Objectives	20%				30% (20%*)		
B Lusk	Health, Safety & Environment (HSE)	10%				0%	106.3%	DNA HSE performance was assessed at target prior to consideration of the fatality. Headline NPAT was at Stretch and Adjusted EBIT (US$128.9) was just above target. Dr Lusk delivered outstanding outcomes against his individual Climate Change measures aligned to LOMO Abatement Project and DNA Sustainability Plan, resulting in a stretch outcome. Individual Strategic Objectives were delivered between threshold and target, reflecting partial achievement of these objectives.
	Headline NPAT	20%				40%	(Target)	
	Adjusted EBIT	40%				20%	53.2%	
	Climate Change	10%				20%	(Max)	
	Individual Strategic Objectives	20%				16% (6%*)		
S Bowman	Health, Safety & Environment (HSE)	10%				0%	82%	IPF HSE performance was assessed at below threshold prior to consideration of the fatality. Headline NPAT was above stretch and Adjusted EBIT was below threshold. Stretch performance was achieved on Climate Change measures aligned to Energy Efficient Fertilisers and Easy Liquids business performance. Individual Strategic Objectives were also achieved between Target and Stretch reflecting outcomes aligned to the on-going strategic review of the Australian Fertilisers business.
	Headline NPAT	20%				40%	(Target)	
	Adjusted EBIT	40%				0%	41%	
	Climate Change	10%				20%	(Max)	
	Individual Strategic Objectives	20%				32% (22%*)		

*Overall Individual Strategic Objectives were reduced by 10 basis points reflecting the failure to complete the divestment of the Australian Fertilisers business.

Stretch · Between Target & Stretch · Target · Between Threshold & Target · Threshold · Below Threshold

Table 3 – Short-term incentives awarded for the year ended 30 September 2024

Details of the vesting profile of the STI payments awarded for the year ended 30 September 2024 as remuneration to each Executive are set out below:

	Short-term incentive for the year ended 30 September 2024				
	Cash STI $000	Minimum share holding allocation[(A)] $000	Included in remuneration $000	% earned of maximum opportunity	% forfeited of maximum opportunity
Executives – Current					
M Neves[(1)]	378	377	755	73	27
P Victor[(2)]	969	–	969	71	29
G Hayne	739	–	739	78	22
B Lusk	609	–	609	53	47
S Bowman[(3)]	135	27	162	41	59

(A) Under the terms of the 2024 STI, to the extent that Executives have not achieved their MSR the following applies: 50% of the CEO & MD's award is delivered in cash and the remainder is delivered in restricted shares. For all other Executives, 75% of their award is delivered in cash and the remainder is delivered in restricted shares. Cash is generally paid and shares generally allocated around December.

(1) Mr Neves was appointed CEO & MD with effect from 22 January 2024 and his STI outcome reflects his pro-rated opportunity from this date.

(2) Mr Victor ceased as Interim CEO and returned to his substantive role as CFO with effect from 22 January 2024 and the % of maximum opportunity earned and forfeited reflects his STI opportunity as CFO. Mr Victor will cease employment with IPL on 15 February 2024 and the Board determined that Mr Victor will receive 100% of his FY24 STI in cash.

(3) Mr Bowman was appointed as President, IPF with effect from 1 June 2024 and his STI outcome reflects his pro-rated opportunity from this date. During the year, Mr Bowman also earned a partial payment under retention arrangements put in place in 2023 to secure his continued support while the company pursued the demerger or sale of IPF. This equated to a total payment of $163,750 of which $54,000 is disclosed in Cash STI, reflecting the period Mr Bowman was a KMP during the year..

2.4 LTI 2020/23 outcomes

The performance period for the Absolute ROIC and Long-Term Value Metrics conditions of the LTI 2020/23 ended on 30 September 2023 and the outcomes were reported in the 2023 Remuneration Report. The performance period for the Relative TSR Condition ended five days following the Company's full year results in November 2023. In the 2023 Remuneration Report, the Relative TSR component of the LTI 2020/23 was not known at the time and we expected vesting to be around 65% – 88.5% of maximum opportunity. Following testing against all performance conditions, the Board determined that 88.5% of the performance rights granted under the plan vested (with the remaining 11.5% lapsing). This is in line with the estimated vesting outlined to shareholders in the 2023 Remuneration Report.

2.5 LTI 2021/24 outcomes

The performance period for the Absolute ROIC, Sustainability (Climate Change) and Long-Term Value Metrics conditions of the LTI 2021/24 ended on 30 September 2024. The performance period for the Relative TSR condition will end after the disclosure of the Company's full year results in November 2024 and therefore after the date of this report.

Absolute ROIC – 35% of award

In relation to the conditions that can be reported for the LTI 2021/24 to date, 35% allocated to Absolute ROIC will not vest as the Company's ROIC Performance over the period was 6.3% and therefore below threshold performance of 6.4%.

Long-Term Value Metrics – 15% of award

The Board determined 66.67% of the 15% allocated to Long-Term Value Metrics will vest. Commentary on the performance against the Long-Term Value Metric Condition is set out in the following table.

Long-Term Value Metric Condition	Objectives	Performance Outcome			Commentary
		Threshold	Target	Stretch	
Manufacturing Excellence	Improvement in the average Reliability across IPL's key manufacturing plants (Waggaman, Moranbah and Phosphate Hill) against the historical baseline average (85%).				The threshold level of reliability performance of 90% weighted average was not met with the overall weighted average reliability outcome of 87.4%. Moranbah achieved between target and stretch and Waggaman was assessed at above stretch. Phosphate Hill delivered reliability below threshold.
Customer, Practical Technology & Innovation	Revenues from Technologies: cumulative growth in total margin from sales of certain technologies.				The stretch target for this metric was 6% compound annual growth (CAGR) over the 2021 baseline fully absorbed margin per metric tonne for DNA and DNAP. An outcome of 7.67% CAGR was attained which was above stretch.
	Explosives Global Growth: Growth in EBITDA across LATAM and EMEA regions				The stretch metric of achieving EBITDA of A$30 million in FY24 was exceeded.
	Vesting for this component (%)		**66.7%**		**Having regard to the outcomes in relation to the input and output measures, the Board determined that 66.7% of the performance goals were delivered against the balanced scorecard**

Stretch · Between Target & Stretch · Target · Between Threshold & Target · Threshold · Below Threshold

Sustainability (Climate Change) – 10% of award

Sustainability measures under the LTI 2021/24 are determined by the Board's assessment of material progress towards IPL's 2030 Targets, developing the scope 3 emission reduction strategy and making material progress on implementation, including:

(i) Moranbah tertiary abatement project; and

(ii) Waggaman sequestration.

In considering the outcome under this measure, the Board considered progress made towards IPL's 2030 Targets and scope 3 emission reduction strategy, including:

- Moranbah Tertiary N_2O abatement has been successfully installed. The installation of this tertiary abatement will further reduce scope 1 Greenhouse Gas emissions (GHG) by approximately 11% of Dyno Nobel's and 7% of IPL's global operational GHG. This achievement also completes the work necessary to achieve our short-term absolute reduction target in GHG of 5% by 2025; and
- Waggaman sequestration proceeded well up until the disposal of the plant by IPL. Until the Waggaman sale was completed to CF Industries Holdings, IPL continued to progress work towards implementation of a Carbon Capture Facility (CCF) designed to capture the pure stream of CO_2 created during the ammonia manufacturing process. This included the internal selection of a preferred partner. The targeted commissioning date of the CCF facility was 2026 at the time of the sale.

In addition, the Board considered progress on other key initiatives including progression of Louisiana, Missouri (LOMO) Tertiary N_2O Abatement Project, with installation confirmed for 2025. Based on its overall assessment, the Board determined that the full 10% allocated to the Sustainability measure will vest.

Relative TSR – 40% of award

Current projections suggest the Relative TSR component (worth 40%) may partially vest as a result of IPL's TSR being above the 50th percentile performance against the ASX 100 index.

Total vesting of the LTI 2021/24 is therefore currently expected to be in the range of 20% – 50% of maximum opportunity.

Details of the number of rights vested and lapsed in relation to each of the performance conditions attached to this tranche, will be updated at the upcoming Annual General Meeting and reported in full in the 2025 Remuneration Report.

Table 4 – Value of equity granted to Executive KMP during FY24

The table below presents the equity granted to Executive KMP during financial year 2024.

	Equity granted in the year ended 30 September 2024				
	Options LTI 2023/26[(A)] $000	Rights LTI 2023/26[(A)] $000	FY23 STI Deferred Shares[(B)] $000	Additional Rights[(C)] $000	Totals $000
Executive KMP – Current					
M Neves[(1)]	–	–	–	–	–
P Victor	586	590	140	42	1,358
G Hayne	501	505	–	72	1,078
B Lusk	613	617	97	80	1,407
S Bowman	413	139	–	–	552

(A) Due to vest in September 2026 subject to satisfaction of performance conditions. Rights and Options include the Capital Return Dilution compensation granted 29 August 2024. VWAP at allocation of performance Rights $2.8512 and Options valued at $0.33.

(B) STI Deferred Shares awarded are subject to a maximum deferral period of 15 years from the STI offer date. VWAP at allocation $2.9664.

(C) LTI 2021/24 and LTI 2022/25 capital return compensation granted 29 August 2024.

(1) The number of Rights and Options for Mr Neves has been determined using the same allocation methodology as for other Executives. Subject to shareholder approval being received, the number of Rights to be granted are 371,360 (value of $1.059m) and the number of Options to be granted are 4,779,656 (value of $1,576m). Total $2,635m.

Table 5 – Actual pay

The table below provides a summary of actual remuneration paid to the Executives in the 2024 financial year. The accounting values of the Executives' remuneration reported in accordance with the Accounting Standards may not always reflect what the Executives have actually received, particularly due to the valuation of share-based payments. The table below seeks to clarify this by setting out the actual remuneration that the Executives have been paid and rights that vested during the 2024 financial year. The STI shown in the table below relates to the STI awarded in the 2023 financial year and paid in the 2024 financial year. STI awarded in relation to the 2024 financial year will be paid during the 2025 financial year.

Executive remuneration details prepared in accordance with statutory requirements and the Accounting Standards are presented in Table 9 of this report.

		Salary & Fees	Short term incentive & other bonuses[(A)]	Other short-term benefits[(B)]	Superannuation / Pension benefits	Other long-term benefits[(C)]	Termination benefits	Total
	Year	$000	$000	$000	$000	$000	$000	$000
Executive KMP – Current								
M Neves[(1)]	**2024**	**848**	**–**	**–**	**21**	**–**	**–**	**869**
CEO & MD								
P Victor[(2)]	**2024**	**1,003**	**708**	**177**	**28**	**–**	**–**	**1,916**
CFO	2023	984	161	170	32	–	–	1,347
G Hayne[(3)]	**2024**	**760**	**393**	**102**	**28**	**764**	**–**	**2,047**
President, Dyno Nobel Asia Pacific	2023	898	644	1	26	463	–	2,032
B Lusk[(3)]	**2024**	**1,001**	**388**	**126**	**30**	**871**		**2,416**
President, Dyno Nobel Americas	2023	973	643	30	24	176		1,846
S Bowman[(4)]	**2024**	**209**	**–**	**–**	**10**	**–**	**–**	**219**
President, IPF								
Executives – Former								
J Johns[(5)]	**2024**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Managing Director & CEO	2023	1,139	1,574	59	–	2,127	51	4,950
S Titze[(6)]	**2024**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
President, IPF	2023	–	410	–	–	–	360	770
Total Executives	**2024**	**3,821**	**1,489**	**405**	**117**	**1,635**	**–**	**7,467**
	2023	3,994	3,432	260	82	2,766	411	10,945

(A) Disclosure for Mr Victor includes the value of the second tranche of rights granted to Mr Victor on commencement of employment as outlined in Table 7.

(B) Other short-term benefits include rent and mortgage interest subsidies, dividend equivalent payments, relocation allowances and other allowances, where applicable. Other short-term benefits for Mr Hayne and Dr Lusk include the value of dividend and capital return equivalent payments made in relation to the delayed vesting of the LTI 2020/23.

(C) Other long-term benefits include any long service leave paid and the value of shares that vested under the Group's LTI plans. Long-Term Incentives include all plan-related instruments that vested during the year. The theoretical cash price is based on the IPL share price on the day that shares were purchased.

(1) Remuneration for Mr Neves reflects his remuneration as CEO & MD from 22 January 2024.

(2) Mr Victor was Interim CEO from 6 June 2023 until 21 January 2024 during which period Mr Victor received a higher duties allowance equivalent to 40% of his fixed annual remuneration. Other short-term benefits for Mr Victor represent the value of a travel allowance paid to Mr Victor.

(3) Other short-term benefits for Mr Hayne and Dr Lusk include the value of dividend and capital return equivalent payments made in relation to the delayed vesting of LTI 2020/23 awards.

(4) Mr Bowman was appointed President, IPF with effect from 1 June 2024.

(5) Ms Johns ceased as a KMP on 6 June 2023. Disclosures for the 2023 financial year are up until that date, with the exception of the STI which represents a full financial year and the repatriation costs incurred after Ms Johns ceased as a KMP as part of the termination arrangements.

(6) Mr Titze ceased as a KMP on 27 July 2022. Termination benefits for Mr Titze in the 2023 financial year include all contractual entitlements.

2.6 Remuneration arrangements for new CEO & MD and President, IPF

CEO & MD

Mauro Neves was appointed as CEO & MD with effect from 22 January 2024. Mr Neves' FAR on appointment was $1,250,000, which represents a reduction from the FAR of the previous MD & CEO ($1,704,000).

Mr Neves has a target STI opportunity of 80% FAR and a maximum STI opportunity of 120% FAR, representing a reduction compared to the previous MD & CEO (100% FAR at target and 150% at stretch). 50% of any STI paid will be deferred in shares.

Mr Neves will be eligible to participate annually in a LTI with a grant quantum of 200% FAR which represents an increase from the previous MD & CEO (150% FAR) and is designed to further align Mr Neves' remuneration outcomes to longer-term shareholder returns and provide increased equity exposure. Mr Neves is eligible to participate in the LTI 2023/26 with the number of Rights and Options determined in the same manners as other Executives. However, the awards will not be granted until shareholder approval is sought at IPL's 2024 Annual General Meeting.

Mr Neves may resign at any time by giving 12 months' notice and IPL may terminate Mr Neves' employment by giving 12 months' notice, or in some circumstances, such as serious misconduct, without notice. Mr Neves is subject to post-employment non-solicitation and non-compete undertakings for 12 months following the end of employment.

President, IPF

Scott Bowman was appointed as President, IPF with effect from 1 June 2024. Prior to 1 June 2024, Mr Bowman held the role of Interim President, IPF from 1 December 2023. Mr Bowman's FAR on appointment as President, IPF was $655,000. As President, IPF Mr Bowman has a target FY24 STI opportunity of 60% FAR and maximum opportunity of 120% FAR.

Mr Bowman received a LTI 2023/26 grant reflecting the proportion of the 2024 financial year that he was President, IPF. This resulted in a pro-rata allocation of Performance Rights with the remainder granted under the cash-based long-term incentive plan applicable to IPL's senior managers. The Board determined that Mr Bowman should still receive a full grant of Options under the LTI 2023/26 on the same terms and conditions as other IPL Executives to ensure alignment between Mr Bowman and the remainder of the Executive Leadership Team.

During the year, Mr Bowman also earned a partial payment under re tention arrangements put in place in 2023 to secure his continued support while the Company pursued the demerger or sale of IPF. This equated to a total payment of $163,750 of which $54,000 is disclosed as remuneration, reflecting the period Mr Bowman was a KMP during the year.

2.7 Impact of capital return

Holders of unvested LTI awards did not receive the capital return provided to IPL shareholders in February 2024. Under the terms of the plan rules governing the LTI offers, IPL has the discretion to grant additional awards under the plan following the capital return to remedy any disadvantage to plan participants.

The Board considered and approved the grant of additional Rights and Options under the various long-term incentives reflecting the dilutive impact of the capital return on unvested awards. The Board determined that one additional Right or Option (as applicable) would be granted for every 17 Rights or Options held by participants. This value has been determined by applying the value of the capital component of the capital return ($0.1557) against the IPL share price immediately preceding the capital return ($2.68) and rounding this down to the nearest whole number. This adjustment applies to unvested awards under the LTI 2021/24, LTI 2022/25 and LTI 2023/26 which were either granted or, in respect of the LTI 2023/26, the allocation value determined prior the capital return being made. Details of the number of additional Rights and Options granted are provided in Table 7.

In addition, impacted Non-executive Directors participating in the NED Fee Share Plan will also be made an additional allocation of shares in November 2024 to compensate them for the dilutive impact of the capital return on share rights they held at the time of the capital return.

3. Executive Remuneration and Governance

3.1 Executive remuneration strategy

IPL embraces a set of Strategic Value Drivers that underpin the Company's business and form the platform for the Company's future earnings growth and shareholder returns. The Company's commitment to addressing climate change challenges and looking for opportunities in the decarbonisation of the world's energy systems is an important constituent of the business strategy and integrated across all the Strategic Value Drivers:

Zero Harm – Broadening and setting year-on-year improvement objectives across key metrics including environmental care and process safety.

Talented and Engaged People – A safe, inclusive, high performing culture with engaged, diverse and inclusive teams focused on customers and value creation.

Customer Focus – Partnering with our customers to create added value and practical solutions for today and the future.

Manufacturing Excellence – Driving consistently high performance across all of our assets and investigating ways to address our greenhouse gas emissions.

Leading Technology Solutions – Innovation on the ground with practical solutions that our customers can use today to improve their operations and environmental outcomes.

Profitable Growth – Focus on opportunities that are distinctive to our differentiated technology, core markets, core capabilities and market segments.

Under the Strategic Value Driver of 'Talented and Engaged People', IPL recognises that, to generate competitive returns for its shareholders, it requires talented people who are capable, committed and motivated. IPL's remuneration strategy is designed to support the objectives of the business and to enable the Company to attract, retain and reward Executives of the requisite skill and calibre.

The key principles of the Company's remuneration strategy are to:

» reward Executives for outcomes at both the Group and business unit level that create sustained value for shareholders;
» require behaviours aligned to Company values, culture and code of conduct;
» drive strong alignment with shareholder interests;
» ensure the majority of Executive remuneration is 'at risk' and subject to demanding financial and non-financial performance objectives;
» be globally competitive to attract and retain talent;
» reward individual high performance and encourage a one team culture; and
» ensure the remuneration framework is equitable, transparent, simple to understand, communicate and implement.

3.2 Executive remuneration governance

The remuneration of the Executives is set by the Board, having regard to recommendations from the People and Remuneration Committee.

Where appropriate, the People and Remuneration Committee of the Board engages external advisors to provide input into the process of reviewing Executive and Non-executive Director remuneration. For the 2024 financial year, the People and Remuneration Committee received market and benchmarking data from various sources, but this information did not constitute a remuneration recommendation for the purposes of the *Corporations Act 2001 (Cth)*.

Further information in relation to the Board and the People and Remuneration Committee can be found in IPL's Corporate Governance Statement available on IPL's website.

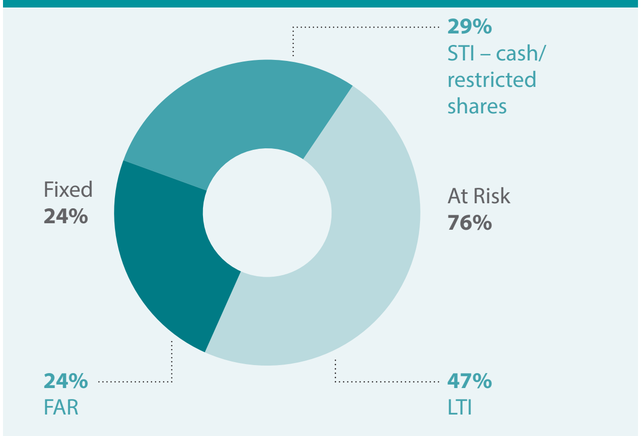
4. 2024 Executive Remuneration Framework

4.1 Overview

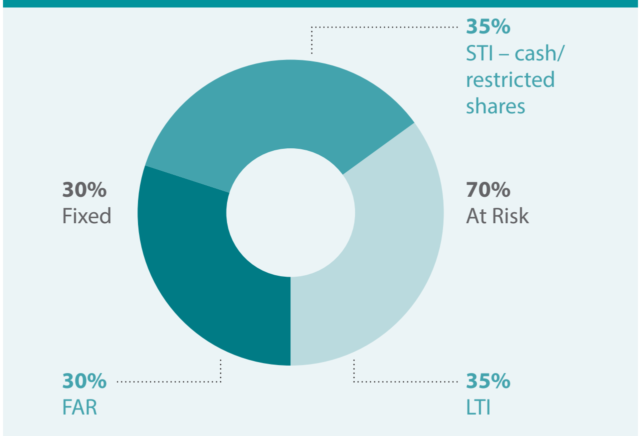
The charts below set out the theoretical breakdown of the Executives' total remuneration package for the 2024 financial year. The FAR component is inclusive of cash and superannuation only, whilst 'at risk' compensation is based on maximum entitlement that could potentially be awarded under the STI and LTI plans.

The restricted shares component of the STI (50% for the CEO & MD, 25% for other Executive KMP) must be deferred until an Executive's MSR is attained.

CEO & MD



Other Executives



4.2 Fixed annual remuneration

Executives receive their fixed annual remuneration (FAR) in a variety of forms, including cash, superannuation, and any applicable fringe benefits. The Executives' FAR is set by reference to appropriate benchmark information for each Executive's role, level of knowledge, skill, responsibilities and experience. The level of remuneration is reviewed annually in alignment with the financial year and with reference to, among other things, Company and individual performance and market data provided by an appropriately qualified and independent external data specialist. The following comparator groups are used to benchmark fixed annual remuneration:

Comparator groups

S&P/ASX listed companies with market capitalisation between 50% and 200% of IPL market capitalisation (Primary Benchmark).

S&P/ASX 100 listed companies.

A select group of 18 S&P/ASX listed companies from the Industrials, Materials and Energy Sectors, selected on the basis of market capitalisation and related industry exposure, consisting of: AGL Energy, ALS, Ampol Australia, Atlas Arteria, Aurizon, BlueScope Steel, Brickworks, Cleanaway, CSR, Downer EDI, Fletcher Building, Orica, Origin Energy, Orora, Qube, Reliance Worldwide, Seven Group and Sims.

For roles located outside Australia, market-specific data is used as an additional reference point for benchmarking purposes.

4.3 Short-term incentive – key terms

The STI is an annual 'at risk' incentive which is dependent on the achievement of particular performance measures. The following table summarises the STI plan that applied in the 2024 financial year (2024 STI):

What was the performance period?	The performance period for the 2024 STI was the financial year from 1 October 2023 to 30 September 2024.
Who was eligible for the STI?	All Executives participated in the 2024 STI.
What were the Performance Conditions and Measures?	Performance conditions under the STI are determined by the Board for each financial year. The performance conditions for the 2024 STI are set out below:

Performance Conditions	Measures to assess satisfaction of Performance Conditions	Rationale for the Performance Conditions
Zero Harm	Safety performance balanced scorecard across the dimensions of behavioural and process safety management comprising input and output measures[1].	To align with the Company's commitment to "Zero Harm for Everyone, Everywhere".
Group Financial Performance	Group NPAT (Net Profit After Tax). Group Adjusted NPAT[2].	To align Executive KMP with targeted profits that would contribute to shareholder returns.
Business Unit Financial Performance	Business Unit Adjusted EBIT (Earnings Before Interest and Tax)[2].	To ensure robust alignment of performance in a particular business unit with reward for the Executive managing that business unit.
Climate Change measures	Climate change related measures targeted at an Executive's area of influence.	Performance conditions are designed to align with the overall climate change strategy of the business and focuses an Executive on the key short-term objectives within their area of influence, that contribute towards the Company's longer-term milestones.
Strategic Outcomes	Measures based on performance criteria for the execution and implementation of strategic objectives and business priorities. These include measures related to portfolio review and growth initiatives, product innovation and input to the delivery of key strategic projects.	Tailored to individual Executive's role, to drive performance and behaviours consistent with achieving critical aspects of the Group's strategy.

(1) In assessing the safety balanced scorecard, the Board may, in its discretion, have regard to the results achieved against the measures comprising the scorecard without applying a specific weighting to any particular measure. The balanced scorecard category measures include: Personal Safety; Process Safety; Environmental; Significant Event Management; and the Zero Harm Plan.

(2) Adjusted means that results have been recognised to remove the impact of foreign exchange and commodity price movements.

Where any Individually Material Item (IMI) is separately recognised in the financial report, the Board will have discretion to include or exclude the IMI for the purpose of determining any STI award, taking into account the nature of the IMI and having regard to whether, in the circumstances, it would be appropriate for the IMI to be attributable to Management.

Determination of the extent to which each of the above measures was satisfied was based on a review by the Board of the audited financial report and performance of the Group for the financial year, following the annual performance review process for the Executives.

Are there minimum performance levels which must be achieved before awards can be made under the STI?	For the 2024 financial year, to ensure STI awards are aligned with business performance outcomes, the Board determined that a STI Financial Gate would operate. The STI Financial Gate reflects a requirement to exceed a designated level of the Group's NPAT performance, or all non-safety components of the STI will be capped at a maximum of target payment. For FY24, this was determined to be threshold NPAT performance. The STI Financial Gate does not apply to any awards payable in relation to the Zero Harm performance condition, reflecting the primacy of safety. In relation to the Zero Harm performance condition, the Board retains discretion to forfeit all or part of the award payable for this performance condition in the event of a fatality or major incident having regard to the circumstances of the incident.

What were the weightings for the STI performance measures?	The weighting of Executives' STI performance measures (as a percentage of 100%) for 2024 were:

Table 6 – Weighting of Executive STI performance measures

	Group Headline NPAT	Group Adjusted NPAT	Business Unit Adjusted EBIT	Safety	Climate Change	Strategic Outcomes
Executives – Current						
M Neves*(1) CEO & MD	40%	20%		10%	10%	20%
P Victor*(2) CFO	20%	40%		10%	6%	24%
G Hayne** President, Dyno Nobel Asia Pacific	20%		40%	10%	10%	20%
B Lusk** President, Dyno Nobel Americas	20%		40%	10%	10%	20%
S Bowman** President, IPF	20%		40%	10%	10%	20%

*Group role **Business Unit role

(1) Mr Neves was appointed to the role of CEO & MD with effect from 22 January 2024.

