

## 2024 Annual General Meeting – Speeches

*\*\*E&OE check against delivery\*\**

### **Dr Andrew Forrest AO, Executive Chairman**

That was quite the introduction ladies and gentlemen.

Thank you all for being here.

Look, representing you, I'm as proud as I have ever been.

I do think that we have a history in this great Company of ours which we can be proud of and when I spoke to you 12 months ago, it was in our 20<sup>th</sup> year, and I remarked that we are only just getting started. Only just getting started directors.

We've taken giant strides in the mission that does unite us all – to show the world that we, Fortescue – are still the world's most efficient mining company with the lowest operating costs globally.

But we're also like all the others, we're big polluters, yet we are determined to eliminate fossil fuels profitably from our mining operations by 2030.

This is why we continue to deliver for you, shareholders, issuing over A\$42 billion in dividends since 2014, we've made your company the highest shareholder return company in Australia Stock Exchange history.

This year your dividend of nearly \$2 was some distribution back to you – of A\$6 billion, kind of, I hope, rewarding your great faith in our Company.

Net profit after tax was also really strong, A\$8.7 billion, that's the third highest earnings in Fortescue's history despite the bumpy iron ore price.

Our free cash flow of A\$7.8 billion was also the second highest in the company's history.

And as of 30 June, your company's pristine balance sheet has A\$7.5 billion cash on the sheet.

We are Australia's fifth largest taxpayer and we continue to make an extraordinary contribution to the Australian economy every year. This year, some A\$27.5 billion dollars, this year alone.

We have some 21,000 people employed because of this sustained success.

I am confident that the new markets we are unlocking right now by going green will continue this outstanding record long into the future.

We've had an excellent run with iron ore, it's really rolling, green iron is our next big chapter. Going green across the world. Much bigger opportunities again.

So, we won't be Net Zero, whatever that means, if someone can explain it to me, by 2030 – we will be Real Zero by 2030 – burning zero emissions.

We're releasing ourselves from the hostage of fossil fuels. There will be no shortcuts, we're not taking the easy road to this so called Net Zero by buying offsets or using totally disproved, waiting for the next idiot to come along politician or grant maker of carbon capture and storage. It fails.

Real Zero means we will no longer use diesel.

We will no longer use gas.

Fortescue will be entirely powered by green energy.

And it's an investment that I believe is going to future proof your company saving us billions of dollars along the way as carbon taxes and turbulent fossil fuel prices continue their grip around the lifestyles of every Australian and every human. It's a grip we have to release.

And I know we've got our naysayers and doubting Thomas' – always have had, bring them on, but our ambition to Real Zero by 2030 has attracted harsh criticism, harsh doubt.

But I assure you, shareholders, Real Zero 2030 is no different – we have been on this path for five years now, some of the older directors will remember we started exploring its viability some 11 years ago.

And our fully costed plan now is well underway.

Have to say, we didn't get a lot of help along the way. The vendors, these great big companies across America, Europe and Asia, just arrogantly, when we asked our equipment providers, we're the customer right, customer is always right, apparently not. When we said we needed green equipment so we can deliver green for our shareholders and for our communities, they just arrogantly shrugged their shoulders and said well wait until the next decade at the earliest.

And this even included our fleet management system. Now this is a fleet management system with some history. We helped develop this system and it's the last time we got caught not patenting our inventions. That system is owned by someone else and we like others, hire it. It's so large, in its fleet management system of our automated trucks, if you added the trips made each day, it would go around Australia four times each day.

But now, in collaboration with Liebherr, we've developed one system which I'm delighted to say has led us to switch off the old more inefficient system, our first crack. And switch on the world's best, and much better system.

We turned on what we now call Fortex – it's owned by your Company – it's the most efficient fleet management system in the world and we will of course be happy to license it to others to improve the global world of mining productivity.

And Fortex will improve that productivity across our sites as we plug into our entire decarbonisation ecosystem, where we are no longer just a mining company, we are a massive energy company as well, so this ecosystem isn't just trucks, trains, everything else, it's green energy systems which is charger and charging stations.

We are building around three gigawatts of renewable energy and battery storage in the Pilbara – one of the largest, if not the largest, green grids in the world. And a grid which in many cases is larger than some small countries.

We're exchanging over 800 pieces of normal polluting equipment, used by everyone else, for green energy, zero pollution operations.