(2) Weightings reflect Mr Victor's role as CFO. Mr Victor was Interim CEO from 1 October 2023 to 21 January 2024. As Interim CEO his target STI opportunity was 100% of his fixed annual remuneration and higher duties allowance (on a pro-rata basis) during the period he was appointed Interim CEO. During this time his STI scorecard weightings aligned to the weightings of the CEO & MD. In the 2023 Remuneration Report it was reported that the weighting to Group Headline NPAT for the Interim CEO would be 20% and a 40% weighting Group Adjusted NPAT in FY24. For both Mr Neves as CEO & MD and Mr Victor in his role as Interim CEO, the correct weighting for FY24 is 40% weighting to Group Headline NPAT and 20% Group Adjusted NPAT. For the FY25 STI, both CEO & MD and CFO will have a 40% weighting to Group Headline NPAT and 20% weighting to Group Adjusted NPAT.

Is there an STI deferral component?	A mandatory 25% STI deferral (50% for the CEO & MD) continues until an Executive's MSR is achieved. The MSR is 200% of FAR for the CEO & MD and 50% of FAR for Executives. All deferred shares are subject to a maximum 15-year sale restriction. A revised MSR and STI deferral arrangement will apply from FY25 (see section 5).
How is the STI delivered?	The STI is delivered partly in cash and partly in the form of restricted shares. The split between cash and restricted shares is determined based on each participant's shareholding under the MSR.
Was there a mechanism for clawback?	The 2024 STI included a clawback provision, which requires the repayment of all or part of any STI awarded within three years after a payment is made, in the event of a material misstatement or omissions in IPL's financial statements which results in a restatement of the audited financial report, or where a participant has materially breached their obligations to the Company.

4.4 Long-term incentive – key terms

The LTI is the long-term incentive component of remuneration for Executives. The LTI 2023/26 is provided in the form of Performance Rights (Rights) and Share Options (Options).

What are the key changes to the LTI in FY24?	» An enhanced LTI opportunity was provided to the CEO & MD as part of a reweighting of the CEO remuneration package towards the rewarding of longer-term performance. The LTI opportunity for the CEO & MD represents 200% of his FAR. » An enhanced LTI opportunity was also provided to the Other KMP. The LTI opportunity for Other KMP represents 120% of their FAR. From FY25, this increased LTI opportunity will be balanced by a reduction in the target and stretch STI levels. » Introduction of a one-off grant of Options alongside Rights as part of the LTI 2023/26 measured against an Absolute TSR hurdle (see below for further details). » Rights granted by way of LTI are to be measured against Relative TSR and ROIC only. LTI performance will not be measured against Long-Term Value Metrics or the Sustainability performance condition as under the LTI 2021/24 and LTI 2022/25 plans.
Why was a one-off grant of Options made?	» As discussed with major shareholders and proxy advisors in October and November 2023 and as outlined at the 2023 Annual General Meeting, to support future direction and strategy and create momentum for business performance and change, the Board determined to make a one-off grant of Options to directly align executive incentive outcomes with the achievement of shareholder returns over the coming three year period. » Options have been chosen as they directly align with our strategy of growing shareholder value. Vesting under the Options will not occur unless there is a significant compound annual growth in Absolute TSR over the performance period aligned to significant shareholder value creation. » Following the end of the three-year performance period, 50% of vested Options become exercisable. The remainder of the vested Options are subject to an Exercise Restriction Period, with a further 25% of vested Options becoming exercisable on each of the first and second anniversary of vesting (subject to an Executive's continued employment at each anniversary). This means that even after the Options have vested, the value that may be realised by Executives remains subject to movements in the IPL share price. Exposure to a further 2 years of share price variability means that if IPL's share price decreases following vesting, Executives will experience the same downside as shareholders (and vice versa). » While the Options have the potential to result in substantial reward for Executives, the requirement for stretching Absolute TSR growth and continued employment requirements following vesting ensures a clear link to the long-term value created for shareholders. » Following this one-off grant of Options, further LTI awards will be made in the form of Rights only.

What LTI plans were granted for the 2024 financial year?	The LTI Plan granted during the 2024 financial year was the LTI 2023/26. Under the LTI Plan, participants are entitled to acquire ordinary shares in the Company, on a one-right to one-share basis, for no consideration at a later date. The Rights and Options are issued by IPL and the entitlement of the participants to acquire ordinary shares is subject to the satisfaction of certain conditions. As no shares are provided to participants until vesting, Rights and Options have no dividend entitlement. Rights and Options expire on vesting or lapsing of the Rights and Options.
What is the purpose of the LTI?	The LTI is designed to link reward with the key performance drivers which underpin sustainable growth in shareholder value. As Rights and Options granted under the LTI Plan result in share ownership on the achievement of demanding targets, the LTI ties remuneration to Company performance, as experienced by shareholders. The arrangements also support the Company's strategy for retention and motivation of the Executives.
What is the process for determining eligibility?	The decision to grant the LTI Plans and to whom they will be granted is made annually by the Board, noting that the grant of Rights and Options to the CEO & MD is subject to shareholder approval. Grants of Rights and Options are calculated using the relevant percentage of an Executive's FAR.
What is the maximum LTI opportunity (face value)?	For the CEO & MD – 200% FAR. 40% of the LTI opportunity (80% FAR) will be granted as Performance Rights and 60% of the LTI opportunity (120% FAR) will be granted as Share Options. Grants to the CEO & MD under the LTI 2023/26 have not yet been made and are subject to shareholder approval at the 2024 Annual General Meeting. For all other Executives – 120% FAR. 50% of the LTI opportunity (60% FAR) was granted as Rights and 50% of the LTI opportunity (60% FAR) was granted as Options.
How was the number of Rights and Options calculated under the LTI Plans?	**Rights** For the LTI 2023/26, the number of Rights issued to a participant was based on the volume weighted average price (VWAP) of the Company's shares over the 5 business days immediately preceding the announcement of the new CEO & MD, being 11 December 2023 ($2.8512). Each issuance was determined by dividing the dollar value of the relevant participant's LTI opportunity by this VWAP. **Options** The number of Options granted was determined using the fair value of the Options as calculated by an independent third party provider, using a Monte Carlo simulation option pricing model. Three different fair values were applied, the values reflecting both the stretching nature of the Absolute TSR performance hurdles and the requirement for employees to remain in employment until the end of the relevant Exercise Restriction period of the Options (up to 2 years following the end of the performance period). The total number of Options granted was determined by dividing the dollar value of the relevant participant's LTI opportunity by the following fair value of the Options. 50% of Option grant value: $0.34. 25% of Option grant value: $0.33. 25% of Option grant value: $0.32.
What is the exercise price?	**Rights** Nil **Options** $2.8512, representing the VWAP of the Company's share over the 5 business days immediately preceding the announcement of the new CEO & MD, being 11 December 2023). This was seen as an appropriate price aligned to future direction and strategy.

What are the performance conditions attached to the Rights?

Relative TSR condition (50% of Rights)

The Relative TSR condition requires growth in the Company's TSR to be at or above the median of the companies in the comparator group, being the S&P/ASX 100. This condition provides shareholder alignment as it takes into account the Company's share price movement as well as dividends paid, relative to other organisations comparable to the Company.

The S&P/ASX 100 has been chosen as the comparator group because, having regard to the business segments in which the Company operates and, specifically, the absence of a sufficient number of direct comparator companies, the Board considers the S&P/ASX 100 to represent the most appropriate, and objective, comparator group. It also represents the group of companies against which the Company competes for shareholder capital. The Board has the discretion to vary the comparator group at any time, including to remove companies from, or include companies in, the comparator group.

The table below sets out the Relative TSR condition, and the percentage of the Rights that will vest based on satisfaction of this condition.

Relative TSR ranking of IPL	% of Rights subject to the Relative TSR condition that will vest
Less than 50th percentile	Nil
At or greater than 50th percentile but less than 75th percentile	Pro rata from 50% on a straight-line basis
At 75th percentile or greater	100%

The Relative TSR condition will be measured over the period from the commencing on the appointment of the new CEO & MD and ending on the 10th business day following the announcement of FY26 full year results. A VWAP over the 10-day period following the announcement of FY26 full year results will be used to determine the final outcome.

Return on Invested Capital (50% of Rights)

The ROIC condition for LTI 2023/26 is calculated via a three-year average over the performance period, accommodating intra-year movements in ROIC aligned with the impacts of commodity price volatility.

ROIC has been selected as it is a key determinant of efficient use of the capital entrusted to management by shareholders. It also reflects all of the levers to create shareholder value, including operational efficiency, capital efficiency, asset utilisation and profitability. ROIC is defined as Net Profit After Tax, excluding interest and individually material items, divided by total invested capital, including goodwill (on a rolling 13 month average basis).

The table below sets out the Average ROIC condition for the LTI 2023/26, and the percentage of Rights that will vest based on satisfaction of this condition:

Average ROIC Targets	% of Rights subject to the Average ROIC condition that will vest
Less than 6%	Nil
At or above 6% but less than 8%	Pro rata from 50% on a straight-line basis
8% or greater	100%

The average ROIC range of 6% to 8% has been selected as it reflects the Board's expectations considering IPL's long-term strategy and current market cycle. The targets have also been determined in the context of the goodwill recognised on the Company's balance sheet for the acquisition of Dyno Nobel in 2008. ROIC targets for the LTI 2023/26 have decreased from the LTI 2022/25 targets, largely resulting from the lower commodity price outlook at its forecast impact on ROIC over the performance period.

The ROIC performance condition will be measured over the three-year period from 1 October 2023 to 30 September 2026.

What are the performance conditions attached to the Options?

Absolute TSR condition (100% of Options)

The Absolute TSR condition requires growth in the Company's TSR from the commencement of the performance period. Absolute TSR reflects the growth in the price of the Company's shares over the performance period, plus the value of the dividends. This condition provides shareholder alignment as it takes into account the Company's share price movement as well as dividends paid and other returns to shareholders.

The table below sets out the Absolute TSR condition, and the percentage of the Options that will vest based on satisfaction of this condition.

Compound annual growth in Absolute TSR	% of Options subject to the Absolute TSR condition that will vest
Below 10%	Nil
10% to <15%	Pro rata from 0% to 29.99% on a straight line basis
15% to <20%	Pro rata from 30% to 59.99% on a straight line basis
20% to 25%	Pro rata from 60% to 100% on a straight line basis

The Absolute TSR condition will be measured over the period from the commencing on the appointment of the new CEO & MD and ending on the 10th business day following the announcement of FY26 full year results. A VWAP over the 10-day period following the announcement of FY26 full year results will be used to determine the final outcome.

When are the performance conditions measured?

After the expiry of the relevant performance period, the Board determines whether the performance condition attached to the Rights and Options are satisfied. The performance conditions are tested once, at the end of the relevant performance period.

If the performance conditions are satisfied and the Rights vest, the participant is entitled to receive ordinary shares in the Company. The participant does not pay for those shares.

If the performance conditions are satisfied and the Options vest, the participant is entitled to exercise the vested and exercisable Options by paying the applicable option exercise price and receive ordinary shares in the Company.

To the extent the performance conditions are not satisfied during the performance period, the Options will lapse.

What happens if a participant leaves the Company?

Generally, the Rights and Options granted under the LTI Plans will lapse on a cessation of employment except where the participant has died, becomes totally and permanently disabled, is retrenched, retires or is terminated without cause (good leaver). In those circumstances (subject to Board discretion), the number of Rights or Options retained by the participant will be reduced pro rata to reflect the proportion of days worked during the relevant performance period and will be tested in the ordinary course. Any Options which vest to a good leaver will be exercisable for a period of 12 months following vesting.

Vested Options that remain subject to an Exercise Restriction Period will lapse on cessation of employment except where the participant is determined to be a good leaver. In circumstances where a participant is deemed to be a good leaver all vested Options subject to an Exercise Restriction Period will become exercisable for a period of 12 months.

In what other circumstances may the performance rights vest (which may be before or after the expiry of the performance period) under the LTI Plans?

The Board may provide a notice to the participants specifying that the Rights and Options will vest at a time stipulated in the notice on the occurrence of one of the following events in relation to the Company:

- a takeover bid;
- a change of control;
- the Court ordering a meeting be held in connection with a scheme for the reconstruction of the Company or its amalgamation with any other companies; or
- a voluntary or compulsory winding-up.

Is there a mechanism for clawback?

The LTI Plan includes a clawback provision, which requires the repayment of vested awards where payment has exceeded the restated position. This includes overpayments resulting from a material misstatement or omissions in IPL's financial statements on where a participant has materially breached their obligations to the Company.

4.5 Executive service agreement terms

Remuneration and other terms of employment for the Executives are formalised in service agreements. Most Executives are engaged on similar contractual terms, with minor variations to reflect differing circumstances. Each agreement is unlimited in term; however, each agreement provides that the Company may terminate an Executive's employment immediately for cause without any separation payment, save for accrued amounts such as leave, or otherwise without cause, with or without notice, in which case the Company must pay a separation payment plus accrued amounts such as leave.

The notice period to be provided by the Executives is set out in the table below:

Current Executives	Notice period to be provided by the Executive	Notice period to be provided by the Company
M Neves	52 weeks	52 weeks
P Victor	26 weeks	26 weeks
G Hayne(1)	26 weeks	52 weeks
B Lusk	26 weeks	26 weeks
S Bowman	26 weeks	26 weeks

(1) Mr Hayne operates under an historical contract which provides for a separation payment equal to 52 weeks of FAR (subject to the termination provisions in the Corporations Act).

4.6 Performance related remuneration

Table 7 – Details of Rights and Options granted and vested in the year ended 30 September 2024 and the vesting profile of Rights granted as remuneration

Details of Rights vested and forfeited set out in the table below relate to the Rights granted under the LTI 2020/23 (refer to section 2.4 of this Report) and medium-term incentive rewards previously granted to Mr Victor.

The performance period for the Relative TSR condition in the LTI 2021/24 plan is November 2024, therefore only non-TSR performance conditions attached to the LTI 2021/24 can be commented on in this year's report (refer to section 2.5 of this Report), with detailed reporting on the LTI 2020/23 tranche included under section 2.4.

Key Management Personnel	Grant date	Granted during 2024 as remuneration (A) $000	Exercised in year $000	Vested in year %	Forfeited in year %	Financial year in which grant vested or could vest	Maximum value of outstanding rights (A) $000
Executives – Current							
M Neves(1)							
P Victor(2)							
Medium-term incentive rewards							
Performance period: 1 July 2022 to 30 June 2024	1 July 2022	–	148	100	–	2024	–
Long-term incentive rewards							
LTI 2022/25 - Rights	23 November 2022	–	–	–	–	2025	447
LTI 2022/25 - Rights (capital return additional grant)	29 August 2024	26	–	–	–	2025	26
LTI 2023/26 - Rights	8 March 2024	367	–	–	–	2026	367
LTI 2023/26 - Rights (capital return additional grant)	29 August 2024	22	–	–	–	2026	22
LTI 2023/26 - Options	8 March 2024	407	–	–	–	2026	407
LTI 2023/26 - Options (capital return additional grant)	29 August 2024	24	–	–	–	2026	24
G Hayne							
Long-term incentive rewards							
LTI 2020/23 - Rights	14 December 2020	–	764	88	12	2023	–
LTI 2021/24 - Rights	17 January 2022	–	–	–	–	2024	455
LTI 2021/24 - Rights (capital return additional grant)	29 August 2024	27	–	–	–	2024	27
LTI 2022/25 - Rights	23 November 2022	–	–	–	–	2025	382
LTI 2022/25 - Rights (capital return additional grant)	29 August 2024	22	–	–	–	2025	22
LTI 2023/26 - Rights	8 March 2024	314	–	–	–	2026	314
LTI 2023/26 - Rights (capital return additional grant)	29 August 2024	18	–	–	–	2026	18
LTI 2023/26 - Options	8 March 2024	348	–	–	–	2026	348
LTI 2023/26 - Options (capital return additional grant)	29 August 2024	20	–	–	–	2026	20
B Lusk							
Long-term incentive rewards							
LTI 2020/23 - Rights	14 December 2020	–	871	88	12	2023	–
LTI 2021/24 - Rights	17 January 2022	–	–	–	–	2024	491
LTI 2021/24 - Rights (capital return additional grant)	29 August 2024	29	–	–	–	2024	29
LTI 2022/25 - Rights	23 November 2022	–	–	–	–	2025	435
LTI 2022/25 - Rights (capital return additional grant)	29 August 2024	26	–	–	–	2025	26
LTI 2023/26 - Rights	8 March 2024	384	–	–	–	2026	384
LTI 2023/26 - Rights (capital return additional grant)	29 August 2024	23	–	–	–	2026	23
LTI 2023/26 - Options	8 March 2024	425	–	–	–	2026	425
LTI 2023/26 - Options	29 August 2024	25	–	–	–	2026	25

S Bowman							
Long-term incentive rewards							
LTI 2023/26 - Rights[3]	27 June 2024	87	–	–	–	2026	87
LTI 2023/26 - Rights (capital return additional grant)	29 August 2024	5	–	–	–	2026	5
LTI 2023/26 - Options	27 June 2024	287	–	–	–	2026	287
LTI 2023/26 - Options (capital return additional grant)	29 August 2024	17	–	–	–	2026	17

(A) For the long-term incentive awards, the value of Rights and Options granted in the year is the fair value of those Rights and Options calculated at grant date using a Black-Scholes option-pricing model. The value of these Rights and Options is included in the footnotes under Table 9. This amount is allocated to the remuneration of each Executive over the vesting period (that is, in the 2024, 2025 and 2026 financial years). The maximum value of outstanding Rights and Options is based on the fair value of the Rights and Options at the grant date. This may be different to the value of the Rights and Options in the event that they vest. The minimum value of Rights and Options yet to vest is zero, as the performance criteria may not be met.

(1) Mr Neves commenced as CEO & MD on 22 January 2024. He is entitled to receive an award under the LTI 2023/26 comprising of Rights and a one-off award of Options. The grant of these awards is subject to shareholder approval at the 2024 AGM. Subject to shareholder approval being received, the number of Rights to be granted are 371,360 and the number of Options to be granted are 4,779,656.

(2) Mr Victor commenced as CFO and was appointed a KMP on 1 July 2022. On commencement, he received performance rights with a fair value of $269,000 in recognition of incentives forgone upon joining IPL. The first tranche of performance rights vested on 1 July 2023 and the shares received at vesting remain subject to a disposal restriction in line with IPL's Minimum Shareholding Requirement, up to a maximum of 15 years from the grant date of the performance rights. The second tranche vested upon achievement of the performance hurdle on 1 July 2024 and the shares received at vesting also remain subject to a disposal restriction in line with IPL's Minimum Shareholding Requirement, up to a maximum of 15 years from the grant date of the performance rights.

(3) The number of Rights granted to Mr Bowman reflects a pro-rata allocation for the period Mr Bowman was an Executive KMP during the financial year. For the remainder of the year, Mr Bowman was awarded a pro-rata allocation under the cash-based long-term incentive provided to IPL's senior management below Executive level. The Board determined to grant Mr Bowman a full year allocation of Options to maintain alignment with the remainder of the Executive Leadership Team.

Modification of terms of equity-settled share-based payment transactions

No terms of equity-settled share-based payment transactions (including rights) granted to a KMP have been altered or modified by the issuing entity during the reporting period.

Table 8 – Movements in rights over equity instruments in the Company

The movement during the reporting period in the number of rights over shares in the Company, held directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Number of Rights and Options				
Key Management Personnel	**Opening balance**	**Granted as compensation[A]**	**Vested[B]**	**Forfeited[C]**	**Closing balance**
Executives – Current					
M Neves	–	–	–	–	–
P Victor					
Medium-term incentive rewards	43,473	–	(43,473)	–	–
Long-term incentive rewards (Rights)	183,024	217,717	–	–	400,741
Long-term incentive rewards (Options)	–	1,775,738	–	–	1,775,738
G Hayne					
Long-term incentive rewards (Rights)	598,448	197,353	(224,474)	(29,169)	542,158
Long-term incentive rewards (Options)	–	1,519,356	–	–	1,519,356
B Lusk					
Long-term incentive rewards (Rights)	670,645	238,857	(255,930)	(33,257)	620,315
Long-term incentive rewards (Options)	–	1,856,980	–	–	1,856,980
S Bowman					
Long-term incentive rewards (Rights)	–	48,781	–	–	48,781
Long-term incentive rewards (Options)	–	1,252,269	–	–	1,252,269

(A) For the 2024 financial year, this represents the Rights and Options granted to Executives during the reporting period under the LTI 2023/26. The total granted in the year also includes the additional Rights and Options granted to Executives (on a one for 17 basis) under LTI awards made in previous financial years to compensate for the dilutive impact of the capital return. Mr Neves financial year 2024 award will only be allocated subject to shareholder approval at the 2024 AGM.

(B) For the 2024 financial year, this represents the number of rights vested during the reporting period under medium-term incentive rewards and the LTI 2020/23. Each right entitles the participating Executive to acquire a fully paid ordinary share in IPL for zero consideration.

(C) For the 2024 financial year, for Mr Hayne and Dr Lusk this represents rights that were forfeited by Executives during the period under the LTI 2020/23.

4.7 Further details of Executive remuneration

Table 9 – Executive remuneration

Details of the remuneration for each Executive KMP for the year ended 30 September 2024 in accordance with Accounting Standards are set out below:

		Short-term benefits			Post employment benefit	Other long term benefits(B)	Termination benefits	Share-based payments – Accounting values			
		Salary & Fees	Short term incentive & other bonuses	Other short term benefits(A)	Superannuation /Pension benefits			Current period expense(C)	Prior periods expense write-back(C)	Total share-based payments	Total
	Year	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Executive KMP – Current											
M Neves(1) CEO & MD	**2024**	**848**	**755**	**–**	**21**	**4**	**–**	**–**	**–**	**–**	**1,628**
P Victor(2)	**2024**	**1,003**	**969**	**177**	**28**	**9**	**–**	**361**	**(4)**	**357**	**2,543**
Chief Financial Officer	2023	984	560	170	26	6	–	253	–	253	1,999
G Hayne	**2024**	**760**	**739**	**102**	**28**	**27**		**403**	**(77)**	**326**	**1,982**
President, Dyno Nobel Asia Pacific	2023	898	393	1	26	15	–	333	(134)	199	1,532
B Lusk(3)	**2024**	**1,001**	**609**	**126**	**30**	**–**	**–**	**473**	**(88)**	**385**	**2,151**
President, Dyno Nobel Americas	2023	973	388	30	24	–	–	374	(68)	306	1,721
S Bowman(4) President, IPF	**2024**	**209**	**162**	**–**	**10**	**92**	**–**	**132**	**–**	**132**	**605**
Executives – Former											
J Johns Managing Director & CEO	2023	1,139	666	59	–	37	922	1,172	(508)	664	3,487
S Titze President, IPF	2023	–	–	–	–	–	–	135	(86)	49	49
Total Executives	**2024**	**3,821**	**3,234**	**405**	**117**	**132**		**1,369**	**(169)**	**1,200**	**8,909**
	2023	3,994	2,007	260	76	58	922	2,267	(796)	1,471	8,788

(A) Other short-term benefits include medical insurance benefits, travel allowances and other allowances, where applicable. Other short-term benefits for Mr Hayne and Dr Lusk include the value of dividend and capital return equivalent payments made in relation to the delayed vesting of the LTI 2020/23.

(B) Other long-term benefits represent long service leave accrued during the reporting period.

(C) In accordance with accounting standards, remuneration includes the amortisation of the fair value at grant date of performance rights issued under the LTI Plans that are expected to vest, less any write-back on performance rights lapsed or expected to lapse as a result of actual or expected performance against non-market hurdles ("Option Accounting Value"). The value disclosed in the above Table 9 represents the portion of fair value allocated to this reporting period and is not indicative of the benefit, if any, that may be received by the Executive should the performance conditions with respect to the relevant long-term incentive plan be satisfied.

(1) Mr Neves commenced as CEO & MD on 22 January 2024. He is entitled to receive an award under the LTI 2023/26 comprising of Rights and a one-off award of Options. The grant of these awards is subject to shareholder approval at the 2024 AGM. Subject to shareholder approval being received, the number of Performance Rights to be granted are 371,360 and the number of Options to be granted Options are 4,779,656.

(2) Mr Victor acted as Interim CEO from 6 June 2023 to 21 January 2024 and during this period, Mr Victor received a higher duties allowance equivalent to 40% of his fixed annual remuneration. As announced on 8 October Mr Victor will leave IPL on 15 February 2025. Mr Victor will receive his contractual entitlements up to that date including a payment equivalent to 6 months FAR on cessation of employment. His outstanding LTI and Options will be prorated to 15 February 2025 and will remain on foot to be tested in the ordinary course. He will not participate in the FY25 STI or LTI 2024/27 plans.

(3) FAR payments for Dr Lusk were converted from US$ to A$ at the average rate for 1 October 2023 to 30 September 2024, being $1.5174.

(4) For Mr Bowman, Short Term Incentive & other bonuses also include a partial payment under retention arrangements put in place in 2023 to secure his continued support while the company pursued the demerger or sale of IPF. This equated to a total payment of $163,750 of which $54,000 is disclosed in Cash STI, reflecting the period Mr Bowman was a KMP during the year.

	Fair value per share treated as rights at grant date
LTI 2019/22 – TSR	$1.58
LTI 2019/22 – Long-Term Value Metrics (formerly Strategic Initiatives)	$2.99
LTI 2019/22 – Absolute ROIC	$2.99
LTI 2020/23 – TSR	$1.69
LTI 2020/23 – Long-Term Value Metrics	$2.29
LTI 2020/23 – Absolute ROIC	$2.29
LTI 2021/24 – TSR	$1.75
LTI 2021/24 – Long-Term Value Metrics	$2.86
LTI 2021/24 – Absolute ROIC	$2.86
LTI 2021/24 – Sustainability	$2.86
LTI 2022/25 – TSR	$1.48
LTI 2022/25 – Long-Term Value Metrics	$3.08
LTI 2022/25 – Average ROIC	$3.08
LTI 2022/25 – Sustainability	$3.08
LTI 2023/26 – rTSR (Rights)	$1.28
LTI 2023/26 – Average ROIC (Rights)	$2.48
LTI 2023/26 – aTSR (Options Tranche 1)	$0.26
LTI 2023/26 – aTSR (Options Tranche 2)	$0.23
LTI 2023/26 – aTSR (Options Tranche 3)	$0.22

5. Overview of Remuneration Changes for the 2025 Financial Year

The Board continues to review the objectives of the Executive Remuneration Framework to ensure the existing framework remains appropriate to best support the execution of our strategies to increase shareholder value, retains and motivates our key talent and ensures alignment with our other key stakeholders.

Taking into consideration feedback from key stakeholders and our on-going business transformation program, the Board determined to make the following changes to the Executive Remuneration Framework in FY25. Full details of the remuneration arrangements applicable to financial year 2025 will be disclosed in the 2025 Remuneration Report.

Fixed annual remuneration

Mr Neves will receive a FAR increase of 8%, resulting in a new FAR of $1.35m, effective January 2025. The FAR increase reflects his strong performance in the role since commencement.

Mr Hayne's FAR increased to A$900,000 effective 1 October 2024, reflecting his new role as President, DNA. Mr Hayne is on a two-year international assignment from Brisbane to Salt Lake City, Utah. During his assignment, IPL will also be providing Mr Hayne with relocation, housing support and other assignment-related benefits.

Ms Tanya Rybarczyk will commence employment with IPL as President, Dyno Nobel Asia Pacific in February 2025. On commencement she will be paid a FAR of $750,000.

No other Executive KMP received a FAR increase.

Short-Term Incentive

The FY25 STI target and maximum STI opportunity for KMP, other than the CEO & MD, will be reduced from 60% FAR (at target) and 120% FAR (at maximum) to 50% FAR (at target) and 100% FAR (at maximum). This change reflects the increased weighting towards the LTI for Executive KMP (120% FAR). The FY25 STI target and maximum opportunity for the CEO & MD will remain at the same level.

Under the current STI plan, a mandatory 25% STI deferral (50% STI deferral for the CEO & MD) continues until an Executive's MSR is achieved. Where the MSR is achieved at the time of STI payment, no further STI deferral is required. From FY25, there will be a change to the STI deferral meaning that any Executive who has attained their MSR will continue to have the relevant portion of their STI deferred for a period of 12 months.

Long-Term Incentive

Following the one-off grant of Options, the Board has undertaken a further review of the LTI program in light of the ongoing business transformation program and has made the following changes to the design of the LTI program for financial year 2025.

» Reverting to a grant of Performance Rights only in respect of the LTI 2024/27, reflecting that the grant of Options under the LTI 2023/26 was a one-off award.

» Simplifying the plan structure to focus on total shareholder return to shareholders with the LTI 2024/27 to be measured on both Relative TSR and Absolute TSR performance (50% weighting to each measure).

» The Board considers that a combination of both Relative TSR and Absolute TSR performance measures will fully align the CEO & MD and Executive outcomes to the experience of shareholders.

» The same range of Absolute TSR performance is retained from the LTI 2023/26 grant (10% (threshold) to 25% (maximum) compound annual growth). The vesting schedule has been simplified to provide for partial vesting at threshold performance (30% of Rights subject to Absolute TSR) and sliding scale vesting from threshold to 100% vesting where 25% compound annual growth is achieved. It is considered there is a significant degree of stretch performance in these targets and full vesting under the Absolute TSR component will not occur unless there is a substantial return to shareholders over the performance period.

» The ROIC condition has been removed for the LTI 2024/27. Whilst improving ROIC will remain an important target for the Group, the Board felt that the extent of adjustments necessary to this measure as a consequence of the material movements in the Group's assets over the coming period, would require considerable judgement, making this measure less transparent than Relative TSR and Absolute TSR in the short term. Further, the Board believes that improved ROIC will be needed to achieve the Absolute TSR targets. The Board will consider the reintroduction of a ROIC component to the LTI program following the completion of the disposal of the business and assets of the Australian Fertilisers business.

Minimum Shareholding Requirements

Following a review, the Board determined that the MSR for the CEO & MD be increased to 200% FAR (formerly 100% FAR for the previous CEO & MD) following his appointment. In addition, from 1 October 2024, the MSR for other Executives will be increased from 50% to 100% FAR.

Non-executive Director fees

Refer to Section 6 for further details of the revised fee structure applicable from 1 October 2024.

6. Non-executive Director Remuneration

IPL's policy is to:

» remunerate Non-executive Directors by way of fees and payments which may be in the form of cash and superannuation benefits; and

» set the level of Non-executive Directors' fees and payments to be consistent with the market and to enable the IPL Group to attract and retain directors of an appropriate calibre.

Non-executive Directors are not remunerated by way of options, shares, performance rights, bonuses nor by incentive-based payments.

The level of fees paid to a Non-executive Director is determined by the Board after an annual review and reflects a Non-executive Director's time commitments and responsibilities.

In FY24, Non-executive Directors received a fee for being a director of the Board and Non-executive Directors, other than the Chair of the Board, received additional fees for either chairing or being a member of a Board Committee.

Fees paid to Non-executive Directors amounted to $1,479,000 which was within the $2,000,000 maximum aggregate fee pool approved by shareholders at the 2008 Annual General Meeting. For the 2024 financial year, the Board determined that there would be no increase in Non-executive Director fees.

The table below sets out the Board and Committee fees payable during FY24:

Board Fees	Chairperson	$532,500
	Members	$177,500
Committee Fees	**Audit and Risk Management Committee (ARMC)**	
	Chairperson	$47,200
	Members	$23,600
	People and Remuneration Committee (PRC)	
	Chairperson	$40,000
	Members	$20,000
	Health, Safety, Environment and Community Committee (HSEC)	
	Chairperson	$40,000
	Members	$17,700
	Nominations Committee	
	Chairperson	N/A
	Members	$8,250

FY25 fee structure

Following a review of Non-executive Director fees the following changes will be made to the fee structure, applicable from 1 October 2024.

A reduction in the Chair fee from $532,500 to $500,000, reflecting a commitment from the Chair at the time of appointment to review the Chair fee.

All Directors (excluding the Chair) will receive a composite fee of $225,000 per annum, comprising a notional base fee element of $180,000 and $45,000 per year to recognize Committee memberships and participation. This approach also reflects the practice of most Directors to attend all Committee meetings and not just those of which they are formal members. An additional fee of $25,000 per annum (ARMC) or $20,000 (HSEC) and (PRC) will be payable to the Chair of each Committee, reflecting their additional workload and responsibilities.

The revised fee structure provides a lower overall fee payable to Greg Robinson, Bruce Brook and Tonianne Dwyer and a slightly increased annualised fee for Michael Carroll and Fiona Hick. The aggregate fees payable to the Board in FY25 will be broadly in line with the fees payable in FY24.

Director's minimum shareholding requirement will be measured by reference to the notional base fee of $180,000 in line with current practice.

A travel allowance of $5,000 per overseas trip be paid to all directors to reflect the increased time commitment of overseas trips. The total travel allowance payable to an Australian-based director in any financial year will be capped at $10,000 per annum. The $10,000 cap will not apply to overseas-based directors travelling regularly to Australia for Board meetings.

Table 10 – Non-executive Directors' remuneration

Details of the Non-executive Directors' remuneration for the financial year ended 30 September 2024 are set out in the following table:

		Board and Committee Fees	Cash allowances and other short-term benefits[A]	Post-employment benefits	Other long term benefits	
		Fees		Superannuation benefits		Total
	Year	$000	$000	$000	$000	$000
Non-executive Directors – Current						
G Robinson[1]	**2024**	**472**	**–**	**28**	**–**	**500**
	2023	226	–	24	–	250
B Brook	**2024**	**240**		**13**		**253**
	2023	241	–	12	–	253
M Carroll[2]	**2024**	**176**	**–**	**20**	**–**	**196**
	2023	100	–	11	–	111
T Dwyer	**2024**	**221**		**25**		**246**
	2023	200	–	21	–	221
F Hick[3]	**2024**	**15**	**–**	**2**	**–**	**17**
	2023	–	–	–	–	–
J Ho[4]	**2024**	**–**	**–**	**–**	**–**	**–**
	2023	–	–	–	–	–
Non-executive Directors –- Former						
G Biltz[5]	**2024**	**43**	**5**	**–**	**–**	**48**
	2023	195	20	–	-	215
B Kruger, Chair[6]	**2024**	**54**	**–**	**7**	**–**	**61**
	2023	508	–	25	–	533
X Liu[7]	**2024**	**158**	**–**	**–**	**–**	**158**
	2023	237	–	–	–	237
Total Non-executive Directors	**2024**	**1,379**	**5**	**95**	**–**	**1,479**
	2023	1,707	20	93	–	1,820

(A) Cash allowances and other short-term benefits include travel allowances.

(1) Mr Robinson was appointed as Chair of the Board with effect from 11 November 2023.

(2) Mr Carroll was appointed as an Independent Non-executive Director with effect from 6 March 2023.

(3) Ms Hick was appointed as an Independent Non-executive Director with effect from 1 September 2024.

(4) Mr Ho has elected to waive his entitlement to the receipt of Non-executive Director fees from IPL.

(5) Mr Biltz ceased to be a Non-executive Director with effect from 20 December 2023.

(6) Mr Kruger ceased to be Chair and a Non-executive Director with effect from 11 November 2023.

(7) Dr Liu ceased to be a Non-executive Director with effect from 31 May 2024.

7. Shareholdings in IPL

The Board considers that an important element of the Executive remuneration framework is that each Executive and Non-executive Director accumulate and hold a significant number of IPL shares to align their interests as long term investors.

Executives

Executive KMP are required to attain and maintain a MSR to better align Executive and Shareholder interests. It requires the CEO & MD to hold the equivalent of 200% of Fixed Annual Remuneration (FAR) in IPL shares. This must be achieved within 5-years. Other Executive KMP must hold the equivalent of 50% of FAR in IPL shares (increasing to 100% of FAR effective 1 October 2024).

Non-executive Directors

The MSR for Non-executive Directors aligns Director and Shareholder interests. The MSR requires each Director to hold the equivalent of 100% of their base Board fee in IPL shares and/or rights to shares (that have been fully sacrificed for under IPL's Non-executive Director Fee Sacrifice Plan) at the completion of 5-years of service.

At 30 September 2024 all Directors had achieved, or were on track to achieve, their MSR obligation within the required timeframe.

Table 11 – Movements in rights in the Company

IPL's Non-executive Director Fee Sacrifice Plan (the Plan) commenced in 2019. The next tranche of rights is scheduled to vest in November 2024. These rights, as well as those that subsequently convert to shares, combine to form part of the Non-executive Director's holding for the purpose of calculating compliance with their MSR obligation.

The movement during the reporting period in the number of rights for each Non-executive Director, including their related parties, is set out in the table below:

	Number of Rights (A)			
	Opening balance	Rights acquired	Vested (B)	Closing balance
G Robinson	5,461	34,497	(11,207)	28,751
B Brook	5,461	12,136	(11,207)	6,390
M Carroll	–	–	–	–
T Dwyer	5,461	12,135	(11,207)	6,389
F Hick	–	–	–	–
J Ho	–	–	–	–
Non-executive Directors –- Former				
B Kruger	16,383	–	(16,383)	–

(A) Includes movements of rights acquired under the Plan.

(B) For the 2024 financial year, this represents the number of rights vested during the reporting period under the Plan.

Table 12 – Movements in shares in the Company

The movement during the reporting period in the number of shares in the Company held directly, indirectly or beneficially, by each KMP, including their related parties, is set out in the table below:

	Number of Shares(A)				
	Opening balance	Shares acquired	Shares disposed	Closing balance(B)	% minimum shareholding achieved(C)
Non-executive Directors – Current					
G Robinson(1)	71,886	11,207	–	83,093	65%
B Brook	88,857	11,207	–	100,064	185%
M Carroll	58,758	–	–	58,758	102%
T Dwyer	26,319	11,207	–	37,526	76%
F Hick(2)	–	–	–	–	–
J Ho(3)	173,065,979	–	–	173,065,979	N/A
Non-executive Directors – Former					
B Kruger(4)	200,251	16,383	–	216,634	126%
G Biltz	100,000	–	–	100,000	174%
X Liu(5)	77,612	–	–	77,612	135%
Executives – Current					
M Neves	–	–	–	–	–
P Victor	43,473	90,679	–	134,152	89%
G Hayne	227,934	224,474	–	452,408	352%
B Lusk(6)	84,763	288,665	(102,372)	271,056	254%
S Bowman	–	–	–	–	–

(A) Includes fully paid ordinary shares and shares acquired under IPL's incentive plans. Details of these plans are set out in note 19, Share-based payments.

(B) Where a director or an Executive has ceased to be a KMP during the reporting year, the balance stated in this column represents the number of shares held as at the date the Director or Executive ceased to be a KMP.

(C) MSR is calculated based on the 20 day VWAP up until and including the 30th of September 2024. For Non-executive Directors the total number of shares and unvested rights granted under the NED Share Plan is counted towards the MSR. For Executive KMP, other than the CEO & MD, the % of minimum shareholding received is shown as a percentage of 50% of their FAR. From 1 October 2024, the MSR for Executive KMP, other than the CEO & MD, increases to 100% of their FAR.

(1) Mr Robinson was appointed as Chair of the Board with effect from 11 November 2023. Following his fee increase as Chair, the Board determined that Mr Robinson be permitted an additional 5-year period from appointment of Chair to satisfy his increased MSR.

(2) Ms Hick was appointed as an Independent Non-executive Director with effect from 1 September 2024.

(3) Mr Ho is the founder and Chief Industrialist Investor of Janchor Partners, which has indirectly (through Janchor Partners' investment funds) a 10.3% interest in IPL (including a relevant interest of 8.9% in IPL's voting shares and an economic interest through cash settled equity derivatives in a further 1.4%).

(4) Mr Kruger ceased to be Chair and a Non-executive director with effect from 11 November 2023.

(5) Dr Liu ceased to be a Non-executive director with effect from 31 May 2024.

(6) The number of shares acquired by Dr Lusk during the year is the number of shares allocated as deferred shares as part of the FY23 STI (32,735) plus shares acquired following the vesting of Rights granted under the LTI 2020/23 (255,930) less 40% withheld (102,372 shares) for the purposes of meeting US tax obligations on vesting of these rights.

8. Other KMP Disclosures

Loans to KMP

In the year ended 30 September 2024, there were no loans to key management personnel and their related parties (2023: nil).

Other KMP transactions

In the year ended 30 September 2024, there were no transactions entered into during the year with key management personnel (including their related parties).

Deloitte.

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11 November 2024

The Board of Directors
Incitec Pivot Limited
Level 8, 28 Freshwater Place
Southbank Victoria 3006

Dear Board Members

Auditor's Independence Declaration to Incitec Pivot Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Incitec Pivot Limited.

As lead audit partner for the audit of the financial statements of Incitec Pivot Limited for the financial year ended 30 September 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Suzana Vlahovic
Partner
Chartered Accountants

Financial Report

Contents

Introduction

This is the consolidated financial report of Incitec Pivot Limited (the Company, IPL, or Incitec Pivot) a company domiciled in Australia, and its subsidiaries including its interests in joint ventures and associates (collectively referred to as the Group) for the financial year ended 30 September 2024.

Content and Structure of the Financial Report

The notes to the financial statements and the related accounting policies are grouped into the following distinct sections in the 2024 financial report. The accounting policies have been consistently applied to all years presented, unless otherwise stated.

Section	Description
Financial performance	Provides detail on the Group's Consolidated Statement of Profit or Loss and Other Comprehensive Income and Consolidated Statement of Financial Position that are most relevant in forming an understanding of the Group's financial performance for the year.
Shareholder returns	Provides information on the performance of the Group in generating shareholder returns.
Capital structure	Provides information about the Group's capital and funding structures.
Capital investment	Provides information on the Group's investment in tangible and intangible assets, and the Group's future capital commitments.
Risk management	Provides information about the Group's risk exposures, risk management practices, provisions and contingent liabilities.
Other	Provides information on items that require disclosure to comply with Australian Accounting Standards and the requirements under the *Corporations Act 2001*.

Information is included in the notes to the financial report only to the extent it is considered material and relevant to the understanding of the financial report. A disclosure is considered material and relevant if, for example:

- the dollar amount is material in size (quantitative factor)
- the item is material by nature (qualitative factor)
- the Group's result cannot be understood without the specific disclosure (qualitative factor)
- it relates to an aspect of the Group's operations that is important to its future performance.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 September 2024

	Notes	2024 $mill	2023 $mill
Continuing operations			
Revenue	(2)	**5,278.5**	5,403.5
Financial and other income	(2)	**136.0**	67.5
Share of profit of equity accounted investments	(15)	**62.2**	61.4
Operating expenses			
Changes in inventories of finished goods and work in progress		**(75.7)**	(155.7)
Raw materials and consumables used and finished goods purchased for resale		**(2,603.6)**	(2,773.3)
Employee expenses		**(962.2)**	(889.4)
Depreciation and amortisation	(2)	**(345.0)**	(324.7)
Financial expenses	(2)	**(161.1)**	(156.4)
Purchased services		**(266.7)**	(258.7)
Repairs and maintenance		**(226.9)**	(214.2)
Outgoing freight		**(343.5)**	(331.7)
Lease expenses		**(33.8)**	(34.0)
Asset impairment and site exit costs		**(1,072.7)**	(4.9)
Other expenses		**(73.2)**	(72.0)
(Loss)/profit before income tax		**(687.7)**	317.4
Income tax benefit/(expense)	(3)	**209.1**	(40.9)
(Loss)/profit for the year from continuing operations		**(478.6)**	276.5
Discontinued operations			
Profit for the period from discontinued operations		**43.0**	283.3
Gain on disposal of discontinued operations		**123.8**	–
Profit for the year from discontinued operations	(14)	**166.8**	283.3
(Loss)/profit for the year		**(311.8)**	559.8
Other comprehensive income/(loss), net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains/(losses) on defined benefit plans	(21)	**2.1**	(1.7)
Gross fair value gains on assets at fair value through other comprehensive income		**0.3**	–
Income tax relating to items that will not be reclassified subsequently to profit or loss		**(0.6)**	0.3
		1.8	(1.4)
Items that may be reclassified subsequently to profit or loss			
Continuing operations			
Fair value gains on cash flow hedges	(18)	**6.1**	16.2
Cash flow hedge losses transferred to profit or loss	(18)	**11.1**	62.1
Exchange differences on translating foreign operations		**(206.9)**	34.3
Net gains/(losses) on hedge of net investment	(18)	**55.4**	(9.7)
Income tax relating to items that may be reclassified subsequently to profit or loss		**0.7**	(22.6)
Continuing operations other comprehensive (loss)/income for the year		**(133.6)**	80.3
Discontinued operations			
Exchange differences on translating foreign operations		**(48.2)**	19.8
Foreign currency translation reserve release to profit or loss on disposal of discontinued operations	(14)	**(254.1)**	–
Discontinued operations other comprehensive (loss)/income for the year		**(302.3)**	19.8
Total other comprehensive (loss)/income for the year, net of income tax		**(434.1)**	98.7
Total comprehensive (loss)/income for the year		**(745.9)**	658.5

FINANCIAL REPORT

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 September 2024

	Notes	2024 $mill	2023 $mill
(Loss)/profit attributable to:			
Members of Incitec Pivot Limited from continuing operations		**(477.7)**	276.7
Members of Incitec Pivot Limited from discontinued operations		**166.8**	283.3
Non-controlling interest		**(0.9)**	(0.2)
(Loss)/profit for the year		**(311.8)**	559.8
Total comprehensive (loss)/income attributable to:			
Members of Incitec Pivot Limited from continuing operations		**(609.6)**	355.6
Members of Incitec Pivot Limited from discontinued operations		**(135.4)**	303.1
Non-controlling interest		**(0.9)**	(0.2)
Total comprehensive (loss)/income for the year		**(745.9)**	658.5
Earnings per share			
Basic (cents per share)	(5)	**(16.1)**	28.8
Diluted (cents per share)	(5)	**(16.1)**	28.8
Earnings per share from continuing operations			
Basic (cents per share)	(5)	**(24.7)**	14.2
Diluted (cents per share)	(5)	**(24.7)**	14.2

Consolidated Statement of Financial Position

As at 30 September 2024

	Notes	2024 $mill	2023 $mill
Current assets			
Cash and cash equivalents	(8)	**1,068.9**	399.4
Trade and other receivables	(4)	**647.1**	570.1
Inventories	(4)	**785.3**	817.4
Other assets		**98.6**	80.2
Other financial assets	(18)	**2.4**	5.6
Current tax asset		**70.0**	117.6
Assets classified as held for sale	(14)	**–**	2,262.9
Total current assets		**2,672.3**	4,253.2
Non-current assets			
Trade and other receivables	(4)	**23.0**	27.8
Other assets		**34.2**	21.8
Other financial assets	(18)	**3.3**	11.3
Equity accounted investments	(15)	**417.9**	404.8
Property, plant and equipment	(9)	**2,435.9**	3,182.7
Right-of-use lease assets	(10)	**243.4**	209.3
Intangible assets	(11)	**2,545.7**	2,394.4
Deferred tax assets	(3)	**6.7**	9.7
Exploration and evaluation assets		**16.0**	30.3
Total non-current assets		**5,726.1**	6,292.1
Total assets		**8,398.4**	10,545.3
Current liabilities			
Trade and other payables	(4)	**883.0**	1,059.3
Lease liabilities	(10)	**48.9**	41.3
Interest bearing liabilities	(8)	**19.5**	21.1
Other financial liabilities	(18)	**2.2**	9.7
Provisions	(17)	**140.0**	108.8
Current tax liabilities		**238.3**	11.6
Liabilities classified as held for sale	(14)	**–**	55.6
Total current liabilities		**1,331.9**	1,307.4
Non-current liabilities			
Trade and other payables	(4)	**12.4**	10.8
Lease liabilities	(10)	**222.4**	193.4
Interest bearing liabilities	(8)	**1,664.6**	1,710.6
Other financial liabilities	(18)	**39.7**	87.1
Provisions	(17)	**155.9**	132.7
Deferred tax liabilities	(3)	**108.4**	657.8
Retirement benefit obligation	(21)	**18.2**	18.8
Total non-current liabilities		**2,221.6**	2,811.2
Total liabilities		**3,553.5**	4,118.6
Net assets		**4,844.9**	6,426.7
Equity			
Issued capital	(7)	**3,354.7**	3,806.2
Reserves		**(297.1)**	144.7
Retained earnings		**1,788.3**	2,475.9
Non-controlling interest		**(1.0)**	(0.1)
Total equity		**4,844.9**	6,426.7

Consolidated Statement of Cash Flows

For the year ended 30 September 2024

	Notes	2024 $mill	2023 $mill
Cash flows from operating activities		**Inflows (Outflows)**	**Inflows (Outflows)**
(Loss)/Profit after tax for the year		**(311.8)**	559.8
Adjusted for non-cash items			
Net finance cost		**104.4**	148.7
Depreciation and amortisation	(2)	**345.0**	335.6
Asset impairment and site exit costs		**1,072.7**	4.9
Gain on sale of discontinued operations before tax	(14)	**(356.4)**	–
Share of profit on equity accounted investments	(15)	**(62.2)**	(61.4)
Net gain on sale of property, plant and equipment	(2)	**(14.7)**	(11.5)
Non-cash share-based payment transactions	(19)	**3.8**	2.9
Income tax expense	(3)	**38.6**	140.5
Changes in assets and liabilities			
(Increase)/decrease in receivables and other operating assets		**(133.2)**	178.6
(Increase)/decrease in inventories		**(2.1)**	169.4
Decrease in payables, provisions and other operating liabilities		**(217.0)**	(365.1)
		467.1	1,102.4
Adjusted for cash items			
Dividends received	(15)	**32.8**	37.7
Interest received		**57.5**	8.5
Interest paid		**(140.6)**	(133.9)
Income tax paid		**(122.1)**	(313.9)
Settlement for IPL employees entitlement		**(4.5)**	–
Net cash flows from operating activities		**290.2**	700.8
Cash flows from investing activities			
Payments for property, plant and equipment and intangibles		**(378.7)**	(495.1)
Proceeds from sale of property, plant and equipment		**30.4**	13.3
Proceeds from sale of discontinued operations, net of transaction costs and tax[(1)]		**1,639.7**	–
Payments for acquisition of subsidiaries and non-controlling interests and equity investments		**(4.3)**	–
Net cash flows from investing activities		**1,287.1**	(481.8)
Cash flows from financing activities			
Repayments of borrowings	(8)	**(8.1)**	(9.7)
Proceeds from borrowings	(8)	**0.8**	-
Dividends paid to members of Incitec Pivot Limited	(6)	**(378.2)**	(524.4)
Lease liability payments		**(53.0)**	(50.5)
Purchased shares for IPL employees		**(5.5)**	-
Share buyback		**(140.6)**	-
Capital returned to members of Incitec Pivot Limited		**(302.5)**	-
Net cash flows from financing activities		**(887.1)**	(584.6)
Net increase/(decrease) in cash and cash equivalents held		**690.2**	(365.6)
Cash and cash equivalents at the beginning of the year		**399.4**	763.5
Effect of exchange rate fluctuations on cash and cash equivalents held		**(20.7)**	1.5
Cash and cash equivalents at the end of the year	(8)	**1,068.9**	399.4

(1) Includes $156.8m tax paid on the sale of discontinued operations.

The above Consolidated Statement of Cash Flows includes cash flows from both continuing and discontinued operations. Refer to note 14 for the cash flows relating to discontinued operations.

Consolidated Statement of Changes in Equity

For the year ended 30 September 2024

	Notes	Issued capital $mill	Cash flow hedging reserve $mill	Share-based payments reserve $mill	Foreign currency translation reserve $mill	Fair value reserve $mill	Retained earnings $mill	Non-controlling interest $mill	Total equity $mill
Balance at 1 October 2022		3,806.2	(76.4)	23.4	114.4	(19.7)	2,441.7	0.1	6,289.7
Profit for the year		–	–	–	–	–	560.0	(0.2)	559.8
Total other comprehensive income for the year		–	54.5	–	45.6	–	(1.4)	–	98.7
Dividends paid	(6)	–	–	–	–	–	(524.4)	–	(524.4)
Share-based payment transactions	(19)	–	–	2.9	–	–	–	–	2.9
Balance at 30 September 2023		3,806.2	(21.9)	26.3	160.0	(19.7)	2,475.9	(0.1)	6,426.7
Balance at 1 October 2023		3,806.2	(21.9)	26.3	160.0	(19.7)	2,475.9	(0.1)	6,426.7
Loss for the year		–	–	–	–	–	(310.9)	(0.9)	(311.8)
Total other comprehensive loss for the year		–	12.0	–	(447.9)	0.3	1.5	–	(434.1)
Dividends paid	(6)	–	–	–	–	–	(378.2)	–	(378.2)
Capital returned to members of Incitec Pivot Limited	(7)	(302.5)	–	–	–	–	–	–	(302.5)
Share buyback	(7)	(149.0)	–	–	–	–	–	–	(149.0)
Settlement for IPL employees entitlement		–	–	(4.5)	–	–	–	–	(4.5)
Purchased shares for IPL employees		_	_	(5.5)	_	_	_	_	(5.5)
Share-based payment transactions	(19)	–	–	3.8	–	–	–	–	3.8
Balance at 30 September 2024		**3,354.7**	**(9.9)**	**20.1**	**(287.9)**	**(19.4)**	**1,788.3**	**(1.0)**	**4,844.9**

Cash flow hedging reserve

This reserve comprises the cumulative net change in the fair value of the effective portion of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Share-based payments reserve

This reserve comprises the fair value of rights recognised as an employee expense under the terms of the Long Term Incentive Plans.

Foreign currency translation reserve

Exchange differences arising on translation of foreign controlled operations are taken to the foreign currency translation reserve. The relevant portion of the reserve is recognised in the profit or loss when the foreign operation is disposed of.

The foreign currency translation reserve is also used to record gains and losses on hedges of net investments in foreign operations.