We're installing around 20 new sophisticated software AI powered systems to run our green energy infrastructure, continuously improving by AI. The march we're getting on our competitors will just get bigger and bigger.

Only in September, we announced the single largest equipment deal in our history – and we think in mining history, the single biggest mining equipment and battery electric deal in history.

It's a A\$4.2 billion dollar single hit equivalent order for 360 green mining haul trucks, 55 electric excavators, 60 battery-powered dozers – all integrated with a groundbreaking battery electric powered system developed in-house by our technology arm, in house, from Oxford Britain, across North America, great thinkers, great inventors, all the way to Perth. Where some of the great inventions of green energy will be recorded worldwide but right here.

So, if anyone ever doubted our commitment to Real Zero, don't, or whether we could pull it off, stay the course with us, this is surely the moment that we begin to put those doubts to rest.

We're leading the way, ladies and gentlemen, to show the decarbonisation of our entire diesel haul truck fleet in the Pilbara, within a few years.

And we know, ladies and gentlemen, that the tide is turning across the mining world and therefore as one of the hardest to abate industries in the world, it will start to turn across the industrial world, and you turn industry, you turn the planet.

We know this because within hours of unveiling that truck you saw, the first of these 240-tonne green powered trucks with our partner Liebherr, there was a line, a conga line of mining executives from companies all over the world now expressing great interest.

Macleay Engineering, one of the largest suppliers of underground equipment, mining equipment globally, has joined us in our Real Zero mission as a result.

They believe as we deliver for us, we can deliver for them, as we will deliver for others.

It was a seminal moment, ladies and gentlemen.

It showed how far we have come in our evolution from that small exploration company to a global iron ore miner, global critical minerals explorer and developer on par with any of the majors – to our new existing green technology, energy and metals leadership – a future, ladies and gentlemen that I believe will unlock enormous new markets, easily the scale of the iron ore business. And it's that diversification, ladies and gentlemen, which will deliver for you, our long-term and loyal shareholders, again and again and again.

So, look frankly thrilled to bring you details of yet another example of this transformation.

As part of that A\$4.2 billion Liebherr deal with Fortescue Zero we stand to generate some \$1.5 billion dollars in revenue just from the supply of the battery power systems. We're ramping up our production in Britain, exploring how to do it faster in North America, Asia, because these electric power systems are becoming in hot demand. And of course, we are rolling all through the Pilbara.

So these power systems have been designed and engineered by our green technology arm Fortescue Zero. Most are manufactured, as I have mentioned, in the United Kingdom but also across the world.

And this is going to provide, I believe even greater value for you because it will strengthen our reputation as the world's leading green technology provider. Certainly, to the mining industry, if not also heavy industry across the world.

So as we all come here today, we know exactly what our mission is and we know exactly how to achieve it.

Real Zero by 2030 is in our grasp ladies and gentlemen.

For years, your company steadfastly led the way towards a world no longer held hostage by fossil fuel. We called the alarm on dead ends like carbon capture and storage and to companies who argue planting a few trees means they can go build a new coal plant, we called them out.

For years, those plagued by a lack of vision, yes they're refusing to follow in the past and even now, but things are changing. And it has to change.

I speak to you now just very quickly but casually as a scientist. We're over 1.5C ladies and gentlemen but we support the UN to say that 1.5C, time is running out.

The evidence is everywhere.

Last Thursday, the Bureau of Meteorology and the CSIRO, Australia's own scientific organisation released their biennial State of the Climate report which said there's more deaths cause by heat, excessive heat in Australia now than any other natural hazard in our history.

It found Australia has already warmed by 1.51 degrees, with more extreme heat events, longer bushfire seasons and fire seasons, more intense heavy rainfall, causing floods, rising sea levels, they say leaves Australia 'uniquely vulnerable'.

Well, your Company is doing its bit and it's leading the way.

As heat and humidity is ratcheting up the pressure here in Australia and around the world, it's pushing humanity closer and closer to the upper limit of survival in many parts of the world as I speak. The ferocity of the storms now forming in the superheated waters off Florida to Europe to Australia, it's just evidence and that evidence is everywhere.

Recently, Hurricane Milton in Florida caused over US\$50 billion in damage. One hurricane. US\$50 billion.