Fair value reserve

This reserve represents the cumulative net change in the fair value of equity instruments. The annual net change in the fair value of investments in equity securities (including both realised and unrealised gains and losses) is recognised in other comprehensive income.

Non-controlling interest

This represents equity interest outside the Incitec Pivot Limited Group. Refer to Note 16 for the list of subsidiaries that are not 100% owned by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Basis of preparation and consolidation

The consolidated financial statements of the Group have been prepared under the historical cost convention, except for certain financial instruments that have been measured at fair value.

The financial results and financial position of the Group are expressed in Australian dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements. Where applicable, comparative disclosures have been reclassified for consistency with the current period if material.

As a result of the Waggaman sale agreement, the assets and liabilities directly attributable to Waggaman were classified as held for sale at 30 September 2023. The earnings attributable to Waggaman for the period under IPL ownership and the resultant gain on sale have been presented as discontinued operations. Refer to note 14 of the financial statements for the earnings, cash flow and balance sheet of the Waggaman operations.

The capitalised expenditure on activities relating to Exploration and Evaluation of mineral resources have been separately disclosed in the financial statements as a Non-Current Asset for the financial year ended 30 September 2024.

The balances attributable to these activities were previously included in Non-Current Other Assets and Property, Plant and Equipment. The Group's accounting policy pertaining to costs for exploration for and evaluation of mineral resources is to capitalise the expenditure, to the extent that the costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale. The September 2023 balances have also been reclassified in the financial year 2024 financial statements.

The consolidated financial statements were authorised for issue by the directors on 11 November 2024.

Subsidiaries

Subsidiaries are entities that are controlled by the Group. The financial results and financial position of the subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases.

A list of the Group's subsidiaries is included in note 16.

Joint arrangements and associates

A joint venture is an arrangement where the parties have rights to the net assets of the venture.

A joint operation is an arrangement where the parties each have rights to the assets and liabilities relating to the arrangement.

Associates are those entities in respect of which the Group has significant influence, but not control, over the financial and operating policies of the entities.

Investments in joint ventures and associates are accounted for using the equity method. They are initially recognised at cost, and subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the investees.

The interests in joint operations are brought to account recognising the Group's share of jointly controlled assets, liabilities, expenses, and income from the joint operation.

A list of the Group's joint arrangements and associates is included in note 16.

Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (including Australian Interpretations) and the *Corporations Act 2001*. The consolidated financial statements of the Group comply with International Financial Reporting Standards (**IFRS**) and interpretations. The Company is a for-profit entity.

Key estimates and judgements

Key accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The resulting accounting estimates will, by definition, seldom equal the subsequent related actual result. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are set out in the notes.

Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument, *ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission dated 24 March 2016 and, in accordance with that Legislative Instrument, the amounts shown in this report and in the financial statements have been rounded, except where otherwise stated, to the nearest one hundred thousand dollars.

Structural Separation

On 10 July 2024, IPL announced that it had ceased previous negotiations for the sale of its Fertilisers business.

IPL continues to manage Dyno Nobel and Incitec Pivot Fertilisers separately, while options are assessed for the structural separation of the two businesses.

There has been no impact on the financial statements for FY24 other than the costs incurred to date which have been classified as an individually material item and disclosed in the note 2 to the financial statements.

Accounting standards issued

The Group adopted any amendments to Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that are relevant to its operations and effective for the current year. The adoption of these revised Standards and Interpretations did not have a material impact on the Group's result.

Certain new accounting Standards and Interpretations have been issued that are not mandatory for the 30 September 2024 reporting period and have not been early adopted by the Group. These Standards and Interpretations are not expected to have a material impact on the Group in the current or future reporting periods or on foreseeable future transactions.

1. Segment report

The Group operates a number of strategic divisions that offer different products and services and operate in different markets. For reporting purposes, these divisions are known as reportable segments. The results of each segment are reviewed monthly by the executive management team (the chief operating decision makers) to assess performance and make decisions about the allocation of resources.

Description of reportable segments

Asia Pacific

Fertilisers Asia Pacific (**Fertilisers APAC**): manufactures and sells fertilisers in Eastern Australia and the export market. It also manufactures, imports and sells industrial chemicals to the agricultural sector and other specialist industries.

Dyno Nobel Asia Pacific (**DNAP**): manufactures and sells industrial explosives and related products and services to the mining industry mainly in the Asia Pacific region, Turkey and France.

Asia Pacific Eliminations (**APAC Elim**): represent elimination of sales and profit in stock arising from Fertilisers APAC sales to DNAP.

Americas

Dyno Nobel Americas (**DNA**): manufactures and sells industrial explosives and related products and services to the mining, quarrying and construction industries in the Americas (Canada, Mexico and Chile) and initiating systems to businesses in Australia, Turkey and South Africa. It also manufactures and sells industrial chemicals to the agricultural sector and other specialist industries.

Group eliminations/Corporate

Group Eliminations (**Group Elim**): represent elimination of sales and profit in stock arising from intersegment sales.

Corporate costs include all head office expenses that cannot be directly or reasonably attributed to the operation of any of the Group's businesses.

Reportable segments – financial information

		Asia Pacific				Americas					
30 September 2024	**Notes**	**Fertilisers APAC $mill**	**DNAP $mill**	**APAC Elim $mill**	**Total $mill**	**DNA $mill**	**Group Elim $mill**	**Corporate(i) $mill**	**Total Continuing Operations $mill**	**Discontinued Operations $mill**	**Consolidated Group $mill**
Revenue from external customers	(2)	2,098.0	1,478.4	(13.6)	3,562.8	1,760.7	(45.0)	–	5,278.5	86.4	5,364.9
Share of profit of equity accounted investments	(15)	–	19.5	–	19.5	42.7	–	–	62.2	–	62.2
EBITDA(ii)		205.9	359.6	–	565.5	354.0	(1.3)	(52.1)	866.1	58.7	924.8
Depreciation and amortisation	(2)	(86.1)	(102.9)	–	(189.0)	(150.7)	0.7	(6.0)	(345.0)	–	(345.0)
EBIT(iii)		119.8	256.7	–	376.5	203.3	(0.6)	(58.1)	521.1	58.7	579.8
Net interest expense											(104.4)
Income tax expense (excluding IMIs)											(75.5)
Profit after tax(iv)											399.9
Non-controlling interest											0.9
Individually material items (net of tax)	(2)										(711.7)
Loss attributable to members of IPL											**(310.9)**
Segment assets		1,033.4	2,897.5	–	3,930.9	3,230.6	–	1,230.2	8,391.7	–	8,391.7
Segment liabilities		(619.1)	(321.3)	–	(940.4)	(1,002.1)	–	(1,502.6)	(3,445.1)	–	(3,445.1)
Net segment assets(v)		414.3	2,576.2	–	2,990.5	2,228.5	–	(272.4)	4,946.6	–	4,946.6
Deferred tax balances	(3)										(101.7)
Net assets											**4,844.9**

(i) Corporate assets and liabilities include the Group's interest bearing liabilities and derivative assets and liabilities.
(ii) Earnings Before Interest, related income tax expense, depreciation and amortisation and individually material items.
(iii) Earnings Before Interest, related income tax expense and individually material items.
(iv) Profit after tax (excluding individually material items).
(v) Net segment assets exclude deferred tax balances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS: FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 SEPTEMBER 2024

		Asia Pacific				Americas					
30 September 2023	**Notes**	**Fertilisers APAC $mill**	**DNAP $mill**	**APAC Elim $mill**	**Total $mill**	**DNA $mill**	**Group Elim $mill**	**Corporate(i) $mill**	**Total Continuing Operations $mill**	**Discontinued Operations $mill**	**Consolidated Group $mill**
Revenue from external customers	(2)	2,203.4	1,500.6	(22.2)	3,681.8	1,776.2	(54.5)	–	5,403.5	604.6	6,008.1
Share of profit of equity accounted investments	(15)	–	15.5	–	15.5	45.9	–	–	61.4	–	61.4
EBITDA(ii)		255.3	289.1	–	544.4	307.4	0.1	(43.9)	808.0	407.4	1,215.4
Depreciation and amortisation	(2)	(102.1)	(100.8)	–	(202.9)	(116.1)	0.5	(6.2)	(324.7)	(10.9)	(335.6)
EBIT(iii)		153.2	188.3	–	341.5	191.3	0.6	(50.1)	483.3	396.5	879.8
Net interest expense											(148.7)
Income tax expense (excluding IMIs)											(149.2)
Profit after tax(iv)											581.9
Non-controlling interest											0.2
Individually material items (net of tax)	(2)										(22.1)
Profit attributable to members of IPL											560.0
Segment assets		1,756.8	2,856.3	–	4,613.1	3,047.6	–	612.0	8,272,7	2,262.9	10,535.6
Segment liabilities		(678.3)	(355.1)	–	(1,033.4)	(726.1)	–	(1,634.5)	(3,394.0)	(66.8)	(3,460.8)
Net segment assets(v)		1,078.5	2,501.2	–	3,579.7	2,321.5	–	(1,022.5)	4,878.7	2,196.1	7,074.8
Deferred tax balances	(3)										(648.1)
Net assets											6,426.7

(i) Corporate assets and liabilities include the Group's interest bearing liabilities and derivative assets and liabilities.
(ii) Earnings Before Interest, related income tax expense, depreciation and amortisation and individually material items.
(iii) Earnings Before Interest, related income tax expense and individually material items.
(iv) Profit after tax (excluding individually material items).
(v) Net segment assets exclude deferred tax balances.

Geographical information – secondary reporting segments

The Group operates in two principal countries being Australia and the US.

In presenting information on the basis of geographical information, revenue is based on the geographical location of the entity making the sale. Assets are based on the geographical location of the assets.

30 September 2024	**Australia $mill**	**US $mill**	**Other/Elim $mill**	**Continuing Operations $mill**	**Discontinued Operations (US) $mill**	**Consolidated Group $mill**
Revenue from external customers	**3,263.7**	**1,337.4**	**677.4**	**5,278.5**	**86.4**	**5,364.9**
30 September 2023						
Revenue from external customers	3,345.8	1,388.6	669.1	5,403.5	604.6	6,008.1

30 September 2024	**Australia $mill**	**US $mill**	**Other/Elim $mill**	**Consolidated Group $mill**
Non-current assets other than financial assets and deferred tax assets	**2,771.1**	**2,514.3**	**430.7**	**5,716.1**
Trade and other receivables	**355.3**	**132.6**	**182.2**	**670.1**
30 September 2023				
Non-current assets other than financial assets and deferred tax assets	3,542.0	2,279.0	450.1	6,271.1
Trade and other receivables	261.6	151.2	185.1	597.9

2. Revenue and expenses

	Notes	2024 $mill	2023 $mill
Revenue			
External sales from continuing operations		**5,278.5**	5,403.5
External sales from discontinued operations		**86.4**	604.6
Total revenue		**5,364.9**	6,008.1
Financial income			
Interest income		**57.3**	8.5
Other income			
Royalty income and management fees	(15)	**38.7**	37.0
Net gain on sale of property, plant and equipment		**14.7**	11.5
Government grant income		**–**	7.4
Other income from continuing operations		**25.3**	3.1
Total financial and other income from continuing operations		**136.0**	67.5
Other income from discontinued operations		**–**	0.2

Expenses

Profit before income tax includes the following specific expenses:

	Notes	2024 $mill	2023 $mill
Depreciation and amortisation continuing operations			
Depreciation			
property, plant and equipment	(9)	**261.5**	251.8
leases	(10)	**54.6**	52.4
Amortisation	(11)	**28.9**	20.5
Total depreciation and amortisation		**345.0**	324.7
Depreciation and amortisation discontinued operations			
Depreciation			
property, plant and equipment	(9)	**–**	10.7
leases	(10)	**–**	0.1
Amortisation	(11)	**–**	0.1
Total depreciation and amortisation	(14)	**–**	10.9
Asset impairment and site exit costs			
property, plant and equipment	(9)	**793.9**	4.9
intangible assets	(11)	**197.2**	–
inventories		**32.7**	–
exploration and evaluation assets		**18.0**	–
site exit costs		**30.9**	–
Total asset impairment and site exit costs		**1,072.7**	4.9
Amounts set aside to provide for:			
Impairment losses on trade and other receivables	(4)	**6.7**	3.6
Inventory losses and obsolescence	(4)	**9.9**	4.1
Employee entitlements	(17)	**17.6**	6.9
Environmental liabilities	(17)	**21.0**	5.5
Legal and other provisions	(17)	**15.3**	2.5
Restructuring and rationalisation costs	(17)	**29.6**	4.5
Research and development expense		**30.2**	30.6
Defined contribution superannuation expense		**40.8**	38.4
Defined benefit superannuation expense	(21)	**1.3**	7.1
Financial expenses			
Interest on lease liabilities	(10)	**8.6**	6.1
Unwinding of discount on provisions	(17)	**6.4**	5.2
Net interest expense on defined benefit obligation	(21)	**1.3**	1.0
Interest expenses on financial liabilities		**144.8**	144.1
Total financial expenses continuing operations		**161.1**	156.4
Interest on lease liabilities	(10)	**0.1**	0.3
Unwinding of discount on provisions	(17)	**0.5**	0.5
Total financial expenses discontinued operations		**0.6**	0.8

Individually material items

Profit after tax includes the following expenses whose disclosure is relevant in explaining the financial performance of the Group:

	Gross $mill	Tax $mill	Net $mill
30 September 2024			
Impairment and site exit costs of Australian Fertilisers business (1)	940.9	(224.3)	716.6
Impairment of US Fertilisers business (2)	100.1	(26.0)	74.1
Fertilisers separation costs (3)	8.5	(2.5)	6.0
Gain on sale of WALA (4)	(356.4)	232.6	(123.8)
Business transformation costs (5)	31.3	(9.4)	21.9
DNAP site closure (6)	24.2	(7.3)	16.9
Total individually material items	**748.6**	**(36.9)**	**711.7**
30 September 2023			
Fertilisers separation costs (3)	18.0	(5.4)	12.6
WALA sale transaction costs (7)	12.8	(3.3)	9.5
Total individually material items	30.8	(8.7)	22.1

(1) IPL has written down the carrying value of its Australian Fertilisers business based on a value-in-use approach as summarised below:
a. Assets related to the Phosphate Hill operations have been impaired which is reflective of the uncertain gas outlook on the east coast of Australia.
b. Geelong manufacturing assets have been fully impaired as a result of movements in the global phosphate market, fluctuations in phosphate rock costs and movements in the domestic SSP sale price.
c. Ahead of a distribution center relocation at Gibson Island, infrastructure at the distribution centre which cannot be relocated to the new facility has also been written off.

(2) During FY24, IPL undertook a competitive sale process for the potential sale of its Fertilisers manufacturing facility located in St Helens, Oregon, US. While the facility was not sold, the process did indicate that the fair value of the asset was below the carrying amount. This triggered an impairment review of the asset and a partial impairment of the asset was recognised on a value-in-use basis.

(3) Separation costs, primarily advisor fees and IT transition costs, were incurred to optimally position IPF for standalone operation, whether this be in preparation for sale or as a separately managed business within the IPL Group.

(4) In December 2023, IPL completed the sale of its ammonia manufacturing facility located in Waggaman, Louisiana, US, resulting in a gain on sale. In addition to the net proceeds received and the disposal of net tangible assets, the gain on sale includes a non-cash, non-tax-deductible release of goodwill and foreign currency translation reserve.

(5) In FY24, IPL initiated a business transformation project for the Dyno Nobel business. The project has identified opportunities for innovation, collaboration, and more efficient ways of working and is expected to deliver significant value. The one-off project costs primarily reflect redundancy costs and advisor fees.

(6) In September 2024, IPL decided to cease manufacturing at its emulsion plant located in Warkworth, New South Wales. The conclusion of a contract to source Ammonium Nitrate solution to the facility resulted in the operations becoming uneconomical beyond 2024. As a result of the decision, IPL will incur costs to demolish the plant, remediate the land, and pay redundancies to impacted employees.

(7) Costs incurred to effect the sale of WALA operations. These costs include advisory fees, legal, accounting and tax advice during 2023.

Key accounting policies

Revenue

Revenue is measured at the fair value of the consideration received or receivable by the Group. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties. Revenue is recognised for the major business activities on the following basis:

» Sale of goods and services: revenue from the sale of goods and services is recognised at the point in time when the performance obligations under the customer contract are satisfied. This is typically when control of goods or services is transferred to the customer. The fee for the service component is recognised separately from the sale of goods.

» Interest income is recognised as it accrues using the effective interest method.

The Group disaggregates its revenue per reportable segment as presented in note 1, as the revenue within each business unit is affected by economic factors in a similar manner.

Goods and services tax

Revenues, expenses, assets and liabilities (other than receivables and payables) are recognised net of the amount of goods and services tax (**GST**). The only exception is where the amount of GST incurred is not recoverable from the relevant taxation authorities. In these circumstances, the GST is recognised as part of the cost of the asset or as part of the item of expenditure.

Other income

Other income represents gains that are not revenue. This includes royalty income and management fees from the Group's joint ventures and associates, income from contractual arrangements that are not considered external sales and government grants. During 2023, IPL received Government grants of $6.2m to fund the increased production of AdBlue at the Gibson Island facility given the shortage in the domestic market. Grant income was recognised as a deduction from the related expense with any excess income reported as other income.

3. Taxation

Income tax expense for the year

	2024			2023		
	Continuing Operations $mill	**Discontinued Operations $mill**	**Consolidated Group $mill**	Continuing Operations $mill	Discontinued Operations $mill	Consolidated Group $mill
Current tax expense/(benefit)	**61.2**	**511.8**	**573.0**	(39.3)	103.1	63.8
Deferred tax (benefit)/expense	**(270.3)**	**(264.1)**	**(534.4)**	80.2	(3.5)	76.7
Total income tax (benefit)/expense	**(209.1)**	**247.7**	**38.6**	40.9	99.6	140.5

Income tax reconciliation to prima facie tax payable

	2024			2023		
	Continuing Operations $mill	**Discontinued Operations $mill**	**Consolidated Group $mill**	Continuing Operations $mill	Discontinued Operations $mill	Consolidated Group $mill
(Loss)/profit before income tax	**(687.7)**	**414.5**	**(273.2)**	317.4	382.9	700.3
Tax at the Australian tax rate of 30% (2023: 30%)	**(206.3)**	**124.4**	**(81.9)**	95.2	114.9	210.1
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:						
Joint venture income	**(13.5)**	**–**	**(13.5)**	(14.3)	–	(14.3)
Sundry items	**(8.6)**	**(32.6)**	**(41.2)**	(17.0)	–	(17.0)
Reversal of deferred tax liabilities	**(24.6)**	**–**	**(24.6)**	–	–	–
Goodwill impairment	**57.9**	**237.2**	**295.1**	–	–	–
Non assessable gains	**–**	**(68.5)**	**(68.5)**	–	–	–
Difference in overseas tax rates	**(14.0)**	**(12.8)**	**(26.8)**	(23.0)	(15.3)	(38.3)
Total income tax (benefit)/expense	**(209.1)**	**247.7**	**38.6**	40.9	99.6	140.5

Tax amounts recognised directly in equity

The aggregate current and deferred tax arising in the financial year and not recognised in net profit or loss but directly charged to equity is a credit of $0.1m for the year ended 30 September 2024 (2023: debit of $22.3m).

Net deferred tax assets/(liabilities)

Deferred tax balances comprise temporary differences attributable to the following:

	2024 $mill	**2023 $mill**
Employee entitlements provision	**26.8**	19.1
Retirement benefit obligations	**3.5**	4.2
Provisions and accruals	**85.9**	74.3
Lease liabilities	**72.8**	64.7
Tax losses	**6.6**	29.2
Property, plant and equipment	**(163.4)**	(671.2)
Right-of-use lease assets	**(68.1)**	(61.0)
Intangible assets	**(86.7)**	(93.1)
Joint venture income	**(18.1)**	(17.5)
Inventories impairment	**10.6**	5.4
Share based payments	**7.9**	9.3
Foreign exchange movement	**7.0**	(5.3)
Other	**13.5**	(6.2)
Net deferred tax liabilities	**(101.7)**	(648.1)

Presented in the Consolidated Statement of Financial Position as follows:

	2024 $mill	2023 $mill
Deferred tax assets	**6.7**	9.7
Deferred tax liabilities	**(108.4)**	(657.8)
Net deferred tax liabilities	**(101.7)**	(648.1)

Movements in net deferred tax liabilities

The table below sets out movements in net deferred tax balances for the period ended 30 September:

	2024 $mill	2023 $mill
Opening balance at 1 October	**(648.1)**	(544.9)
Credited/(debited) to the profit or loss	**534.4**	(76.7)
Charged to equity	**0.1**	(22.3)
Foreign exchange movements	**11.9**	(4.2)
Closing balance at 30 September	**(101.7)**	(648.1)

Key accounting policies

Income tax expense

Income tax expense comprises current tax (amounts payable or receivable within 12 months) and deferred tax (amounts payable or receivable after 12 months). Tax expense is recognised in the profit or loss, unless it relates to items that have been recognised in equity (as part of other comprehensive income). In this instance, the related tax expense is also recognised in equity.

Current tax

Current tax is the expected tax payable on the taxable income for the year. It is calculated using tax rates applicable at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised.

The Group has and will continue to apply the temporary exemption in AASB 112 Income Taxes not to recognise or disclose information about deferred tax assets and liabilities that could arise from OECD Pillar Two model rules.

Offsetting tax balances

Tax assets and liabilities are offset when the Group has a legal right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Tax consolidation

For details on the Company's tax consolidated group refer to note 23.

Key estimates and judgements

Uncertain tax matters

The Group is subject to income taxes in Australia and foreign jurisdictions and as a result, the calculation of the Group's tax charge involves a degree of estimation and judgement in respect of certain items. In addition, there are transactions and calculations relating to the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for potential tax audit issues in deferred tax liabilities based on management's assessment of whether additional taxes may be payable and calculates the provision in accordance with the applicable accounting standards including IFRIC 23 Uncertainty over Income Tax Treatments. Where the final tax outcome of these matters is different from the amounts that were initially recorded, these differences impact the current and deferred tax provisions in the period in which such determination is made.

4. Trade and other receivables and payables

The Group's total trade and other receivables and payables consists of inventory, receivables and payables balances, net of provisions for any impairment losses.

30 September 2024	Trade $mill	Other $mill	Total $mill
Inventories	**785.3**	**–**	**785.3**
Receivables	**615.3**	**54.8**	**670.1**
Payables	**(558.5)**	**(336.9)**	**(895.4)**
	842.1	**(282.1)**	**560.0**

30 September 2023	Trade $mill	Other $mill	Total $mill
Inventories	817.4	–	817.4
Receivables	538.4	59.5	597.9
Payables	(782.1)	(288.0)	(1,070.1)
	573.7	(228.5)	345.2

Inventories by category:

	2024 $mill	2023 $mill
Raw materials and stores	**221.0**	246.0
Work-in-progress	**75.4**	94.9
Finished goods	**512.1**	495.9
Provisions	**(23.2)**	(19.4)
Total inventory balance	**785.3**	817.4

Provision movement:

30 September 2024	Trade receivables $mill	Inventories $mill
Carrying amount at 1 October 2023	**(16.7)**	**(19.4)**
Provisions made during the year	**(6.7)**	**(9.9)**
Provisions written back during the year	**5.8**	**3.0**
Amounts written off against provisions	**2.1**	**2.6**
Foreign exchange rate movements	**1.4**	**0.5**
Carrying amount at 30 September 2024	**(14.1)**	**(23.2)**

Trade receivables ageing and credit loss provision

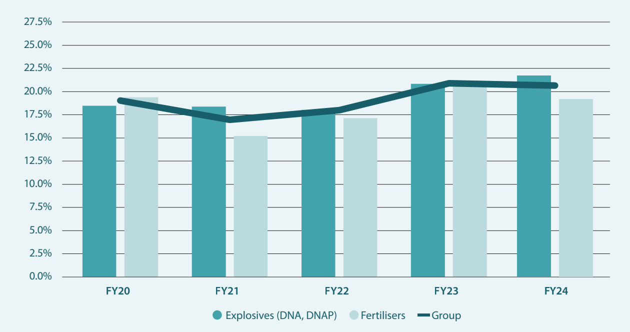
Included in the following table is an age analysis of the Group's trade receivables, along with credit loss provisions against these balances at 30 September:

30 September 2024	Gross $mill	Credit loss provision $mill	Net $mill
Current	**584.3**	**(0.8)**	**583.5**
30–90 days	**29.2**	**(1.2)**	**28.0**
Over 90 days	**15.9**	**(12.1)**	**3.8**
Total	**629.4**	**(14.1)**	**615.3**

30 September 2023	Gross $mill	Credit loss provision $mill	Net $mill
Current	518.1	(2.3)	515.8
30–90 days	21.4	(2.2)	19.2
Over 90 days	15.6	(12.2)	3.4
Total	555.1	(16.7)	538.4

The graph below shows the Group's trade working capital (trade assets and liabilities) performance over a five year period.

13 month rolling average trade working capital*/ Annual net revenue from continuing operations



* Trade working capital is reported gross of debtor factoring and supply chain financing arrangements.

Key accounting policies

Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of manufactured goods is based on a weighted average costing method. For third party sourced goods, cost is net cost into warehouse.

Trade and other receivables

Trade and other receivables are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost less any provisions for expected impairment losses or actual impairment losses. Credit losses and recoveries of items previously written off are recognised in the profit or loss.

Where substantially all risks and rewards relating to a receivable are transferred to a third party, the receivable is derecognised.

To manage cash inflows which are impacted by seasonality and demand and supply variability, the Group has a nonrecourse receivable purchasing agreement to sell certain receivables to an unrelated entity in exchange for cash. These receivables are derecognised upon sale as substantially all risks and rewards associated with the receivables are passed to the purchaser. As at 30 September 2024, there were no receivables sold under this arrangement (2023: $117.9m).

Trade and other payables

Trade and other payables are stated at cost and represent liabilities for goods and services provided to the Group prior to the end of financial year, which are unpaid at the reporting date.

To manage the cash flow conversion cycle on some products procured by the Group, and to ensure that suppliers receive payment in a time period that suits their business model, the Group offers some suppliers the opportunity to use supply chain financing. The Group evaluates supplier arrangements against a number of indicators to assess if the payable continues to have the characteristics of a trade payable or should be classified as borrowings. These indicators include whether the payment terms exceed customary payment terms in the industry. At 30 September 2024, the balance of the supply chain finance program was $nil (2023: $148.3m).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS: SHAREHOLDER RETURNS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

Key estimates and judgements

The expected impairment loss calculation for trade receivables considers the impact of past events, and exercises judgement over the impact of current and future economic conditions when considering the recoverability of outstanding trade receivable balances at the reporting date. In establishing the expected credit loss provision, the Group also assessed the impact of the global economic challenges and its potential to affect customers' repayment ability. Subsequent changes in economic and market conditions may result in the provision for impairment losses increasing or decreasing in future periods.

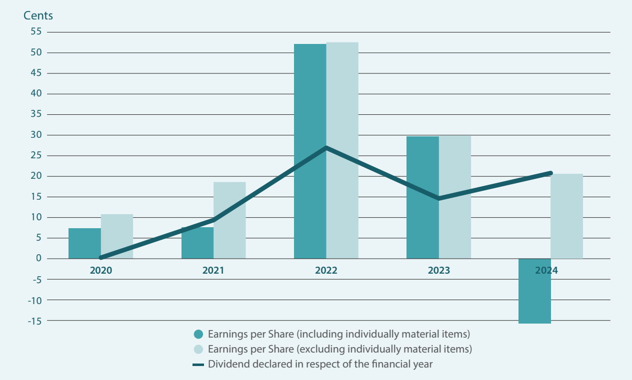
5. Earnings per share

	2024 $mill	2023 $mill
Earnings used in the calculation of earnings per share attributable to ordinary shareholders		
Profit from continuing operations attributable to ordinary shareholders	**(477.7)**	276.7
Profit from discontinued operations attributable to ordinary shareholders	**166.8**	283.3
Individually material items after tax	**711.7**	22.1
Profit attributable to ordinary shareholders excluding individually material items	**400.8**	582.1
	Number	**Number**
Weighted average number of ordinary shares used in the calculation of basic earnings per share	**1,935,814,215**	1,942,225,029
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	**1,935,814,215**	1,946,428,912

	2024 Cents per share	2023 Cents per share
Basic earnings per share		
Continuing operations including individually material items	**(24.7)**	14.2
Discontinued operations	**8.6**	14.6
Total basic earnings per share	**(16.1)**	28.8
Diluted earnings per share		
Continuing operations including individually material items	**(24.7)**	14.2
Discontinued operations	**8.6**	14.6
Total diluted earnings per share	**(16.1)**	28.8
Excluding individually material items		
Basic earnings per share	**20.7**	30.0
Diluted earnings per share	**20.7**	29.9

The graph below shows the Group's earnings per share and dividend payout over the last five years.

Company performance and dividends declared



6. Dividends

Dividends paid or declared by the Company in the year ended 30 September were:

	2024 $mill	2023 $mill
Ordinary shares		
Final dividend of 17.0 cents per share, fully franked, paid 21 December 2022	–	330.2
Interim dividend of 10.0 cents per share, 60 percent franked, paid 4 July 2023	–	194.2
Final dividend of 5.0 cents per share, unfranked, paid 19 December 2023	**97.1**	–
Special dividend of 10.2 cents per share, unfranked, paid 8 February 2024	**197.5**	–
Interim dividend of 4.3 cents per share, unfranked, paid 4 July 2024	**83.6**	–
Total ordinary share dividends	**378.2**	**524.4**

Since the end of the financial year, the directors have determined to pay a final dividend of 6.3 cents per share, unfranked, to be paid on 18 December 2024. The record date for entitlement to this dividend is 4 December 2024. Based on the number of shares on issue at 30 September 2024, the total dividend payment will be $119.2m.

The financial effect of this dividend has not been recognised in the 2024 Consolidated Financial Statements and will be recognised in subsequent Financial Reports.

The dividend reflects a payout ratio of approximately 50 percent of net profit after tax (before individually material items).

Franking credits

Franking credits as at 30 September 2024 were $13.9m (2023: $3.9m).

Key accounting policies

A provision for dividends payable is recognised in the reporting period in which the dividends are paid. The provision is for the total undistributed dividend amount, regardless of the extent to which the dividend will be paid in cash.

7. Capital management

Capital is defined as the amount subscribed by shareholders to the Company's ordinary shares and amounts advanced by debt providers to any Group entity. The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and invest in business growth, while providing returns to shareholders and benefits to other stakeholders.

The Group's key strategies for maintenance of an optimal capital structure include:

- Aiming to maintain an investment grade credit profile and the requisite financial metrics;
- Securing access to diversified sources of debt funding with a spread of maturity dates and sufficient undrawn committed facility capacity;
- Optimising over the long-term, to the extent practicable, the Group's Weighted Average Cost of Capital (WACC), while maintaining financial flexibility.

In order to optimise its capital structure, the Group may undertake one or a combination of the following actions:

- change the amount of dividends paid to shareholders and/or offer a dividend reinvestment plan with or without a discount and/or with or without an underwriting facility when appropriate;
- return capital or issue new shares to shareholders;
- vary discretionary capital expenditure;
- raise new debt funding or repay existing debt balances; and
- draw down additional debt or sell non-core assets to reduce debt.

Key financial metrics

The Group uses a range of financial metrics to monitor the efficiency of its capital structure, including EBITDA, interest cover and Net debt/EBITDA before individually material items. Financial metric targets are maintained inside debt covenant restrictions. At 30 September the Group's position in relation to these metrics was:

	Target range	2024	2023
Net debt/EBITDA (times) (1)	**equal or less than 1.5**	**0.8**	1.2
Interest cover (times)	**equal or more than 6.0**	**12.5**	9.9

(1) Consistent with IPL debt covenants, net debt does not include trade working capital facilities.

These ratios are impacted by a number of factors, including the level of cash retained from operating cash flows generated by the Group after paying all of its commitments (including dividends or other returns of capital), movements in foreign exchange rates, changes to market interest rates and the fair value of hedges economically hedging the Group's net debt.

Self-insurance

The Group also self-insures for certain insurance risks under the Singapore Insurance Act. Under this Act, authorised general insurer, Coltivi Insurance Pte Limited (the Group's self-insurance company), is required to maintain a minimum amount of capital. For the financial year ended 30 September 2024, Coltivi Insurance Pte Limited maintained capital in excess of the minimum requirements prescribed under this Act.

Issued capital

Ordinary shares

Ordinary shares issued are classified as equity and are fully paid, have no par value and carry one vote per share and the right to dividends. Incremental costs directly attributable to the issue of new shares are recognised as a deduction from equity, net of any related income tax benefit.

Issued capital as at 30 September 2024 amounted to $3,354.7m (2023: $3,806.2m) and ordinary shares of 1,892,101,721 (2023: 1,942,225,029).

Capital Returns

On 8 February 2024, the Company returned $500.0m of surplus capital to shareholders. The cash distribution of 25.7 cents per share is in the form of a 15.6 cents per share capital reduction, totalling $302.4m and an unfranked special dividend of 10.2 cents per share, totalling $197.5m.

Additionally, the Group bought back shares valued at $149.0m as part of a planned $900.0m on-market share buyback program. The Group remains committed to executing the remainder of the program and has sufficient cash reserves and committed bank facilities to complete the buyback.

8. Net debt

The Group's net debt comprises the net of interest bearing liabilities, cash and cash equivalents, and the fair value of derivative instruments economically hedging the foreign exchange rate and interest rate exposures of the Group's interest bearing liabilities at the reporting date. The Group's net debt at 30 September is analysed as follows:

	Notes	2024 $mill	2023 $mill
Interest bearing liabilities		**1,684.1**	1,731.7
Cash and cash equivalents		**(1,068.9)**	(399.4)
Fair value of derivatives	(18)	**36.4**	82.7
Net debt		**651.6**	1,415.0

At 30 September 2024, the Group's Net debt/EBITDA before individually material items was 0.8 times (2023: 1.2 times). Refer to note 7 for detail on the key financial metrics related to the Group's capital structure.

Interest bearing liabilities

The Group's interest bearing liabilities are unsecured and expose it to various market and liquidity risks. Details of these risks and their mitigation are included in note 18.

The following table details the interest bearing liabilities of the Group at 30 September:

	2024 $mill	2023 $mill
Current		
Loans from joint ventures	**19.5**	21.1
	19.5	21.1
Non-current		
Other non-current loans	**13.3**	20.7
Fixed interest rate bonds	**1,651.3**	1,689.9
	1,664.6	1,710.6
Total interest bearing liabilities	**1,684.1**	1,731.7

Fixed Interest Rate Bonds

The Group has on issue the following fixed interest rate bonds:

- USD500.0m of Notes as a private placement in the US market. USD250.0m has a fixed rate semi-annual coupon of 4.03 percent and matures in October 2028 and USD250.0m has a fixed rate semi-annual coupon of 4.13 percent and matures in October 2030.
- HKD560.0m 7 year bond as a private placement in the Regulation S debt capital market. The bond has a fixed rate annual coupon of 4.13 percent and matures in February 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS: CAPITAL STRUCTURE

FOR THE YEAR ENDED 30 SEPTEMBER 2024

» AUD431.3m 7 year bond on issue in the Australian debt capital market. The bond was issued in March 2019 for AUD450.0m and reduced by AUD18.7m as a result of the buyback in November 2020. The bond has a fixed rate semi-annual coupon of 4.30 percent and matures in March 2026.

» USD305.7m 10 year bond on issue in the Regulation S debt capital market. The bond was issued in August 2017 for USD400.0m and reduced by USD94.3m as a result of the buyback in November 2020. The bond has a fixed rate semi-annual coupon of 3.95 percent and matures in August 2027.

Bank Facilities

The Group holds committed Syndicated Term facility domiciled in Australia and consisting of two tranches: Tranche A has a limit of AUD490.0m and Tranche B has a limit of USD200.0m. The facility had a maturity of April 2025 which was extended to October 2025.

Tenor of interest bearing liabilities

The Group's average tenor of its drawn interest bearing liabilities at 30 September 2024 is 3.4 years (2023: 4.4 years) and the average tenor of its total debt facilities is 2.6 years (2023: 3.4 years).

The table below includes detail on the movements in the Group's interest bearing liabilities.

		Cash flow		Non-cash changes		
30 September 2024	**1 October 2023 $mill**	**Proceeds from borrowings $mill**	**Repayments of borrowings $mill**	**Foreign exchange movement $mill**	**Funding costs & fair value adjustments $mill**	**30 September 2024 $mill**
Current						
Loans from joint ventures	21.1	–	(0.1)	(1.5)	–	19.5
Non-current						
Other loans	20.7	0.8	(8.0)	(0.2)	–	13.3
Fixed interest rate bonds	1,689.9	–	–	(94.0)	55.4	1,651.3
Total liabilities from financing activities	**1,731.7**	**0.8**	**(8.1)**	**(95.7)**	**55.4**	**1,684.1**
Derivatives held to hedge interest bearing liabilities	82.7	–	–	7.2	(53.5)	36.4
Debt after hedging	**1,814.4**	**0.8**	**(8.1)**	**(88.5)**	**1.9**	**1,720.5**

		Cash flow	Non-cash changes		
30 September 2023	**1 October 2022 $mill**	**Repayments of borrowings $mill**	**Foreign exchange movement $mill**	**Funding costs & fair value adjustments $mill**	**30 September 2023 $mill**
Current					
Loans from joint ventures	21.1	(0.2)	0.2	–	21.1
Non-current					
Other loans	28.0	(9.5)	2.2	–	20.7
Fixed interest rate bonds	1,662.9	–	16.9	10.1	1,689.9
Total liabilities from financing activities	**1,712.0**	**(9.7)**	**19.3**	**10.1**	**1,731.7**
Derivatives held to hedge interest bearing liabilities	87.7	–	(1.6)	(3.4)	82.7
Debt after hedging	**1,799.7**	**(9.7)**	**17.7**	**6.7**	**1,814.4**

Interest rate profile

The table below summarises the Group's interest rate profile of its interest bearing liabilities, net of hedging, at 30 September:

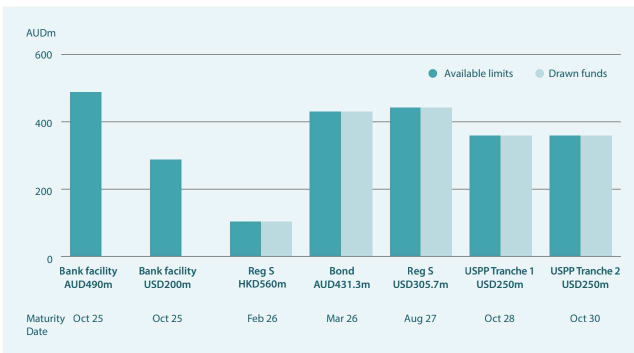
	2024 $mill	**2023 $mill**
Fixed interest rate financial instruments	**1,025.1**	894.1
Variable interest rate financial instruments	**659.0**	837.6
	1,684.1	1,731.7

Detail on the Group's interest hedging profile and duration is included in note 18.

Funding profile

The graph below details the Group's available funding limits, its maturity dates and drawn funds at 30 September 2024.

The Group has undrawn financing facilities of $779.0m (2023: $801.2m) at 30 September 2024.



Cash and cash equivalents

Cash and cash equivalents at 30 September 2024 were $1,068.9m (2023: $399.4m) and consisted of cash at bank of $166.7m (2023: $209.5m) and short term investments of $902.2m (2023: $189.9m).

Key accounting policies

Interest bearing liabilities

Interest bearing liabilities are initially recognised at fair value less any directly attributable borrowing costs. Subsequent to initial recognition, interest bearing liabilities are measured at amortised cost using the effective interest method, with any difference between cost and redemption value recognised in the profit
or loss over the period of the borrowings.

The Group derecognises interest bearing liabilities when its obligation is discharged, cancelled or expires. Any gains and losses arising on derecognition are recognised in the profit or loss.

Interest bearing liabilities are classified as current liabilities, except for those liabilities where the Group has an unconditional right to defer settlement for at least 12 months after the year end, which are classified as non-current.

Cash and cash equivalents

Cash includes cash at bank, cash on hand and short term investments, net of bank overdrafts.

Borrowing costs

Borrowing costs include interest on borrowings and the amortisation of premiums relating to borrowings.

Borrowing costs are expensed as incurred, unless they relate to qualifying assets (refer note 9). In this instance, the borrowing costs are capitalised and depreciated over the asset's expected useful life.

9. Property, plant and equipment

	Notes	Freehold land and buildings $mill	Machinery, plant and equipment $mill	Work in progress $mill	Total $mill
At 30 September 2022					
Cost		1,169.4	5,433.7	398.0	7,001.1
Accumulated depreciation		(446.9)	(2,307.3)	–	(2,754.2)
Net book amount		722.5	3,126.4	398.0	4,246.9
Year ended 30 September 2023					
Opening net book amount		722.5	3,126.4	398.0	4,246.9
Adjustment due to change in discount rates (1)		(22.1)	(1.8)	–	(23.9)
Additions		0.7	24.6	467.5	492.8
Reclassification to held for sale (2)		(120.9)	(1,050.6)	(75.1)	(1,246.6)
Disposals		(1.8)	–	–	(1.8)
Depreciation	(2)	(31.2)	(231.3)	–	(262.5)
Impairment of assets	(2)	–	(4.9)	–	(4.9)
Reclassification from work in progress		49.4	379.5	(428.9)	–
Reclassification to exploration and evaluation assests		–	–	(8.7)	(8.7)
Foreign exchange movement		3.4	(22.0)	10.0	(8.6)
Closing net book amount		600.0	2,219.9	362.8	3,182.7
At 30 September 2023					
Cost		1,034.0	4,429.4	362.8	5,826.2
Accumulated depreciation		(434.0)	(2,209.5)	–	(2,643.5)
Net book amount		600.0	2,219.9	362.8	3,182.7
Year ended 30 September 2024					
Opening net book amount		**600.0**	**2,219.9**	**362.8**	**3,182.7**
Adjustment due to change in discount rates (1)		**4.9**	**–**	**–**	**4.9**
Additions		**28.7**	**11.6**	**354.6**	**394.9**
Disposals		**(4.6)**	**(11.1)**	**–**	**(15.7)**
Depreciation	(2)	**(30.1)**	**(231.4)**	**–**	**(261.5)**
Impairment of assets	(2)	**(117.9)**	**(596.2)**	**(79.8)**	**(793.9)**
Reclassification from work in progress		**57.2**	**240.0**	**(297.2)**	**–**
Foreign exchange movement		**(16.4)**	**(47.9)**	**(11.2)**	**(75.5)**
Closing net book amount		**521.8**	**1,584.9**	**329.2**	**2,435.9**
At 30 September 2024					
Cost		**1,083.6**	**4,400.2**	**329.2**	**5,813.0**
Accumulated depreciation		**(561.8)**	**(2,815.3)**	**–**	**(3,377.1)**
Net book amount		**521.8**	**1,584.9**	**329.2**	**2,435.9**

(1) Movement in site retirement obligation assets is driven by changes in long-term Government bond rates. The net present value of these assets are adjusted at each reporting period to reflect current rates.
(2) The Waggaman property, plant and equipment was transferred to held for sale at November 2022. Refer to note 14 for further disclosure on discontinued operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS: CAPITAL INVESTMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Key accounting policies

Property, plant and equipment is measured at cost, less accumulated depreciation and any impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Borrowing costs in relation to the funding of qualifying assets are capitalised and included in the cost of the asset. Qualifying assets are assets that take more than 12 months to get ready for their intended use or sale. Where funds are borrowed, generally a weighted average interest rate is used for the capitalisation of interest.

During 2024, IPL received Government grants of $8.2m for capital projects in the Fertilisers business. The grants were recognised as a reduction in the carrying amount of property, plant and equipment. Property, plant and equipment is subject to impairment testing. For details of impairment of assets, refer note 12.

Depreciation

Property, plant and equipment, other than freehold land, is depreciated on a straight-line basis. Freehold land is not depreciated. Depreciation rates are calculated to spread the cost of the asset (less any residual value), over its estimated useful life. Residual value is the estimated value of the asset at the end of its useful life.

Estimated useful lives for each class of asset are as follows:

- Buildings and improvements 20 – 50 years
- Machinery, plant and equipment 3 – 50 years

Residual values and useful lives are reviewed and adjusted where relevant when changes in circumstances impact the use of the asset.

10. Leases

The Group has lease contracts for various items of property, plant and equipment used within its operations and office premises. These assets have lease terms ranging from 1 to 48 years for land and buildings, and 1 to 8 years for machinery, plant and equipment.

The carrying value of right-of-use lease assets and lease liabilities is presented below:

Right-of-use lease assets

	Notes	Land and buildings $mill	Machinery, plant and equipment $mill	Total $mill
Year ended 30 September 2023				
Opening net book amount		154.4	66.6	221.0
Reclassification to held for sale		–	(9.9)	(9.9)
Additions		12.9	37.4	50.3
Disposals		(1.4)	(0.3)	(1.7)
Depreciation	(2)	(21.7)	(30.8)	(52.5)
Foreign exchange movement		0.7	1.4	2.1
Closing net book amount		144.9	64.4	209.3
At 30 September 2023				
Cost		204.7	137.5	342.2
Accumulated depreciation		(59.8)	(73.1)	(132.9)
Net book amount		144.9	64.4	209.3
Year ended 30 September 2024				
Opening net book amount		**144.9**	**64.4**	**209.3**
Reclassification		**(9.5)**	**9.5**	**–**
Additions		**34.8**	**66.1**	**100.9**
Disposals		**(1.1)**	**(3.2)**	**(4.3)**
Depreciation	(2)	**(19.4)**	**(35.2)**	**(54.6)**
Foreign exchange movement		**(2.9)**	**(5.0)**	**(7.9)**
Closing net book amount		**146.8**	**96.6**	**243.4**
At 30 September 2024				
Cost		**214.6**	**172.2**	**386.8**
Accumulated depreciation		**(67.8)**	**(75.6)**	**(143.4)**
Net book amount		**146.8**	**96.6**	**243.4**

Lease liabilities

	2024 $mill	2023 $mill
Opening carrying amount at 1 October	**234.7**	245.9
Additions	**100.7**	50.3
Disposals	**(3.2)**	(3.0)
Reclassification to held for sale	–	(9.9)
Payments	**(61.7)**	(56.9)
Interest unwind	**8.7**	6.4
Foreign exchange movement	**(7.9)**	1.9
Carrying amount at 30 September	**271.3**	234.7
Current	**48.9**	41.3
Non-current	**222.4**	193.4

Refer to note 18 for the maturity profile of the Group's committed lease liabilities before discounting.

Amounts recognised in the income statement

Amounts recognised in the income statement relating to the Group's lease arrangements are as follows:

	Notes	2024 $mill	2023 $mill
Depreciation	(2)	**54.6**	52.5
Interest	(2)	**8.7**	6.4
Total		**63.3**	58.9

Key accounting policies

All leases except for short term or low value leases are recognised on the balance sheet as a right-of-use asset and a corresponding lease liability. Short term (12 months or less) and low value leases are recognised in the profit or loss as a lease expense.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentive received. Right-of-use assets are depreciated on a straight line basis in the profit or loss over the lease term.

Lease liabilities are recognised by the Group at the commencement date of the lease and are measured at the present value of lease payments to be made over the lease term. Lease payments include fixed payments and variable lease payments that depend on an index or rate.

Key estimates and judgements

Extension options – The Group considers whether an option to extend a lease is reasonably certain on a lease-by-lease basis, which considers the importance of the lease to the Group's operations and its economic incentive to extend the lease. The lease term is reassessed upon the occurrence of a significant event or change in circumstance.

Incremental borrowing rate – To calculate the present value of lease payments, the Group uses an incremental borrowing rate at the commencement date of the lease. The incremental borrowing rate reflects the duration and the financing characteristics of the lease. Where the interest rate implicit in the lease is not readily available, the Group uses its incremental borrowing rate applicable to a portfolio of leases with reasonably similar characteristics.

11. Intangibles

	Notes	Software $mill	Goodwill $mill	Patents, trademarks, customer contracts and supplier contracts $mill	Brand names $mill	Total $mill
At 30 September 2022						
Cost		116.2	2,873.0	338.1	329.3	3,656.6
Accumulated amortisation		(72.7)	–	(302.5)	–	(375.2)
Net book amount		43.5	2,873.0	35.6	329.3	3,281.4
Year ended 30 September 2023						
Opening net book amount		43.5	2,873.0	35.6	329.3	3,281.4
Additions		17.7	–	–	–	17.7
Reclassification to held for sale		(1.5)	(879.1)	–	–	(880.6)
Amortisation	(2)	(7.9)	–	(12.7)	–	(20.6)
Foreign exchange movement		0.2	(8.7)	1.3	3.7	(3.5)
Closing net book amount		52.0	1,985.2	24.2	333.0	2,394.4
At 30 September 2023						
Cost		119.7	1,985.2	342.8	333.0	2,780.7
Accumulated amortisation		(67.7)	–	(318.6)	–	(386.3)
Net book amount		52.0	1,985.2	24.2	333.0	2,394.4
Year ended 30 September 2024						
Opening net book amount		**52.0**	**1,985.2**	**24.2**	**333.0**	**2,394.4**
Additions (1)		**19.2**	**–**	**454.3**	**–**	**473.5**
Subsidiaries acquired		**–**	**2.9**	**–**	**–**	**2.9**
Impairment of assets	(2)	**(1.4)**	**(195.8)**	**–**	**–**	**(197.2)**
Amortisation	(2)	**(9.3)**	**–**	**(19.6)**	**–**	**(28.9)**
Foreign exchange movement		**(2.4)**	**(59.5)**	**(16.2)**	**(20.9)**	**(99.0)**
Closing net book amount		**58.1**	**1,732.8**	**442.7**	**312.1**	**2,545.7**
At 30 September 2024						
Cost		**132.6**	**1,732.8**	**762.4**	**312.1**	**2,939.9**
Accumulated amortisation		**(74.5)**	**–**	**(319.7)**	**–**	**(394.2)**
Net book amount		**58.1**	**1,732.8**	**442.7**	**312.1**	**2,545.7**

(1) Includes the recognition of the 25-year ammonia supplier contract which was entered into as a part of the Waggaman sale agreement. This supply contract was valued at $454.3m.

Allocation of indefinite life intangible assets

The Group's indefinite life intangible assets are allocated to groups of cash generating units (**CGU**s) as follows:

30 September 2024	Goodwill $mill	Brand names $mill	Total $mill
Fertilisers APAC	–	–	–
Titanobel	**71.7**	–	**71.7**
Dyno Nobel Asia Pacific (**DNAP**)	**908.5**	**40.3**	**948.8**
Dyno Nobel Americas (**DNA**)	**752.6**	**271.8**	**1,024.4**
	1,732.8	**312.1**	**2,044.9**

30 September 2023	Goodwill $mill	Brand names $mill	Total $mill
Fertilisers APAC	195.9	–	195.9
Titanobel	73.4	–	73.4
Dyno Nobel Asia Pacific (**DNAP**)	908.5	40.3	948.8
Dyno Nobel Americas (**DNA**)	807.4	292.7	1,100.1
	1,985.2	333.0	2,318.2

Key accounting policies

Goodwill

Goodwill on acquisition of subsidiaries is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually, or more frequently if events or circumstances indicate that it might be impaired.

Brand names

Brand names acquired by the Group have indefinite useful lives and are measured at cost less accumulated impairment. They are tested annually for impairment, or more frequently if events or circumstances indicate that they might be impaired.

Other intangible assets

Other intangible assets acquired by the Group have finite lives.

They are stated at cost less accumulated amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits of the asset to which it relates. All other such expenditure is expensed as incurred.

Amortisation

Goodwill and brand names are not amortised.

For intangible assets with finite lives, amortisation is recognised in the profit or loss on a straight-line basis over their estimated useful life. The estimated useful lives of intangible assets in this category are as follows:

- Software 3 – 10 years
- Product trademarks 4 – 10 years
- Patents 13 – 15 years
- Customer contracts 10 – 17 years

Useful lives are reviewed at each reporting date and adjusted where relevant.

12. Impairment of goodwill and non-current assets

Impairment testing

The Group performs annual impairment testing as at 30 September for intangible assets with indefinite useful lives. More frequent reviews are performed for indicators of impairment of all the Group's assets, including operating assets. The 30 September impairment testing resulted in no impairment of DNAP, Titanobel or DNA (excluding St Helens Fertilisers manufacturing facility as noted below) as the recoverable amounts exceeded their carrying amounts. Indicators of impairment were noted with regards to a number of Fertiliser assets across the Group as noted below:

Impairment of Fertilisers Goodwill and Phosphate Hill assets

Due to a range of factors, including the continuation of the Fertilisers separation process and the increased uncertainty regarding the near-term and long-term cost of gas on the east coast of Australia, the Group has recognised an impairment of the Fertilisers CGU. A gross impairment charge of $195.8m was recognised against goodwill and $656.8m against property, plant and equipment, inventories and exploration and evaluation assets.

Impairment of St Helens Fertilisers manufacturing facility

During FY24, IPL undertook a competitive sale process for the potential sale of its Fertilisers manufacturing facility located in St Helens, Oregon, US. While the facility was not sold, the process did indicate that the fair value of the asset was below the carrying amount. This triggered an impairment review of the asset and a partial impairment of the asset of A$100.1m was recognised on a value-in-use basis. The St Helens Fertilisers manufacturing facility is part of the DNA segment.