Such was the speed at which it intensified, it had meteorologists rewriting the textbooks on how to predict a hurricane's intensity.

It was a hurricane without precedent. Starting what we know is an utterly predictable trend. When the fossil fuel calls out that this is a one off, or mayors and politicians say oh my god, this is so terrible, how could it happen? Can I tell you, it's predictable.

And we can still turn this around if we work hard, together, both as a business and as nations.

At the UN General Assembly in September and at a recent convening of the Quad in Delaware with the US President, Australian Prime Minister, Indian Prime Minister, Japanese Prime Ministers – where our sister company the Minderoo Foundation announced its commitment to ending cervical cancer in the Indo-Pacific as part, the key to the cancer, the Quad's cancer moonshot – I call for businesses and governments to drop their Net 2050 façade.

Net isn't real.

It's not because I am a climate denier, of course you can see the evidence in front of you, but the opposite – because I know that Net Zero doesn't cut it. It doesn't get us there. We're experiencing the weather events we are and the accelerating heat because Net fails us.

It's now well known among the scientific community that the majority of the planet's boundaries, natural boundaries have been breached.

And chief among these threats are of course carbon dioxide emissions, and they are irreversibly destabilising Earth's systems and ecosystems. We don't see signs of abatement. We have to do it ourselves ladies and gentlemen.

Back only in the 60s, we emitted 11 billion tonnes, we're now emitting over 36 billion tonnes per year. Up three times, the trend is accelerating.

And the world must peak its emissions before 2025 and then halve them by 2030. It's not going to happen. But that's the science, that's the maths. You can't argue with a mathematical formula, it's there. To preserve 1.5C, so we know we have no time to wait now, we must act.

Ecosystems, the carbon sinks which have always protected humanity and organic life, are beginning to crumble now, they're not absorbing the carbon dioxide they did. The assumption is

that they continue at infinitely, are wrong. Now as a result, they're absorbing less and less carbon dioxide.

So, this is all proof that Net Zero 2050 as the United Nations endorsed policy is an abject failure.

Net Zero is commercially self-serving to those who hold us hostage and that is the fossil fuel sector. Net got pushed into that language as a word by the fossil fuel sector before the Paris Agreement.

And the fossil fuel sector is using it as a get out of jail free card, and as I said to you ladies and gentlemen, by 2030 you'll have a large energy company which you will own, powering all of Fortescue and others.

Sure, the fight against us is massive, puts our emergence through BHP and Rio and the others, into the iron ore industry into the shade.

But this time we're strong. This time we know what to do. This time we have the weapons.

They've been devastatingly effective for now, but they will lose.

This was the exact same delaying obfuscating and confusing strategy that got played out by the tobacco industry for 52 years before they had to admit with scientific proof that they were responsible for cancer.

So, let's change this narrative, ladies and gentlemen, from Net Zero to what Fortescue propagates and that's Real Zero. Real Zero for the world 2040 –you will do it, ladies and gentlemen, by 2030.

So, if Fortescue – a huge emitter – can fully escape the grip of the fossil fuel sector by 2030 – there's no reason why the rest of the world can't 10 years later – 2040.

We have the technology. We have the capital. It's a great investment. We just need the leadership.

So, I ask any heavy industry company, any chief executive around the world when will you stop burning fossil fuel and only a few of them will give you a date. If they say I can't. Say you're right mate, why don't you get off the stage and let in someone who can. Because your company can. It's the leadership which is failing.

And Fortescue can tell you exactly how to do it.

This year we published a gold-standard Climate Transition Plan that will be updated every year for the United Nations.

Every business, every government must follow us in tackling this problem transparently and head on.

And we're not alone, ladies and gentlemen, we're now being joined. Working together, peacefully.

And this means of course also green hydrogen.

Green hydrogen is critical to decarbonising industry – steel, shipping, aviation – all the hard to abate sectors that can't be electrified, can be released from the grips of the fossil fuel sector by green hydrogen. And that's why it's copped so much criticism. That's why it's lobbied so hard against because it is the death for the fossil fuel sector

And of course it's going to be critical for us to build a massive new green iron metal industry in the Pilbara – this I feel is a once in a generation opportunity to build perhaps Australia's largest ever single industry. We (Australia) ship three quarters of a billion tonnes of iron ore a year, for over A\$100 billion. We're going to double it, triple that in revenue, if we change all that to iron.