Impairment of Geelong SSP manufacturing facility

During FY24, an impairment assessment was conducted at the Geelong SSP manufacturing asset level. The assessment was performed due to movements in the global phosphate market, fluctuations in phosphate rock costs and movements in the domestic SSP sale price. As a result, the assets related to the manufacturing facility of $38.8m were fully impaired. A strategic review over the Geelong manufacturing assets is currently underway.

Write-down of Gibson Island distribution assets

In FY24, IPL made the decision to exit the Fertilisers distribution centre located at Gibson Island, Brisbane in preference of a third-party owned and operated distribution centre which will service IPL's customers. The brand new facility is a capital-light and more cost effective option than the current facility at Gibson Island. While the relocation is expected to take place in late FY25/early FY26, infrastructure at the distribution centre which cannot be relocated to the new facility has been written off. Total assets of $49.5m were written off primarily relating to structures, sheds and loadout facilities which will not be relocated.

The IPF Distribution CGU was also assessed for impairment and significant headroom remains.

Key assumptions

Details of the key assumptions used in the recoverable amount calculations at 30 September are set out below:

Key assumptions	1 – 5 years		Terminal value (after 5 years)	
	2024 US$	2023 US$	2024 US$	2023 US$
DAP (1)	**535 to 562**	451 to 668	**668**	688
AUD:USD (2)	**0.70 to 0.72**	0.70 to 0.72	**0.72**	0.72

(1) Di-Ammonium Phosphate price (FOB China/Saudi – USD per tonne).
(2) AUD:USD exchange rate.

The delivered gas price assumption to Phosphate Hill for the outlook period is based on management's best estimate of the short-term and long-term cost of gas on the east coast of Australia. This outlook incorporates external forecasts and ranges from $9.00 - $17.30 per gigajoule in nominal terms.

Fertiliser prices and foreign exchange rates are estimated by reference to external market publications and market analyst estimates where available, and are updated at each reporting date.

Discount and growth rates

The post-tax discount rate used in the calculations was 9% for the Fertilisers Distribution CGU and Phosphate Hill assets (2023: 9%), 8.5% for the DNA, St Helens Fertilisers manufacturing facility and DNAP CGUs (2023: 8.5%) and 9% for the Titanobel CGU (2023: 9%). The rate reflects the underlying cost of capital adjusted for market and asset specific risks.

The terminal value growth rate represents the forecast consumer price index (CPI) of 2.5% (2023: 2.5%) for all CGUs. Sensitivity analyses on the discount and growth rates, considering the current volatile market conditions, are provided below.

Climate Related Risks

IPL considers climate change and other sustainability risks when determining the recoverable amount of each CGU. The Group has greenhouse gas emission reduction targets for its manufacturing facilities which are disclosed in the annual Sustainability and Climate Change Reports. Capital forecasts in the cash flows used in the impairment models include investment in sustainability related projects that have either commenced or are committed, including the earnings attributable to these capital projects.

The commodity forecast assumptions used in the impairment models were obtained from external sources which include the impacts of sustainability and carbon costs.

For both DNAP and the Phosphate Hill facility, the estimated impact of the Safeguard Mechanism (SGM) 2.0 policy was included in the recoverable amount assessment of each CGU. Refer below, for further information on SGM estimates and assumptions.

Safeguard Mechanism (SGM)

For the Fertilisers CGU, the Phosphate Hill facility is in scope. A cost to comply with the SGM has been included in cash flow forecasts supporting the carrying value of Fertilisers net assets. This cost reflects the assumed cost of purchasing Australian Carbon Credit Units to offset emissions above the baseline set by the SGM. In forecasting this cost, assumptions have been developed with respect to future emissions, future production levels, the market value of carbon credits and baseline decline rates (including an assessment of Phosphate Hill as a Trade Exposed facility).

For the DNAP CGU, the Moranbah manufacturing facility is in scope of the SGM given the plant's historical level of emissions. The Moranbah N2O abatement project which was installed in 2024 is anticipated to reduce emissions to a level below the baseline in the near term. As the baseline of the facility declines, this benefit will reduce. This outlook has been factored into cash flow forecasts for the DNAP CGU.

Sensitivity analyses

Included in the table below is a sensitivity analysis of the recoverable amounts of the CGUs and, where applicable, the impairment charge considering reasonable change scenarios relating to key assumptions at 30 September 2024.

Each of the sensitivities below assumes that a specific assumption moves in isolation, while all other assumptions are held constant. A change in one assumption could be accompanied by a change in another assumption, which may increase or decrease the net impact.

	Post-tax discount rate	Terminal value growth rate	Natural gas price
	+0.5%	-1.0%	+AU$1 per gigajoule
DNAP	AU$mill	AU$mill	AU$mill
Change in recoverable amount	(197.2)	(282.5)	(69.9)
Impairment charge	–	(54.9)	–

	Post-tax discount rate	Terminal value growth rate	Urea price
	+0.5%	-1.0%	-US$50 per tonne
St Helens Facility	US$mill	US$mill	US$mill
Change in recoverable amount	(3.6)	(5.6)	(34.0)
Impairment charge	(3.6)	(5.6)	(19.0)

	Post-tax discount rate	AUD:USD exchange rate	DAP Price	Natural gas price
	+0.5%	+5c	-US$50 per tonne	+AUD1 per gigajoule
Phosphate Hill Facility	AU$mill	AU$mill	AU$mill	AU$mill
Change in recoverable amount	(11.0)	(301.0)	(405.0)	(52.0)
Impairment charge	(11.0)	(119.0)	(119.0)	(52.0)

	Post-tax discount rate	Terminal value growth rate
	+0.5%	-1.0%
DNA continuing operations	US$mill	US$mill
Change in recoverable amount	(200.2)	(289.2)
Impairment charge	–	–

	Post-tax discount rate	Terminal value growth rate
	+0.5%	-1.0%
Fertilisers Distribution	AU$mill	AU$mill
Change in recoverable amount	(73.9)	(111.0)
Impairment charge	–	–

	Post-tax discount rate	Terminal value growth rate
	+0.5%	-1.0%
Titanobel	EUR €mill	EUR €mill
Change in recoverable amount	(13.2)	(19.9)
Impairment charge	–	–

Key accounting policies

Impairment testing

The identification of impairment indicators involves management judgement. Where an indicator of impairment is identified, a formal impairment assessment is performed. The Group's annual impairment testing determines whether the recoverable amount of a CGU or group of CGUs, to which goodwill and/or indefinite life intangible assets are allocated, exceeds its carrying amount.

A CGU is the smallest identifiable group of assets that generate cash flows largely independent of cash flows of other groups of assets. Goodwill and other indefinite life intangible assets are allocated to CGUs or groups of CGUs which are no larger than one of the Group's reportable segments.

Determining the recoverable amount

The recoverable amount of an asset is determined as the higher of its fair value less cost of disposal and its value-in-use. Value-in-use is a term that means an asset's value based on the expected future cash flows arising from its continued use in its current condition, discounted to present value. For discounting purposes, a post-tax rate is used that reflects current market assessments of the risks specific to the asset. The Group has prepared value-in-use models for the purpose of impairment testing as at 30 September 2024, using five year discounted cash flow models based on Board approved forecasts. Cash flows beyond the five year period are extrapolated using a terminal value growth rate.

Transition of the world's energy systems and sustainability forms part of the Group's strategy and these have been considered in the market data utilised to assess growth rates for each CGU.

Impairment losses

An impairment loss is recognised whenever the carrying amount of an asset (or its CGU) exceeds its recoverable amount. Impairment losses are recognised in the profit or loss.

Impairment losses recognised in respect of CGUs are allocated against assets in the following order:

» Firstly, against the carrying amount of any goodwill allocated to the CGU.

» Secondly, against the carrying amount of any remaining assets in the CGU.

An impairment loss recognised in a prior period for an asset (or its CGU) other than goodwill may be reversed only if there has been a change in the estimates used to determine the recoverable amount of the asset (or its CGU) since the last impairment loss was recognised. When this is the case, the carrying amount of the asset (or its CGU) is increased to its recoverable amount.

Key estimates and judgements

The Group is required to make significant estimates and judgements in determining whether the carrying amount of its assets and/or CGUs has any indication of impairment, in particular in relation to:

» key assumptions used in forecasting future cash flows;

» discount rates applied to those cash flows; and

» the expected long-term growth in cash flows.

Such estimates and judgements are subject to change as a result of changing economic, operational, environmental and weather conditions. Actual cash flows may therefore differ from forecasts and could result in changes in the recognition of impairment charges in future periods.

13. Commitments

Capital expenditure commitments

Capital expenditure contracted but not provided for or payable at 30 September:

	2024 $mill	2023 $mill
No later than one year	**78.1**	78.5
	78.1	78.5

Other commitments

In May 2023, IPL entered into a long-term gas supply agreement with Queensland Pacific Metals (QPM) commencing in April 2026 upon expiry of the existing gas supply agreement. As part of the arrangement, Dyno Nobel will provide an initial development funding facility of up to $80.0m. This facility will be used to accelerate development of the Moranbah Gas Project by funding the capital costs of new infill production wells.

As at 30 September 2024, Dyno Nobel has provided $28.0m of funding for field development and a similar value is expected for the 2025 financial year. Dyno Nobel will recognise the cash outflow as a prepayment which will be amortised over the duration of the gas supply agreement with QPM.

14. Discontinued operations

On 1 December 2023, the Group completed the sale of its ammonia manufacturing facility located in Waggaman, Louisiana, US. The Group recorded a gain on sale after tax of $123.8m which included a gain of $254.1m relating to the release of the foreign currency translation reserve (FCTR) as required by Australian Accounting Standards.

The Group also secured a 25-year ammonia supply agreement with CF Industries Holdings Inc for up to 200,000 short tonnes of ammonia per annum at estimated producer cost to support the Dyno Nobel Americas explosives business. The supply agreement has been assigned a value of $454.3m which offset part of the proceeds.

	2024 $mill
Cash consideration	**1,830.2**
Transaction costs	**(33.7)**
Offtake supply agreement[1]	**454.3**
Net consideration	**2,250.8**
Carrying value of net assets of business disposed	
Trade and other receivables	**50.7**
Inventories	**3.4**
Property, plant and equipment	**1,252.9**
Right-of-use asset	**9.3**
Intangible assets	**881.6**
Other assets	**0.1**
Trade and other payables	**(28.3)**
Lease liabilities	**(10.0)**
Provisions	**(11.2)**
	2,148.5
Gain on sale of discontinued operations before FCTR release	**102.3**
Foreign currency translation reserve release to profit or loss	**254.1**
Gain on sale of discontinued operations before tax	**356.4**
Income tax expense	**(232.6)**
Net gain on sale of discontinued operations	**123.8**

(1) The offtake supply agreement has been recognised as an intangible asset.

The results of the Waggaman facility up until completion date of the sale are presented below:

	2024 $mill	2023 $mill
Profit for the year from discontinued operations		
Revenue	**86.4**	604.6
Financial and other income	**–**	0.2
Depreciation and amortisation [1]	**–**	(10.9)
Expenses	**(28.3)**	(198.2)
Gain on sale of discontinued operations	**356.4**	(12.8)
Profit before income tax	**414.5**	382.9
Income tax expense	**(247.7)**	(99.6)
Profit for the year from discontinued operations	**166.8**	283.3

(1) Depreciation and amortisation for 2023 represents the two months ended November 2022 at which point the assets were reclassified to held for sale.

	2024 $mill	2023 $mill
Cash flows from/(used in) discontinued operations		
Net cash flows from operating activities	**19.8**	373.3
Net cash flows from investing activities	**(6.3)**	(56.6)
Net cash flows from financing activities	**(0.1)**	(0.5)
Total cash flows from discontinued operations [1]	**13.4**	316.2

(1) Excludes cash flows from sale of discontinued operations.

	2023 $mill
Assets held for sale	
Trade and other receivables	**24.0**
Inventories	**7.4**
Property, plant and equipment	**1,296.5**
Right-of-use asset	**10.3**
Intangible assets(1)	**915.8**
Other assets	**8.8**
Total assets held for sale	**2,262.9**

(1) As the Waggaman assets contributed to the future cashflows of the DNA CGU, which includes goodwill, a relative share of that goodwill was included as part of the gain on sale.

	2023 $mill
Liabilities directly associated with assets classified as held for sale	
Trade and other payables	**33.6**
Lease liabilities	**10.4**
Provisions	**11.6**
Total liabilities directly associated with assets classified as held for sale	**55.6**

A discontinued operation represents a separate major line of operations within the Group where the cash flows can be clearly identified and there is a plan to dispose. Classification as a discontinued operation occurs at the earlier of disposal date or when the operation meets the criteria to be classified as held for sale. In the case of the Waggaman operations, the re-classification was made in November 2022 when the assets and liabilities met the definition as held for sale.

Once classified as held for sale, the disposal group is measured at the lower of carrying amount and fair value less costs to sell and intangible assets and property, plant and equipment are no longer amortised or depreciated.

15. Equity accounted investments

The Group has performed an analysis of the statements of financial position and the results of each of its joint ventures and associates (as listed in note 16) at 30 September 2024 and considers them to be individually immaterial to the Group. As a result, no individual disclosures are included for the Group's investments in joint ventures and associates.

Included in the table below is the summarised financial information of the Group's joint ventures and associates at 30 September:

Carrying amount of joint ventures and associates

	2024 $mill	2023 $mill
Carrying amount at 1 October	**404.8**	379.4
Share of net profit	**62.2**	61.4
Dividends received	**(32.8)**	(37.7)
Foreign exchange movement	**(16.3)**	1.7
Carrying amount at 30 September	**417.9**	404.8
Carrying amount of investments in:		
Joint ventures	**306.8**	298.9
Associates	**111.1**	105.9
Carrying amount of investments in joint ventures and associates	**417.9**	404.8

Transactions between subsidiaries of the Group and joint ventures and associates

	2024 $mill	2023 $mill
Sales of goods/services	**429.1**	495.6
Purchase of goods/services	**(84.4)**	(75.1)
Royalty income and management fees	**38.7**	37.0
Interest expense	**1.2**	1.2
Dividend income	**32.8**	37.7

Joint ventures and associates transactions represent amounts that do not eliminate on consolidation.

Outstanding balances arising from transactions with joint ventures and associates

	2024 $mill	2023 $mill
Amounts owing to related parties	**9.2**	9.4
Amounts owing from related parties	**67.0**	85.7
Loans with joint ventures and associates		
Loans from joint ventures and associates	**19.5**	21.1

Outstanding balances arising from transactions with joint ventures and associates are on standard market terms.

16. Investments in subsidiaries, joint arrangements and associates

The following list includes the Group's principal operating subsidiaries. Other than as noted below, there were no changes in the Group's existing shareholdings in its subsidiaries, joint ventures and associates in the financial year.

Subsidiaries

Name of entity	Ownership interest
Company	
Incitec Pivot Limited (1)	
Controlled Entities – operating	
Incorporated in Australia	
Incitec Fertilisers Operations Pty Ltd (1)	100%
TOP Australia Pty Limited (1)	100%
Incitec Pivot Fertilisers Limited (1)	100%
Southern Cross International Pty Ltd (1)	100%
Dyno Nobel LTI Plan Company Pty Ltd (3)	100%
Dyno Nobel Explosives Holdings Pty Ltd (1)(3)	100%
Queensland Operations Pty Limited (1)(4)	100%
Dyno Nobel Investments 1 Pty Ltd (1)(3)	100%
Dyno Nobel Investments 2 Pty Ltd (1)(3)(4)	100%
Incitec Pivot US Holdings Pty Ltd	100%
Dyno Nobel Finance Australia Pty Ltd (1)(3)	100%
Dyno Nobel Pty Limited	100%
Dyno Nobel Europe Pty Ltd	100%
Dyno Nobel Management Pty Limited (1)(4)	100%
Industrial Investments Australia Finance Pty Limited (1)(4)	100%
Dyno Nobel Asia Pacific Pty Limited (1)	100%
Dampier Nitrogen Pty Ltd	100%
DNX Australia Pty Ltd (1)	100%
Dyno Nobel Moranbah Pty Ltd (1)	100%
Dyno Nobel Moura Pty Limited (1)	100%
Incitec Pivot Queensland Gas Pty Ltd	100%
Easy Liquids Pty Ltd (1)(4)	100%
Australian Bio Fert Pty Ltd	64%
OZBIOFERT Pty Ltd	64%
Incorporated in USA	
Dyno Nobel US Investments	100%
Dyno Nobel Management LLC	100%
Dyno Nobel Finance LLC	100%
Dyno Nobel Australia LLC	100%
Dyno Nobel SPS LLC	100%
Dyno Nobel Holdings IV LLC	100%
Dyno Nobel Holdings USA III, Inc.	100%
Dyno Nobel Holdings USA II	100%
Dyno Nobel Holdings USA II, Inc.	100%
Dyno Nobel Holdings USA, Inc.	100%
Dyno Nobel Inc.	100%
Dyno Nobel Transportation, Inc	100%
Simsbury Hopmeadow Street LLC	100%
Dyno Nobel Holdings V LLC	100%
Tradestar Corporation	100%
CMMPM, LLC	100%
CMMPM Holdings, L.P.	100%
Dyno Nobel Louisiana Ammonia, LLC	100%
Nobel Labs, LLC	100%
Mine Equipment & Mill Supply Company	100%
Controlled Explosives, Inc.	100%
Drisk Insurance Inc.	100%
Falconi Construction, Inc.	100%
Alpha Dyno Nobel	100%

Name of entity	Ownership interest
Controlled Entities – operating (continued)	
Incorporated in Canada	
Dyno Nobel Canada Inc.	100%
Dyno Nobel Transportation Canada Inc.	100%
Dyno Nobel Nunavut Inc.	100%
Dyno Nobel Finance Canada Inc.	100%
Polar Explosives 2000 Inc.	100%
Dene Dyno Nobel (Polar) Inc.	100%
Dyno Nobel Waggaman Inc.	100%
Incorporated in Hong Kong	
Incitec Pivot Holdings (Hong Kong) Limited	100%
Incorporated in Singapore	
Coltivi Insurance Pte Ltd	100%
Incitec Pivot Fertilisers (Singapore) Pte. Ltd.	100%
Incorporated in Chile	
Dyno Nobel Explosivos Chile Limitada	100%
Incorporated in Peru	
Dyno Nobel Peru S.A.	100%
Incorporated in Mexico	
Dyno Nobel Mexico, S.A. de C.V. (2)	99.98%
Incorporated in Papua New Guinea	
DNX Papua New Guinea Ltd (2)	100%
Incorporated in Indonesia	
PT DNX Indonesia	100%
Incorporated in Turkey	
Nitromak Dnx Kimya Sanayii Anonim Sirketi	100%
Incorporated in Romania	
RomNitro Explosives SRL	100%
Incorporated in Albania	
Nitro Industria Kimike Shpk	100%
Incorporated in Switzerland	
Dyno Nobel Holdings Europe SA	100%
Incorporated in France	
Dyno Nobel Holdings France Sas	100%
Explinvest SASU	100%
Titanobel SASU	100%
Société d'Explosifs du Centre-Est SA	99.9%
Société Financière de Terrassement SAS	99.51%
Groupement Forestier Minez Clegueric	66%
Titanobel-NPGM Equipment SAS (2)	51%
Incorporated in South Africa	
Titanobel Southern Africa (Pty) Limited (2)	100%
Enviro Blasting Services (Pty) Limited	74%
Incorporated in New Caledonia	
Nord-Sud Dynamitage-Sofiter SARL (2)	51%
Incorporated in Benin	
Titanobel Benin SASU (2)	100%
Incorporated in Cameroon	
Titanobel Cameroun SASU (2)	100%
Incorporated in Senegal	
Afrique Ouest Drilling Sofiter SARL (2)	100%

(1) A party to the Deed of Cross Guarantee dated 25 September 2024.
(2) This entity has a 31 December financial year end.
(3) This entity had its name changed during FY24 .
(4) This entity was added to the Deed of Cross Guarantee during FY24.

Quantum Fertilisers Limited, Société Civile Immobilière des Champs Chanaux and C.E.M.E SARL were deregistered during FY24.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS: CAPITAL INVESTMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Joint arrangements and associates

Name of entity	Ownership interest
Joint ventures	
Incorporated in USA	
Buckley Powder Co.	50%
IRECO Midwest Inc.	50%
Wampum Hardware Co.	50%
Western Explosives Systems Company	50%
Warex Corporation	50%
Warex, LLC	50%
Warex Transportation, LLC	50%
Vedco Holdings, Inc.	50%
Virginia Explosives & Drilling Company, Inc.	50%
Austin Sales, LLC	50%
Virginia Drilling Company, LLC	50%
DetNet Americas, Inc.	50%
Incorporated in Canada	
Qaaqtuq Dyno Nobel Inc. (3)	49%
Dene Dyno Nobel (DWEI) Inc. (4)	49%
Incorporated in Australia	
Queensland Nitrates Pty Ltd	50%
Queensland Nitrates Management Pty Ltd	50%
Incorporated in South Africa	
DetNet South Africa (Pty) Ltd	50%
Sasol Dyno Nobel (Pty) Ltd	50%
Incorporated in Mexico	
DNEX Mexico, S. de R.L. de C.V.	49%
Explosivos de la Region Lagunera, S.A. de C.V.	49%
Explosivos de la Region Central, S.A. de C.V.	49%
Nitro Explosivos de Ciudad Guzmán, S.A. de C.V.	49%
Explosivos y Servicios Para la Construcción, S.A. de C.V.	49%
Incorporated in France	
Newcomat SARL (1)	10%
Incorporated in New Caledonia	
Katiramona Explosifs SAS (1)	50%
Incorporated in Mongolia	
Titanobel Mongolia LLC (1)	49%
Nitrosibir Mongolia LLC (1)	49%
Incorporated in Nigeria	
Titanobel & Dynatrac Limited (1)	55%

Name of entity	Ownership interest
Associates	
Incorporated in Australia	
Precision Agriculture Pty Ltd (2)	22%
Incorporated in USA	
Maine Drilling and Blasting Group	49%
Independent Explosives	49%
Maine Drilling and Blasting, Inc.	49%
MD Drilling and Blasting, Inc.	49%
Incorporated in Canada	
Labrador Maskuau Ashini Ltd	49%
Innu Namesu Ltd	49%
Incorporated in French Guiana	
Guyanexplo Société en Nom collectif (1)	35%

Joint operations

IPL has a 50% interest in an unincorporated joint operation with Senex Energy Pty Ltd (previously with Central Petroleum Limited) for the development of gas acreage in Queensland, Australia, which commenced in the 2018 financial year.

(1) This entity has a 31 December year end.

(2) This entity has a 30 June financial year end.

(3) Due to legal requirements in the Canadian Northwest Territories, the Group cannot own more than 49 percent of shares in Qaaqtuq Dyno Nobel Inc. However, under the joint venture agreement, the Group is entitled to 75 percent of the profit of Qaaqtuq Dyno Nobel Inc.

(4) Due to legal requirements in the Canadian Northwest Territories, the Group cannot own more than 49 percent of shares in Dene Dyno Nobel (DWEI) Inc. However, under the joint venture agreement, the Group is entitled to 100 percent of the profit of Dene Dyno Nobel (DWEI) Inc.

17. Provisions and contingencies

Provisions at 30 September 2024 are analysed as follows:

30 September 2024	Employee entitlements $mill	Restructuring and rationalisation $mill	Environmental $mill	Asset retirement obligations $mill	Legal and other $mill	Total provisions $mill
Carrying amount at 1 October 2023	61.3	20.6	40.5	93.6	25.5	241.5
Adjustment due to change in discount rates	–	–	–	4.9	–	4.9
Provisions made during the year	17.6	29.6 (1)	21.0 (2)	21.7	15.3	105.2
Provisions written back during the year	(2.2)	–	–	–	–	(2.2)
Payments made during the year	(6.8)	(14.0)	(7.3)	(0.5)	(27.0)	(55.6)
Interest unwind	0.7	–	2.3	3.9	–	6.9
Foreign exchange movement	(0.2)	(0.7)	(1.6)	(1.2)	(1.1)	(4.8)
Carrying amount at 30 September 2024	70.4	35.5	54.9	122.4	12.7	295.9
Current	67.6	26.8	33.2	1.2	11.2	140.0
Non-current	2.8	8.7	21.7	121.2	1.5	155.9

(1) Includes individually material items of $26.6m.

(2) Includes individually material items of $16.9m.

Key accounting policies

Provisions are measured at management's estimate of the expenditure required to settle the obligation. This estimate is based on a "present value" calculation, which involves the application of a discount rate to the expected future cash flows associated with settlement. The discount rate takes into account factors such as risks specific to the liability and the time value of money.

Employee entitlements

Provisions are made for liabilities to employees for annual leave, long service leave and other employee entitlements. Where the payment to employees is expected to take place in 12 months time or later, a present value calculation is performed. In this instance, the corporate bond rate is used to discount the liability to its present value.

Restructuring and rationalisation

Provisions for restructuring or rationalisation are only recognised when a detailed plan has been approved and the restructuring or rationalisation has either commenced or been publicly announced.

Environmental

Provisions relating to the remediation of soil, groundwater, untreated waste and other environmental contamination are made when the Group has an obligation to carry out the clean-up operation as a result of a past event. In addition, a provision will only be made where it is possible to reliably estimate the costs involved.

Asset retirement

In certain circumstances, the Group has an obligation to dismantle and remove an asset and to restore the site on which it is located. The present value of the estimated costs of this process is recognised as part of the asset that is depreciated and also as a provision.

At each reporting date, the provision is remeasured in line with changes in discount rates and the timing and amount of future estimated cash flows. Any changes in the provision are added to or deducted from the related asset, other than changes associated with the passage of time which is recognised as a borrowing cost in the profit or loss.

Legal and other

There are a number of legal claims and other exposures, including claims for damages arising from products and services supplied by the Group, that arise from the ordinary course of business.

A provision is only made where it is probable that a payment or restitution will be required and the costs involved can be reliably estimated.

Key estimates and judgements

Provisions are based on the Group's estimate of the timing and value of outflows of resources required to settle or satisfy commitments and liabilities known to the Group at the reporting date.

Contingencies

The following contingent liabilities are considered unlikely. However the directors consider they should be disclosed:

- The Group is regularly subject to investigations and audit activities by the revenue authorities of jurisdictions in which the Group operates. The outcome of these investigations and audits depends upon several factors which may result in further tax payments or refunds of tax payments already made by the Group over and above existing provisions.
- Contingent liabilities arise in the normal course of business and include a number of legal claims, environmental cleanup requirements and bank guarantees.
- In May 2023, IPL announced entry into a new long-term gas supply agreement for the Moranbah ammonium nitrate plant with wholly owned subsidiaries of Queensland Pacific Metals Ltd (QPM). IPL have provided QPM with a corporate guarantee until February 2025 to guarantee performance of contracts relating to operations of the Moranbah gas project. The value of the guarantee reduces on a monthly basis until the obligations of QPM have been satisfied. At 30 September 2024, this guarantee has not been called upon. It is anticipated that QPM will draw down approximately $20.0m under the Corporate Guarantee Facility in the 2025 financial year with repayments expected to comment in April 2026.

The Directors are of the opinion that no additional provisions are required in respect of these matters, as it is either not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

18. Financial risk management

The Group is exposed to financial risks including liquidity risk, market risk and credit risk. This note explains the Group's financial risk exposures and its objectives, policies and processes for measuring and managing these risks.

The Board of Directors (the **Board**) has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board established the Audit and Risk Management Committee (**ARMC**) which is responsible for, amongst other things, the monitoring of the Group's risk management plans. The ARMC is assisted in its oversight role by the Group's Risk Management function. The Risk Management function performs reviews of the Group's risk management controls and procedures, the results of which are reported to the ARMC. The ARMC reports regularly to the Board on its activities.

The Group's financial risk management framework includes policies to identify, analyse and manage the Group's financial risks. These policies set appropriate financial risk limits and controls, identify permitted derivative instruments and provide guidance on how to monitor and report financial risks and adherence to set limits. Financial risk management policies, procedures and systems are reviewed regularly to ensure they remain appropriate given changes in market conditions and/or the Group's activities.

Financial risks

Liquidity risk: The risk that the Group is not able to refinance its debt obligations or meet other cash outflow obligations when required.

Source of risk

Exposure to liquidity risk derives from the Group's operations and from the external interest bearing liabilities that it holds.

Risk mitigation

Liquidity risk is managed by ensuring there are sufficient committed funding facilities available to meet the Group's financial commitments in a timely manner.

The Group's forecast liquidity requirements are continually reassessed based on regular forecasting of earnings and capital requirements. This includes stress testing of critical assumptions such as input costs, sales prices, production volumes, exchange rates and capital expenditure.

The Group aims to hold a minimum liquidity buffer of at least $500.0m in undrawn non-current committed funding to meet any unforeseen cash flow requirements. Details on the Group's committed finance facilities, including the maturity dates of these facilities, are included in note 8.

Outstanding financial instruments

The Group's exposures to liquidity risk are set out in the tables below:

30 September 2024	Contractual cash flows [1] $mill	0 – 12 months $mill	1 – 5 years $mill	More than 5 years $mill
Non-derivative financial liabilities				
Interest bearing liabilities	**1,684.1**	**19.5**	**1,664.6**	**–**
Interest payments	**235.9**	**54.1**	**159.4**	**22.4**
Trade and other payables	**895.4**	**883.0**	**12.4**	**–**
Lease liabilities	**327.8**	**54.7**	**131.4**	**141.7**
Bank guarantees	**95.2**	**65.3**	**29.5**	**0.4**
Total non-derivative cash outflows	**3,238.4**	**1,076.6**	**1,997.3**	**164.5**
Derivative financial (assets)/liabilities				
Forward exchange contracts[2]	**(0.2)**	**(0.2)**	**–**	**–**
Cross currency interest rate swaps[2]	**(2.5)**	**0.6**	**(3.1)**	**–**
Interest rate swaps	**41.9**	**18.5**	**23.4**	**–**
Commodity swaps	**0.1**	**0.1**	**–**	**–**
Net derivative cash outflows/(inflows)	**39.3**	**19.0**	**20.3**	**–**

30 September 2023	Contractual cash flows [1] $mill	0 – 12 months $mill	1 – 5 years $mill	More than 5 years $mill
Non-derivative financial liabilities				
Interest bearing liabilities	1,731.7	21.1	976.4	734.2
Interest payments	325.7	57.0	220.7	48.0
Trade and other payables	1,070.1	1,059.3	10.8	–
Lease liabilities	284.9	42.0	95.0	147.9
Bank guarantees	89.1	71.0	17.8	0.3
Total non-derivative cash outflows	3,501.5	1,250.4	1,320.7	930.4
Derivative financial (assets)/liabilities				
Forward exchange contracts[2]	(4.1)	(4.1)	–	–
Cross currency interest rate swaps[2]	(10.7)	–	(10.7)	–
Interest rate swaps	102.9	36.4	66.3	0.2
Commodity swaps	0.5	0.5	–	–
Net derivative cash outflows/(inflows)	88.6	32.8	55.6	0.2

(1) Contractual cash flows are not discounted, and are based on foreign exchange rates at year end. Any subsequent movements in foreign exchange rates could impact the actual cash flows on settlement of these assets and liabilities.

(2) The forward exchange contracts and cross currency interest rate swaps asset positions have been added for completeness and there is no material liability positions associated with these instruments.

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Market risk: The risk that changes in foreign exchange rates, interest rates and commodity prices will affect the Group's earnings, cash flows and the carrying values of its financial instruments.

The Group only considers hedging to prevent unacceptable balance sheet events such as potential impacts on the Group's credit ratings and/or the possibility for debt covenant breaches. Any hedging performed in these circumstances would be executed using instruments that allow as much participation in favourable movements while limiting downside risk to an acceptable level. An exception to this principle is related to foreign exchange exposures on specific or bespoke transactions where managing the exposure is important for margin management.

Foreign exchange risk

Source of risk

The Group is exposed to changes in foreign exchange rates (primarily in USD) on the following transactions and balances:

- Sales and purchases
- Trade receivables and trade payables
- Interest bearing liabilities

The Group is also exposed to foreign exchange movements (primarily in USD) on the translation of the earnings, assets and liabilities of its foreign operations.

Risk mitigation

Foreign exchange exposure to sales and purchases is managed by entering into formal hedging arrangements.

The Group hedges both specific transactions and net exposures by entering into foreign exchange rate derivative contracts.

Outstanding financial instruments and sensitivity analysis

The table below summarises the Group's exposure to movements in the AUD:USD exchange rate and the derivative financial instruments that are in place to hedge these exposures at 30 September:

	2024 USD mill	2023 USD mill
Transactional exposures		
Cash[(1)]	**244.1**	–
Trade and other receivables	**1.1**	46.1
Trade and other payables [(1)]	**(339.9)**	(136.6)
Gross exposure (before hedging)	**(94.7)**	(90.5)
Hedge of transactional exposures		
Trade and other receivables		
Forward exchange contracts	**–**	(45.3)
Trade and other payables		
Forward exchange contracts	**84.4**	133.7
Total hedge contract values	**84.4**	88.4
Net exposure (after hedging)	**(10.3)**	(2.1)
	2024 USD mill	**2023 USD mill**
Hedge of forecast sales and purchases		
Forward exchange contracts	**(63.7)**	(36.1)
Foreign exchange options	**–**	(60.0)
Total hedge contract values	**(63.7)**	(96.1)
	2024 USD mill	**2023 USD mill**
Translational exposures		
Net investment in foreign operations	**1,014.0**	2,219.8
Gross exposure (before hedging)	**1,014.0**	2,219.8
Hedge of translational exposures		
Interest bearing liabilities	**(500.0)**	(500.0)
Total hedge contract values	**(500.0)**	(500.0)
Net exposure (after hedging)	**514.0**	1,719.8

(1) Cash balance at September 2024 was held to pay USD obligations including outstanding tax liability relating to the Waggaman sale.

Foreign exchange options	Net contract amounts mill 2024	Strike [(1)] 2024	Net contract amounts mill 2023	Strike [(1)] 2023
Contracts maturing within 1 year				
Bought AUD Call	–	**N/A**	USD 60	0.73
Sold AUD Put	–	**N/A**	USD 60	0.60

(1) AUD:USD foreign exchange rate

Foreign exchange rates

The AUD:USD foreign exchange rates used by the Group to translate its foreign denominated earnings, assets and liabilities are set out below:

	2024 AUD:USD	2023 AUD:USD
30 September foreign exchange rate	**0.6920**	0.6427
Average foreign exchange rate for the year	**0.6593**	0.6661

Foreign exchange rate sensitivity on outstanding financial instruments

The table below shows the impact of a 1 cent movement (net of hedging) in the AUD:USD exchange rate on the Group's profit and equity before tax in relation to foreign denominated assets and liabilities at 30 September:

	+ 1c AUD:USD AUD mill 2024	- 1c AUD:USD AUD mill 2024	+ 1c AUD:USD AUD mill 2023	- 1c AUD:USD AUD mill 2023
Foreign exchange sensitivity – (net of hedging)				
Trade and other receivables and payables – (profit or loss)	**(0.1)**	**0.1**	(0.2)	0.2
Hedge of forecast transactions – (equity)	**1.3**	**(1.3)**	0.9	(0.9)
Investments in foreign operations – (equity)	**(10.6)**	**10.9**	(41.0)	42.3

Sensitivity to foreign exchange rate movements during the year (unhedged)

The table below shows the impact of a 1 cent movement in the AUD:USD foreign exchange rate on the Group's profit before tax, in relation to sales and earnings during the year that were denominated in USD.

	+ 1c AUD:USD AUD mill 2024	- 1c AUD:USD AUD mill 2024	+ 1c AUD:USD AUD mill 2023	- 1c AUD:USD AUD mill 2023
USD Fertiliser sales from Australian plants	**(9.5)**	**9.8**	(12.9)	13.3
North American USD earnings	**(3.9)**	**4.0**	(8.7)	8.9

The fertiliser sales sensitivity calculation is based on actual tonnes manufactured by the Australian fertiliser plants and sold during the year, the average AUD:USD exchange rate for the year, and the average USD fertiliser price.

The North American earnings translation sensitivity calculation is based on the earnings before interest and tax from the North American business for the year and the average AUD:USD exchange rate for the year.

Interest rate risk

Source of risk

Exposure to interest rate risk is a result of the effect of changes in interest rates on the Group's outstanding interest bearing liabilities and derivative instruments.

Risk mitigation

The exposure to interest rate risk is mitigated by maintaining a mix of fixed and variable interest rate borrowings and by entering into interest rate derivative instruments.

Outstanding financial instruments and sensitivity analysis

The tables below include the Group's derivative contracts that are exposed to changes in interest rates at 30 September:

Interest rate swaps	Average pay/(rec) fixed rate SOFR	Average pay/(rec) fixed rate BBSW	Average pay/(rec) fixed rate HIBOR	Duration (years)	Net contract amounts mill
2024					
1 to 5 years	**(1.48%)**	**–**	**–**	**3.5**	**USD 400**
1 to 5 years	**–**	**–**	**(4.13%)**	**1.4**	**HKD 560**
2023					
Less than 1 year	–	(0.25%)	–	1.0	AUD 181
1 to 5 years	(0.71%)	–	–	3.8	USD 200
1 to 5 years	–	–	(4.13%)	2.4	HKD 560
Later than 5 years	(2.02%)	–	–	5.1	USD 200

Interest rate sensitivity on outstanding financial instruments

The following table shows the sensitivity of the Group's profit before tax to a 1 per cent change in interest rates. The sensitivity is calculated based on the Group's interest bearing liabilities and derivative financial instruments that are exposed to interest rate movements and the AUD:USD exchange rate at 30 September:

Interest rate sensitivity	+ 1% AUD mill 2024	- 1% AUD mill 2024	+ 1% AUD mill 2023	- 1% AUD mill 2023
SOFR	**(6.0)**	**6.0**	(6.4)	6.4
BBSW	**(1.0)**	**1.0**	(2.8)	2.8

The sensitivity above is also representative of the Group's interest rate exposures during the year.

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Commodity price risk

Source of risk

Exposure to changes in commodity prices is by virtue of the products that the Group sells and purchases in its manufacturing operations, and can be categorised into five main commodities, namely: Ammonia, Ammonium Nitrate, Ammonium Phosphate, Urea and Natural Gas.

Risk mitigation

Where possible, commodity price risk exposure is managed by entering into long-term contracts with customers and suppliers (i.e Ammonium Nitrate and Ammonia) or derivative contracts for input cost (i.e US natural gas). However, in some instances price risk exposure cannot be economically mitigated by either contractual arrangements or derivative contracts by virtue of the products that the Group sells.

Outstanding financial instruments and sensitivity analysis

The table below includes the Group's derivative contracts that are exposed to changes in natural gas prices at 30 September:

Natural gas	Total volume (MMBTU)(1) 2024	Price/ Strike USD (2) 2024	Total volume (MMBTU)(1) 2023	Price/ Strike USD (2) 2023
Contracts maturing within 1 year				
Natural gas swaps fixed payer	**80,000**	**3.80**	**480,000**	**3.80**
Contracts maturing between 1 and 5 years				
Natural gas swaps fixed payer	**–**	**–**	**80,000**	**3.80**

(1) Million Metric British Thermal Units

(2) Nymex Henry Hub gas price

Natural gas price sensitivity on outstanding financial instruments

The table below shows the sensitivity of the Group's equity before tax to a change of US 10c per MMBTU in the US Henry Hub natural gas price. The sensitivity is based on natural gas derivative contracts held by the Group at 30 September. Gains or losses recognised in equity will be reclassified to the profit or loss as the underlying forecast transaction occurs:

Natural gas price sensitivity	+US 10c per 1 MMBTU AUD mill 2024	-US 10c per 1 MMBTU AUD mill 2024	+US 10c per 1 MMBTU AUD mill 2023	-US 10c per 1 MMBTU AUD mill 2023
Henry Hub	–	–	0.1	(0.1)

Sensitivity to natural gas price movements during the year

The table below shows the sensitivity of the Group's profit before tax to a change of US 10c per MMBTU in the Henry Hub natural gas price. The sensitivity is based on the average natural gas price, the average AUD:USD exchange rate (excluding the impact of hedging) and the current annual natural gas consumption of the Group's manufacturing operations in the Americas that are exposed to changes in natural gas prices:

Natural gas price sensitivity	+US 10c per 1 MMBTU AUD mill 2024	-US 10c per 1 MMBTU AUD mill 2024	+US 10c per 1 MMBTU AUD mill 2023	-US 10c per 1 MMBTU AUD mill 2023
Henry Hub(1)	**(0.7)**	**0.7**	(3.8)	3.8

(1) The price sensitivity to Henry Hub relates to the Waggaman operations which was sold in FY24

Sensitivity to fertiliser price and ammonia movements during the year

The table below shows the sensitivity of the Group's profit before tax to a US$10 per tonne change in Ammonium Phosphates, Urea and Ammonia prices. The sensitivity is based on actual tonnes manufactured and sold by the Group that is sensitive to commodity price changes and the average AUD:USD exchange rate (excluding the impact of hedging) for the year:

Price sensitivity	+ US$10 per tonne AUD mill	- US$10 per tonne AUD mill
2024		
DAP/MAP (FOB China/Saudi)	11.2	(11.2)
Urea (FOB NOLA)	1.8	(1.8)
Ammonia (FOB Tampa)(2)	2.2	(2.2)
2023		
Granular Urea (FOB Middle East)(1)	2.4	(2.4)
DAP/MAP (FOB China/Saudi)	12.4	(12.4)
Urea (FOB NOLA)	1.9	(1.9)
Ammonia (FOB Tampa)(2)	10.4	(10.4)

(1) The Group's price sensitivity to Granular Urea (FOB Middle East) is nil in FY24 due to the Gibson Island manufacturing closure in FY23.

(2) The price sensitivity to Ammonia (FOB Tampa) relates to the Waggaman operations, which was sold in FY24.

Included in the table below are details of the Group's derivative instruments at 30 September 2024, classified by hedge accounting type and market risk category:

		Balance at 30 September 2024				During the period	
30 September 2024	Note	Carrying amount of hedging instrument asset $mill	Carrying amount of hedging instrument liability $mill	Fair value hedge adjustment of hedged item $mill	Balance of gains/ (losses) in reserves before tax $mill	Gains/ (losses) recognised in reserves[1] $mill	Reclassification of (gains)/ losses from reserves to profit or loss[1,4] $mill
Cash flow hedges							
Foreign exchange risk on forecast sales & purchases							
Forward exchange contracts		**2.1**	**(1.9)**	**–**	**1.5**	**2.1**	**–**
Foreign exchange options		**–**	**–**	**–**	**–**	**0.8**	**–**
Discontinued hedge [2]		**–**	**–**	**–**	**1.3**	**4.2**	**(3.6)**
Commodity price risk on forecast purchases							
Commodity swaps		**0.3**	**(0.3)**	**–**	**(0.1)**	**0.3**	**–**
Discontinued hedge [2]		**–**	**–**	**–**	**–**	**(1.3)**	**1.1**
Interest rate risk on highly probable debt							
Discontinued hedge [2]		**–**	**–**	**–**	**(13.4)**	**–**	**13.6**
Total cash flow hedges		**2.4**	**(2.2)**	**–**	**(10.7)**	**6.1**	**11.1**
Net investment hedges							
Foreign exchange risk on foreign operation							
Interest bearing liabilities		**–**	**–**	**–**	**(75.6)**	**55.4**	**–**
Discontinued hedge [2]		**–**	**–**	**–**	**(187.0)**	**–**	**344.7**
Total net investment hedges		**–**	**–**	**–**	**(262.6)**	**55.4**	**344.7**
Fair value hedges							
Foreign exchange risk on HKD borrowings							
Cross currency interest rate swaps		**3.3**	**–**	**(3.5)**	**–**	**–**	**–**
Interest rate risk on fixed USD and HKD bonds [3]							
Interest rate swaps		**–**	**(39.7)**	**43.0**	**–**	**–**	**–**
Discontinued hedge		**–**	**–**	**1.9**	**–**	**–**	**–**
Total fair value hedges	(8)	**3.3**	**(39.7)**	**41.4**	**–**	**–**	**–**
Equity instruments		**–**	**–**	**–**	**(17.0)**	**–**	**–**
Total net		**5.7**	**(41.9)**	**41.4**	**(290.3)**	**61.5**	**355.8**

(1) Gains or losses recognised in the reserves will be reclassified to the same line item in the profit or loss as the underlying hedged item when the underlying forecast transaction occurs.

(2) Gains or losses on discontinued hedges that were in cash flow hedge or net investment hedge relationships remain in the reserves until the underlying transactions occur or upon disposal of the underlying net investment. Any changes in the market value of the discontinued hedges are recognised in the profit or loss from discontinuation. Gains or losses on net investment hedges offset the gains or losses on translation of foreign owned subsidiaries into AUD. A portion of the discontinued net investment hedges was released to the profit or loss with the completion of the sale of Waggaman.

(3) Interest rate swap contracts effectively convert USD400m and HKD560m of the Group's fixed interest rate borrowings to floating interest rates. The fair value hedge adjustment of a hedged item where the hedging instrument is discontinued remains in the carrying amount of the hedged item and is amortised to the profit or loss over the life of the hedged item.

(4) At 30 September 2024, there were no gains/losses that were transferred from reserves to profit or loss in relation to ineffective hedges.

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Included in the table below are details of the Group's derivative instruments at 30 September 2023, classified by hedge accounting type and market risk category:

		Balance at 30 September 2023				During the period	
30 September 2023	**Note**	**Carrying amount of hedging instrument asset $mill**	**Carrying amount of hedging instrument liability $mill**	**Fair value hedge adjustment of hedged item $mill**	**Balance of gains/ (losses) in reserves before tax $mill**	**Gains/ (losses) recognised in reserves[1] $mill**	**Reclassification of (gains)/ losses from reserves to profit or loss[1,4] $mill**
Cash flow hedges							
Foreign exchange risk on forecast sales & purchases							
Forward exchange contracts		5.5	(1.5)	–	(0.6)	2.8	–
Foreign exchange options		–	(0.8)	–	(0.8)	5.9	–
Discontinued hedge[2]		–	–	–	0.7	11.8	45.5
Commodity price risk on forecast purchases							
Commodity swaps		0.1	(0.5)	–	(0.5)	(0.6)	–
Discontinued hedge[2]		–	–	–	0.2	(3.4)	3.4
Interest rate risk on highly probable debt							
Interest rate swaps		–	–	–	–	(12.4)	–
Discontinued hedge[2]		–	–	–	(26.9)	12.1	13.2
Total cash flow hedges		5.6	(2.8)	–	(27.9)	16.2	62.1
Net investment hedges							
Foreign exchange risk on foreign operation							
Interest bearing liabilities		–	–	–	(131.0)	(9.7)	–
Discontinued hedge[2]		–	–	–	(531.7)	–	–
Total net investment hedges		–	–	–	(662.7)	(9.7)	–
Fair value hedges							
Foreign exchange risk on HKD borrowings							
Cross currency interest rate swaps		11.3	–	(10.7)	–	–	–
Interest rate risk on fixed USD, HKD and AUD bonds[3]							
Interest rate swaps		–	(94.0)	98.4	–	–	–
Discontinued hedge		–	–	2.7	–	–	–
Total fair value hedges	(8)	11.3	(94.0)	90.4	–	–	–
Equity instruments		–	–	–	(17.0)	–	–
Total net		16.9	(96.8)	90.4	(707.6)	6.5	62.1

(1) Gains or losses recognised in the reserves will be reclassified to the same line item in the profit or loss as the underlying hedged item when the underlying forecast transaction occurs.

(2) Gains or losses on discontinued hedges that were in cash flow hedge or net investment hedge relationships remain in the reserves until the underlying transactions occur or upon disposal of the underlying net investment. Any changes in the market value of the discontinued hedges are recognised in the profit or loss from discontinuation. Gains or losses on net investment hedges offset the gains or losses on translation of foreign owned subsidiaries into AUD. A portion of the discontinued net investment hedges will be released to the profit or loss upon completion of the sale of Waggaman.

(3) Interest rate swap contracts effectively convert USD400m, AUD181m and HKD560m of the Group's fixed interest rate borrowings to floating interest rates. The fair value hedge adjustment of a hedged item where the hedging instrument is discontinued remains in the carrying amount of the hedged item and is amortised to the profit or loss over the life of the hedged item.

(4) At 30 September 2023, there were no gains/losses that were transferred from reserves to profit or loss in relation to ineffective hedges.

Credit risk: The risk of financial loss to the Group as a result of customers or counterparties to financial assets failing to meet their contractual obligations.

Source of risk

The Group is exposed to counterparty credit risk from trade and other receivables and financial instrument contracts that are outstanding at the reporting date.

Risk mitigation

The Group minimises the credit risk associated with trade and other receivables balances by undertaking transactions with a large number of customers in various countries.

The creditworthiness of customers is reviewed prior to granting credit, using trade references and credit reference agencies. Credit limits are established and monitored for each customer, and these limits represent the highest level of exposure that a customer can reach. Trade credit insurance is purchased when required.

The Group mitigates credit risk from financial instrument contracts by only entering into transactions with counterparties that have sound credit ratings and, where applicable, with whom the Group has a signed netting agreement. Given their high credit ratings, the Group does not expect any counterparty to fail to meet its obligations.

Credit risk exposure

The Group's maximum exposure to credit risk at 30 September is the carrying amount, net of any provision for impairment, of the financial assets as detailed in the table below:

	2024 $mill	2023 $mill
Trade and other receivables	**670.1**	597.9
Cash and cash equivalents	**1,068.9**	399.4
Derivative assets	**5.7**	16.9
	1,744.7	1,014.2

Financial assets and financial liabilities that are subject to enforceable master netting arrangements and are intended to be settled on a net basis are offset in the Statement of Financial Position. At 30 September 2024, the amount netted in other financial assets and other financial liabilities is nil (2023: nil).

Fair value

Fair value of the Group's financial assets and liabilities is calculated using a variety of techniques depending on the type of financial instrument as follows:

- The fair value of financial assets and financial liabilities traded in active markets (such as equity securities and fixed interest rate bonds) is the quoted market price at the reporting date.
- The fair value of financial assets and financial liabilities not traded in active markets is calculated using discounted cash flows. Future cash flows are calculated based on observable forward interest rates and foreign exchange rates.
- The fair value of forward exchange contracts, interest rate swaps, cross currency interest rate swaps, commodity swaps and forward contracts is calculated using discounted cash flows, reflecting the credit risk of various counterparties. Future cash flows are calculated based on the contract rate, observable forward interest rates and foreign exchange rates.
- The fair value of option contracts is calculated using the contract rates and observable market rates at the end of the reporting period, reflecting the credit risk of various counterparties. The valuation technique is consistent with the Black-Scholes methodology and utilises Monte Carlo simulations.
- The fair value of commodity swaps and commodity forward contracts is calculated using their quoted market price, where available. If a quoted market price is not available, then fair value is calculated using discounted cash flows. Future cash flows are estimated based on the difference between the contractual price and the current observable market price, reflecting the credit risk of various counterparties. These future cash flows are then discounted to present value.
- The nominal value less expected credit losses of trade receivables and payables are assumed to approximate their fair values due to their short term maturity.

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2024	Level 1 $mill	Level 2 $mill	Level 3 $mill
Derivative financial assets	–	**5.7**	–
Derivative financial liabilities	–	**(41.9)**	–

2023	Level 1 $mill	Level 2 $mill	Level 3 $mill
Derivative financial assets	–	16.9	–
Derivative financial liabilities	–	(96.8)	–

Fair value of financial assets and liabilities carried at amortised cost

Cash and cash equivalents, trade and other receivables, and trade and other payables are carried at amortised cost which equals their fair value.

Interest bearing liabilities are carried at amortised cost and have a carrying value of $1,684.1m (2023: $1,731.7m) – refer to note 8. The fair value of the interest bearing financial liabilities at 30 September 2024 was $1,694.3m (2023: $1,693.3m) and was based on the level 2 valuation methodology.

Key accounting policies

Foreign currency transactions and balances

The Group presents its accounts in Australian dollars. Foreign currency transactions are translated into Australian dollars using the exchange rates at the date the transaction occurs.

Monetary assets (such as trade receivables) and liabilities (such as trade payables) denominated in foreign currencies are translated into Australian dollars using the exchange rate at 30 September. Non-monetary items (for example, plant and machinery) that are measured at historical cost in a foreign currency are not re-translated.

Foreign exchange gains and losses relating to transactions are recognised in the profit or loss with the exception of gains and losses arising from cash flow hedges and net investment hedges that are recognised in other comprehensive income.

Foreign operations

The assets and liabilities of the Group's foreign operations are translated at applicable exchange rates at 30 September. Income and expense items are translated at the average exchange rates for the period.

Foreign exchange gains and losses arising on translation are recognised in the foreign currency translation reserve (**FCTR**). If and when the Group disposes of the foreign operation, these gains and losses are transferred from the FCTR to the profit or loss.

Derivatives and hedging

The Group uses contracts known as derivative financial instruments to hedge its financial risk exposures.

On entering into a hedging relationship, the Group formally designates and documents details of the hedge, risk management objective and strategy for entering into the arrangement. The Group applies hedge accounting to hedging relationships that are expected to be highly effective in offsetting changes in fair value, i.e. where the cash flows arising from the hedge instrument closely match the cash flows arising from the hedged item.

Hedge accounting is discontinued when:

- » The hedging relationship no longer meets the risk management objective.
- » The hedging instrument expires or is sold, terminated or exercised.
- » The hedge no longer qualifies for hedge accounting.

Derivatives are measured at fair value. The accounting treatment applied to specific types of hedges is set out below.

Cash flow hedges

Changes in the fair value of effective cash flow hedges are recognised in equity, in the cash flow hedge reserve. To the extent that the hedge is ineffective, changes in fair value are recognised in the profit or loss.

Fair value gains or losses accumulated in the reserve are taken to profit or loss when the hedged item affects profit or loss. When the hedged item is a non-financial asset, the amount recognised in the reserve is transferred to the carrying amount of the asset when the asset is purchased.

Net investment hedges

Hedges of a net investment in a foreign operation are accounted for in a similar way as cash flow hedges. Gains or losses on the effective portion of the hedge are recognised directly in equity (in the FCTR) while any gains or losses relating to the ineffective portion are recognised in the profit or loss.

On disposal of the foreign operation, the cumulative value of gains or losses recognised in the FCTR are transferred to profit or loss.

Fair value hedges

The change in the fair value of the hedging instrument and the change in the hedged item are recognised in the profit or loss.

Hedge ineffectiveness

The Group aims to transact only highly effective hedge relationships, and in most cases the hedging instruments have a 1:1 hedge ratio with the hedged items. However, at times, some hedge ineffectiveness can arise and is recognised in profit or loss in the period in which it occurs. Key sources of hedge ineffectiveness for the Group are as follows:

- » Maturity dates of hedging instruments not matching the maturity dates of the hedged items.
- » Credit risk inherent within the hedging instrument not matching the movement in the hedged item.
- » Interest rates of the Group's financing facilities not matching the interest rates of the hedging instrument.
- » Forecast transactions not occurring.

Classification of financial instruments

Financial instruments are classified into the following categories:

- » Amortised cost (cash and cash equivalents, interest bearing liabilities and trade and other receivables and payables).
- » Fair value through other comprehensive income (listed equity securities).
- » Fair value through profit or loss (derivative financial instruments except those that are in a designated hedge relationship).

19. Share-based payments

Incentive Plans

The Long Term Incentive Plans (LTIs) are designed to link reward with the key performance drivers that underpin sustainable growth in shareholder value. With regard to the 2021/24 and 2022/25 LTIs, the performance conditions comprise relative total shareholder return, the delivery of certain long term value metrics, return on invested capital and sustainability metrics. The 2023/26 LTI plan consists of two components being performance rights and share options, the performance measures attached to the performance rights comprise of relative total shareholder return and return on invested capital. The 2023/26 LTI share options are subject to an absolute total shareholder return measure.

Certain Executives have been awarded performance rights under Short Term Incentive Plans (STIs) based on financial, safety and strategic outcomes.

These arrangements support the Company's strategy for retention and motivation of its executives.

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	2024 $mill	2023 $mill
Accounting value of performance rights and share options issued under the LTI and STI performance plans	**3.8**	2.9

	2024 Number	2023 Number
Number of performance rights outstanding under the LTI and STI performance plans	**4,262,265**	5,302,195
Number of performance share options outstanding under the LTI and STI performance plans	**12,312,761**	–

Details of the movements in LTI and STI performance rights are disclosed in the Remuneration Report for key management personnel.

Key accounting policies

The rights to shares granted to employees under the terms of the plans are measured at fair value. The fair value is recognised as an employee expense over the period that employees become unconditionally entitled to the rights. There is a corresponding increase in equity, which is reflected in the share based payments reserve.

The amount recognised as an expense is adjusted to reflect the actual number of rights taken up, once related service and other non-market conditions are met.

20. Key management personnel disclosures

Key management personnel remuneration

	2024 $000	2023 $000
Short-term employee benefits	**8,844**	7,988
Post-employment benefits	**212**	169
Other long-term benefits	**132**	58
Termination benefits	**–**	922
Share-based payments	**1,200**	1,471
	10,388	10,608

Determination of key management personnel and detailed remuneration disclosures are provided in the Remuneration Report.

Loans to key management personnel

In the year ended 30 September 2024, there were no loans to key management personnel and their related parties (2023: nil).

Other key management personnel transactions

In the year ended 30 September 2024, there were no material transactions entered into during the year with key management personnel (including their related parties).

21. Retirement benefit obligation

The Group operates a number of defined benefit plans in the Americas and Asia Pacific to provide benefits for employees and their dependants on retirement, disability or death.

The Group also makes contributions to defined contribution schemes.

Financial position and performance

Net defined benefit obligation at 30 September

	2024 $mill	2023 $mill
Present value of obligations	**78.4**	78.0
Fair value of plan assets	**(60.2)**	(59.2)
Net defined benefit obligation	**18.2**	18.8

Maturity profile of the defined benefit obligation

The expected maturity analysis of the undiscounted defined benefit obligation is as follows:

	2024 $mill	2023 $mill
Within next 10 years	**62.5**	61.6
Within 10 to 20 years	**57.4**	54.8
In excess of 20 years	**41.9**	42.4

Return on plan assets for the year ended 30 September

	2024 $mill	2023 $mill
Actual return on plan assets	**5.9**	12.7

Composition of plan assets at 30 September

	2024	2023
The percentage invested in each asset class:		
Equities	**40%**	40%
Fixed interest securities	**32%**	32%
Property	**17%**	18%
Other	**11%**	10%

Movements in plan assets/liabilities

Amounts recognised in Other Comprehensive Income

	Notes	2024 $mill	2023 $mill
Losses arising from changes in acturial assumptions		**(0.6)**	(4.9)
Return on plan assets greater than discount rate		**2.7**	3.2
Total profit/(loss) recognised in other comprehensive income		**2.1**	(1.7)
Amounts recognised in Profit or Loss			
Net interest expense	(2)	**(1.3)**	(1.0)
Defined benefit superannuation expense	(2)	**(1.3)**	(7.1)

Key assumptions and sensitivities

Principal actuarial assumptions

	2024	2023
Discount rate (gross of tax)	**3.5% - 9.4%**	5.3% - 9.4%
Future salary increases	**2.5% - 5.0%**	3.5% - 5.0%

Sensitivity analysis

The sensitivity analysis is based on a change in a significant actuarial assumption while holding all other assumptions constant. The following table summarises how the defined benefit obligation as at 30 September 2024 would have increased/(decreased) as a result of a change in the respective assumption by 1 percentage point:

	1 percent increase	1 percent decrease
Discount rate	**(7.2)**	4.6
Rate of salary increase	**0.8**	(1.3)

Key accounting policies

All employees of the Group are entitled to benefits from the Group's superannuation plan on retirement, disability or death or can direct the Group to make contributions to a defined contribution plan of their choice. The Group's superannuation plan has a defined benefit section and a defined contribution section. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from group companies and the Group's legal or constructive obligation is limited to these contributions.

The liability or asset recognised in the Consolidated Statement of Financial Position in respect of defined benefit superannuation plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Consolidated Statement of Changes in Equity and in the Consolidated Statement of Financial Position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

Contributions to the defined contribution section of the Group's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable.

Key estimates and judgements

The present value of the defined benefit obligation at the reporting date is based on expected future payments arising from membership of the fund. This is calculated annually by independent actuaries considering the expected future wage and salary levels of employees, experience of employee departures and employee periods of service.

Expected future payments are discounted using market yields on corporate bonds at the reporting date, which have terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

22. Deed of cross guarantee

Entities that are party to a Deed of Cross Guarantee are included in note 16. The Statement of Profit or Loss and Other Comprehensive Income and the Statement of Financial Position for this closed group are shown below:

Statement of Profit or Loss and Other Comprehensive Income

	2024 $mill	2023 (1) $mill
(Loss)/profit before income tax	**(775.5)**	79.5
Income tax benefit/(expense)	**215.6**	(29.0)
(Loss)/profit for the year	**(559.9)**	50.5
Retained profits at 1 October	**1,453.5**	1,926.1
New entities added to the Deed	**(92.4)**	–
(Loss)/profit for the year	**(559.9)**	50.5
Other movements in retained earnings	**0.7**	1.3
Dividend paid	**(378.2)**	(524.4)
Retained profits at 30 September	**423.7**	1,453.5

Statement of Financial Position

	2024 $mill	2023 (1) $mill
Current assets		
Cash and cash equivalents	**917.7**	197.4
Trade and other receivables	**–**	453.7
Inventories	**487.2**	480.4
Other assets	**42.3**	25.3
Other financial assets	**2.1**	5.6
Current tax assets	**68.3**	90.7
Total current assets	**1,517.6**	1,253.1
Non-current assets		
Other financial assets	**2,993.8**	5,249.4
Property, plant and equipment	**1,574.0**	2,176.7
Right-of-use lease assets	**123.5**	104.3
Exploration and evaluation assets	**3.5**	8.7
Intangible assets	**67.6**	251.6
Deferred tax assets	**230.3**	175.4
Total non-current assets	**4,992.7**	7,966.1
Total assets	**6,510.3**	9,219.2
Current liabilities		
Trade and other payables	**598.7**	897.5
Lease liabilities	**18.6**	16.4
Other financial liabilities	**1.9**	9.3
Provisions	**115.3**	84.2
Total current liabilities	**734.5**	1,007.4
Non-current liabilities		
Trade and other payables	**123.9**	895.7
Lease liabilities	**129.8**	111.0
Interest bearing liabilities	**1,233.5**	1,261.3
Other financial liabilities	**39.7**	87.1
Provisions	**123.5**	86.1
Deferred tax liabilities	**226.6**	405.2
Retirement benefit obligation	**(1.1)**	0.9
Total non-current liabilities	**1,876.0**	2,847.3
Total liabilities	**2,610.5**	3,854.7
Net assets	**3,899.9**	5,364.5
Equity		
Issued capital	**3,354.7**	3,806.2
Reserves	**121.5**	104.8
Retained earnings	**423.7**	1,453.5
Total equity	**3,899.9**	5,364.5

(1) FY23 has not been restated for new entities added to the Deed of Cross Guarantee during FY24.

23. Parent entity disclosure

Throughout the financial year ended 30 September 2024 the parent company of the Group was Incitec Pivot Limited.

Parent entity guarantees in respect of debts of its subsidiaries

The parent entity is part of a Deed of Cross Guarantee, under which each entity guarantees the debt of the others.

Statement of Profit or Loss and Other Comprehensive Income

Results of the parent entity	2024 $mill	2023 $mill
Profit/(loss) for the year	**23.8**	(139.8)
Other comprehensive income	**6.5**	63.4
Total comprehensive profit/(loss) for the year	**30.3**	(76.4)

Statement of Financial Position

	2024 $mill	2023 $mill
Current assets	**1,604.3**	673.8
Total assets	**8,492.9**	8,777.3
Current liabilities	**847.1**	576.8
Total liabilities	**4,960.2**	4,445.2
Net assets	**3,532.7**	4,332.1
Share capital	**3,354.7**	3,806.2
Reserves	**(0.6)**	(6.4)
Retained earnings	**178.6**	532.3
Total equity	**3,532.7**	4,332.1

Parent entity contingencies and commitments

Contingent liabilities of Incitec Pivot Limited are disclosed in note 17.

Capital expenditure – commitments	2024 $mill	2023 $mill
Contracted but not yet provided for and payable:		
Within one year	**3.8**	4.7

Tax consolidation

The Company and its wholly-owned Australian resident entities have formed a tax consolidated group. As a result it is taxed as a single entity. The head entity of the tax consolidated group is Incitec Pivot Limited.

24. Auditor's remuneration

	2024 $000	2023 $000
Deloitte and related network firms		
Audit or review of financial reports		
Group	**1,571.0**	1,410.2
Subsidiaries and joint operations	**698.5**	650.2
	2,269.5	2,060.4
Other assurance and agreed-upon procedures under other legislation or contractual arrangements not required to be provided by the auditor	**488.0**	111.2
Other services:		
Other consulting services	**80.0**	75.0
Total remuneration	**2,837.5**	2,246.6
Non-Deloitte audit firms		
Audit services	**285.0**	329.4
Total remuneration of non-Deloitte audit firms	**285.0**	329.4

From time to time, the auditors provide other services to the Group. These services are subject to strict corporate governance procedures which encompass the selection of service providers and the setting of their remuneration. The Audit and Risk Management Committee must approve individual non audit assurance engagements provided by the Group's auditor above a value of $100,000, as well as where the aggregate amount exceeds $250,000 per annum.

25. Events subsequent to reporting date

On 11 November 2024, IPL announced a final dividend of 6.3 cents per share, unfranked, to be paid on 18 December 2024.
The record date for entitlement to this dividend is 4 December 2024. Based on the number of shares on issue at 30 September 2024, the total dividend payment will be $119.2m.

Other than the matters reported on above, the directors have not become aware of any other significant matter or circumstance that has arisen since the end of the financial year, that has affected or may affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent years, which has not been covered in this report.

Consolidated Entity Disclosure Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2024

The Consolidated Entity Disclosure Statement has been prepared in accordance with s.295(3A)(a) of the *Corporations Act 2001* and includes information for each subsidiary of the Incitec Pivot Limited Group as at 30 September 2024.

	Consolidated Entity Disclosure Statement as at 30 September 2024						
Entity name	**Entity type**	**Trustee, partner of participant in JV**	**Country of incorporation**	**% of share capital held**	**Australian tax resident or foreign tax resident**	**Foreign tax jurisdiction (if applicable)**	**Note**
Incitec Pivot Limited	Body Corporate	N/A	Australia	100%	Australian	N/A	
Incitec Fertilisers Operations Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
TOP Australia Pty Limited	Body Corporate	N/A	Australia	100%	Australian	N/A	
Incitec Pivot Fertilisers Limited	Body Corporate	N/A	Australia	100%	Australian	N/A	
Southern Cross International Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dyno Nobel LTI Plan Company Pty Ltd	Body Corporate	Trustee	Australia	100%	Australian	N/A	
Dyno Nobel Explosives Holdings Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Queensland Operations Pty Limited	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dyno Nobel Investments 1 Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dyno Nobel Investments 2 Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Incitec Pivot US Holdings Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dyno Nobel Finance Australia Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dyno Nobel Pty Limited	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dyno Nobel Europe Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dyno Nobel Management Pty Limited	Body Corporate	N/A	Australia	100%	Australian	N/A	
Industrial Investments Australia Finance Pty Limited	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dyno Nobel Asia Pacific Pty Limited	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dampier Nitrogen Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
DNX Australia Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dyno Nobel Moranbah Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Dyno Nobel Moura Pty Limited	Body Corporate	N/A	Australia	100%	Australian	N/A	
Incitec Pivot Queensland Gas Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Easy Liquids Pty Ltd	Body Corporate	N/A	Australia	100%	Australian	N/A	
Australian Bio Fert Pty Ltd	Body Corporate	N/A	Australia	64%	Australian	N/A	
OZBIOFERT Pty Ltd	Body Corporate	N/A	Australia	64%	Australian	N/A	
Dyno Nobel US Investments	Partnership	N/A	N/A	N/A	Foreign	USA	
Dyno Nobel Management LLC	Body Corporate	N/A	USA	100%	Foreign	USA	
Dyno Nobel Finance LLC	Body Corporate	N/A	USA	100%	Foreign	N/A	a
Dyno Nobel Australia LLC	Body Corporate	N/A	USA	100%	Foreign	N/A	b
Dyno Nobel SPS LLC	Body Corporate	N/A	USA	100%	Foreign	N/A	a
Dyno Nobel Holdings IV LLC	Body Corporate	N/A	USA	100%	Foreign	N/A	b
Dyno Nobel Holdings USA III, Inc.	Body Corporate	N/A	USA	100%	Foreign	USA	
Dyno Nobel Holdings USA II	Partnership	N/A	N/A	N/A	Foreign	USA	
Dyno Nobel Holdings USA II, Inc.	Body Corporate	N/A	USA	100%	Foreign	USA	
Dyno Nobel Holdings USA, Inc.	Body Corporate	N/A	USA	100%	Foreign	USA	
Dyno Nobel Inc.	Body Corporate	N/A	USA	100%	Foreign	USA	
Dyno Nobel Transportation Inc.	Body Corporate	N/A	USA	100%	Foreign	USA	
Simsbury Hopmeadow Street LLC	Body Corporate	N/A	USA	100%	Foreign	N/A	b
Dyno Nobel Holdings V LLC	Body Corporate	N/A	USA	100%	Foreign	N/A	b
Tradestar Corporation	Body Corporate	N/A	USA	100%	Foreign	USA	
CMMPM, LLC	Body Corporate	N/A	USA	100%	Foreign	N/A	c
CMMPM Holdings L.P.	Partnership	N/A	N/A	N/A	N/A	N/A	c
Dyno Nobel Louisiana Ammonia, LLC	Body Corporate	N/A	USA	100%	Foreign	N/A	b
Nobel Labs, LLC	Body Corporate	N/A	USA	100%	Foreign	N/A	b

Consolidated Entity Disclosure Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Consolidated Entity Disclosure Statement as at 30 September 2024						
Entity name	Entity type	Trustee, partner of participant in JV	Country of incorporation	% of share capital held	Australian tax resident or foreign tax resident	Foreign tax jurisdiction (if applicable)	Note
Mine Equipment & Mill Supply Company	Body Corporate	N/A	USA	100%	Foreign	USA	
Controlled Explosives, Inc.	Body Corporate	N/A	USA	100%	Foreign	USA	
Drisk Insurance Inc.	Body Corporate	N/A	USA	100%	Foreign	USA	
Falconi Construction, Inc.	Body Corporate	N/A	USA	100%	Foreign	USA	
Alpha Dyno Nobel	Body Corporate	N/A	USA	100%	Foreign	USA	
Dyno Nobel Canada Inc.	Body Corporate	N/A	Canada	100%	Foreign	Canada	
Dyno Nobel Transportation Canada Inc.	Body Corporate	N/A	Canada	100%	Foreign	Canada	
Dyno Nobel Nunavut Inc.	Body Corporate	N/A	Canada	100%	Foreign	Canada	
Dyno Nobel Finance Canada Inc.	Body Corporate	N/A	Canada	100%	Foreign	Canada	
Polar Explosives 2000 Inc.	Body Corporate	N/A	Canada	100%	Foreign	Canada	
Dene Dyno Nobel (Polar) Inc.	Body Corporate	N/A	Canada	100%	Foreign	Canada	
Dyno Nobel Waggaman Inc.	Body Corporate	N/A	Canada	100%	Foreign	Canada	
Incitec Pivot Holdings (Hong Kong) Limited	Body Corporate	N/A	Hong Kong	100%	Australia	N/A	
Coltivi Insurance Pte Ltd	Body Corporate	N/A	Singapore	100%	Foreign	Singapore	
Incitec Pivot Fertilisers (Singapore) Pte. Ltd.	Body Corporate	N/A	Singapore	100%	Foreign	Singapore	
Dyno Nobel Explosivos Chile Limitada	Body Corporate	N/A	Chile	100%	Foreign	Chile	
Dyno Nobel Peru S.A.	Body Corporate	N/A	Peru	100%	Foreign	Peru	
Dyno Nobel Mexico, S.A. de C.V.	Body Corporate	N/A	Mexico	99.98%	Foreign	Mexico	
DNX Papua New Guinea Ltd	Body Corporate	N/A	Papua New Guinea	100%	Foreign	Papua New Guinea	
PT DNX Indonesia	Body Corporate	N/A	Indonesia	100%	Foreign	Indonesia	
Nitromak Dnx Kimya Sanayii Anonim Sirketi	Body Corporate	N/A	Turkey	100%	Foreign	Turkey	
RomNitro Explosives SRL	Body Corporate	N/A	Romania	100%	Foreign	Romania	
Nitro Industria Kimike Shpk	Body Corporate	N/A	Albania	100%	Foreign	Albania	
Dyno Nobel Holdings Europe SA	Body Corporate	N/A	Switzerland	100%	Foreign	Switzerland	
Dyno Nobel Holdings France Sas	Body Corporate	N/A	France	100%	Foreign	France	
Explinvest SASU	Body Corporate	N/A	France	100%	Foreign	France	
Titanobel SASU	Body Corporate	N/A	France	100%	Foreign	France	
Société d'Explosifs du Centre-Est SA	Body Corporate	N/A	France	99.9%	Foreign	France	
Société Financière de Terrassement SAS	Body Corporate	N/A	France	99.51%	Foreign	France	
Groupement Forestier Minez Clegueric	Body Corporate	N/A	France	66%	Foreign	France	
Titanobel-NPGM Equipment SAS	Body Corporate	N/A	France	51%	Foreign	France	
Titanobel Southern Africa (Pty) Limited	Body Corporate	N/A	South Africa	100%	Foreign	South Africa	
Enviro Blasting Services (Pty) Limited	Body Corporate	N/A	South Africa	74%	Foreign	South Africa	
Nord-Sud Dynamitage-Sofiter SARL	Body Corporate	N/A	France	51%	Foreign	France	
Titanobel Benin SASU	Body Corporate	N/A	Benin	100%	Foreign	Benin	
Titanobel Cameroun SASU	Body Corporate	N/A	Cameroon	100%	Foreign	Cameroon	
Afrique Ouest Drilling Sofiter SARL	Body Corporate	N/A	Senegal	100%	Foreign	Senegal	

a. Entity is treated as "flow-through" for US federal income tax purposes and therefore, is not considered a tax resident of the US. However, it is treated as a part of a US tax resident entity. For Australian tax purposes, the entity is treated as a partnership with Australian resident partners that are part of the Australian tax consolidated group.
b. This entity is treated as "flow-through" for US federal income tax purposes and therefore, not considered a tax resident of the US. However, it is treated as part of a US tax resident entity.
c. Entity is treated as "flow-through" for US federal income tax purposes and therefore, not considered a tax resident of the US. For Australian tax purposes, the entity is treated as a partnership and is included in the Australian tax consolidated group.

Directors' Declaration

on the Consolidated Financial Statements set out on pages 46 to 87

In accordance with a resolution of the directors of Incitec Pivot Limited (the Company), we state that:

1. In the opinion of the directors:

   (a) the consolidated financial statements and notes, set out on pages 46 to 87, are in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the financial position of the Company and the Group as at 30 September 2024 and of their performance for the year ended on that date; and

   (ii) complying with Accounting Standards in Australia (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

   (b) the financial report also complies with International Financial Reporting Standards as disclosed on page 54; and

   (c) there are reasonable grounds to believe the Company and the Group will be able to pay their debts as and when they become due and payable.

2. There are reasonable grounds to believe that the Company and the controlled entities identified in note 16 will be able to meet any obligations or liabilities to which they are or may become subject by virtue of the Deed of Cross Guarantee between the Company and those subsidiaries pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.

3. The directors have been given the declaration by the Interim Chief Executive Officer and the Interim Chief Financial Officer as required by section 295A of the *Corporations Act 2001* for the financial year ended 30 September 2024.

4. The consolidated entity disclosure statement set out on pages 86 to 87 required by section 295(3A) of the *Corporations Act 2001* is true and correct.

Greg Robinson
Board Chair

Melbourne, 11 November 2024

Mauro Neves de Moraes

Mauro Neves
CEO & Managing Director

Melbourne, 11 November 2024

Deloitte.

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Independent Auditor's Report
to the members of Incitec Pivot Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Incitec Pivot Limited (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 September 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the directors' declaration and the consolidated entity disclosure statement.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 September 2024 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matter

The key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the financial report for the current period. This matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter

Carrying value of goodwill and non-current assets
 	
Refer to Note 9 Property, plant and equipment, Note 11 Intangibles and Note 12 Impairment of goodwill and non-current assets in the financial statements.
 	
As at 30 September 2024, the Group held goodwill of \$1,732.8 million, intangible assets of \$812.9 million and property, plant and equipment of \$2,435.9 million, which is allocated to the Group's cash generating units (CGUs).
 	
As disclosed in Note 12, an impairment charge of \$195.8 million was recognised against goodwill and \$845.2 million against property, plant and equipment, inventories, exploration and evaluation assets and intangibles.
 	
Goodwill is monitored and tested annually for impairment at the operating segment level. An assessment is made for indicators of impairment for each CGU, including the individual operating asset CGUs.
 	
The assessment of the recoverable amount is subject to a high level of judgement and is based on management's view of key variables and market conditions. The Group has prepared a value-in-use model to determine the recoverable amount of each CGU with goodwill or where an indicator of impairment was identified.
 	
The Group's Fertilisers and Phosphate Hill models are highly sensitive to changes in key assumptions, including natural gas prices, commodity prices, growth rate and discount rate.
 	
The Group's Dyno Nobel Asia Pacific ("DNAP") model is highly sensitive to changes in terminal value assumptions, including natural gas prices, growth rate, and discount rate.
 	
The Group's St Helens model is highly sensitive to changes in terminal value assumptions, including commodity prices, growth rate and discount rate.
 	
Forecast assumptions used in assessing the recoverable amount incorporate management's estimates of the potential impacts of climate change through sustainability projects, decarbonisation initiatives and consideration of the estimated impact of the Safeguard Mechanism 2.0, which are subject to judgement.
 	
Given the sensitivities of the assumptions in the Fertilisers, Phosphate Hill, DNAP and St Helens models, we consider the carrying value of goodwill and non-current assets to be a Key Audit Matter.
	Our procedures to assess the recoverable amounts of the CGUs included, but were not limited to:
	
	• Understanding the relevant controls and process that management has undertaken to assess the recoverable amounts;
	
	• In conjunction with our valuation specialists:
	  o Evaluating the appropriateness of the models used and the valuation techniques applied by management;
	  o Testing the mechanics of the models; and
	  o Comparing the discount rates applied with an independently developed rate.
	
	• Assessing and challenging the key assumptions in the models and terminal values by:
	  o Corroborating the key independent market based assumptions to external analysts' reports, published industry growth rates and industry reports, considering the potential impacts of climate change, including the Safeguard Mechanism 2.0, where applicable;
	  o Corroborating the key non-market based assumptions, including cash flows from sustainability projects, the Safeguard Mechanism 2.0 and other Board approved climate and de-carbonation initiatives, by comparing Board approved forecasts to historical performance to test the accuracy of management's forecasts;
	  o Agreeing contracted volumes and pricing assumptions in the models to the Board approved forecasts; and
	  o Performing a range of sensitivity analyses on the key assumptions including discount rates, natural gas prices and commodity prices used in the cash flow forecasts.
	
	We have also assessed the adequacy of the disclosures included in Notes 9, 11, and 12 in the financial statements.

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Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of the auditor's report, and also includes the following information which will be included in the Group's annual report (but does not include the financial report and our auditor's report thereon): About Us, Performance and Outlook, Being a Sustainability Business, Governance, and Additional Information, which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and

- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group'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 or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, 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 internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- 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 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 financial report 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 to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's 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 financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 23 to 44 of the Directors' Report for the year ended 30 September 2024.

In our opinion, the Remuneration Report of Incitec Pivot Limited, for the year ended 30 September 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

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Suzana Vlahovic	Terry Ludeman
Partner	Partner
Chartered Accountants	Chartered Accountants
Melbourne, 11 November 2024	Melbourne, 11 November 2024