Fortescue is wasting no time to seize that opportunity to lead the way.

So, ladies and gentlemen, and fellow shareholders, we all know Net Zero is far easier. You can get it by buying a few credits. Real Zero, it's innovation, it's change, it's just hard work but the payback speaks for itself.

Seizing these opportunities creates tremendous value for the Company and therefore for you, our shareholders.

So, I say in closing, as we look beyond 2025, I know we are on track to change the world for the better.

And on behalf of all of my leadership team, all of the 21,000 family members of Fortescue, I wish to thank you shareholders for believing in us.



We are changing the world because of everyone at Fortescue and your determination shareholders to stay the course with us.

We are Fortescue.

Thank you.

**Dino Otranto, Fortescue Metals Chief Executive Officer**

What a hard act to follow, thank you Chairman.

And thank you all for taking the time today to join us for our Annual General Meeting.

I'd also like to thank Trevor for that amazing Welcome to Country.

And as we've mentioned, 2024 was a defining year for Fortescue.

We continued to challenge the status quo, achieve our stretch targets whilst never ever losing sight of keeping our teammates safe.

Delivery is key to everything we do at Fortescue and that's evident in the progress we've made this year.

We commenced construction of our Green Metal Project in the Pilbara.

We deployed the first of many of our zero emissions mining fleet.

We finished building a 100MW solar farm at North Star Junction – the first of over 1GW we will build before the end of the decade.

We are well into ramping up Iron Bridge, our most innovative project to date.

And we continued to advance our Metals portfolio with first ore from our Flying Fish deposits and Hall Hub at Christmas Creek.

In Gabon, we completed early-stage mining, with our focus now on exploration drilling and studies.

And our pioneering Billion Opportunities program continued to succeed, with more than A\$5 billion in contracts awarded to First Nations businesses since 2011.

We achieved all of this while maintaining cost discipline and a balance sheet that's the envy of our peers.

Of course, no year is without its challenges.

But what is important is how we respond.

And at Fortescue, we tackle challenges head on – none more so than the team rallying together at the end of last year to face a derailment in our business.

It was through our never ever give up mindset that we achieved what many thought was impossible – shipping 191.6 million tonnes for the year.

This has set us up strongly for FY25, with record Q1 shipments of 47.7 million tonnes.

Our best start ever.

Our business is not just about today. It's about delivering value for all of you well into the future.

And our future starts right now, in decarbonising our business.

By rethinking the entire iron and steel value chain we can produce an entirely new product, a green industry here in Australia.

But we can't sit by and watch this opportunity pass us.

We need to lean in, move quickly and seize it with both hands.

And our track record shows, we're not afraid to move first.

Fortescue's pivot to green iron ore will be our point of difference and our competitive advantage.

And there is an incredible opportunity in green metal.

But if this new industry is to truly succeed in Australia, we cannot do this alone.

Now, it's more important than ever for political and industry leadership alike to join at the hip.

The cost of green energy is still a significant challenge here in Australia and a barrier to getting a green metal industry off the ground which will revolutionise Australia for the next generation.

With the help of government, I firmly believe we can establish a new, green metal industry in the Pilbara that will serve our country and create jobs for generations to come.

Fortescue has never been in better shape.

And the key to this success is the more than 21 thousand people, some of those who are here today, that make up our family.

As shareholders in Fortescue, you can be confident that we are well positioned for the future.

Thank you very much and I'll now hand over to Hutch.

**Mark Hutchinson, Fortescue Energy Chief Executive Officer**

Thank you Dino, and a big welcome this morning. Thank you so much for coming.

We have a very clear mission that is driving us and everything we're doing here at Fortescue.

We need to show the world we can eliminate fossil fuels but do it profitably.

It's not easy.

But nothing worth doing ever is.

Luckily that is where Fortescue thrives. We rise to a challenge.

That's what we've been doing for 21 years, pushing boundaries, testing limits and proving doubters wrong, by delivering strong results.

Just a few years ago, people told us it wasn't possible to decarbonise our operations by 2030, you'll have to wait until 2040 or 2050 for the technology and machines to be ready.

We could have just sat back and waited, instead we've done it ourselves.

We've developed the solutions in-house, bringing together the best engineering minds in the world to create our own Fortescue technologies.

Electric excavators, hydrogen-powered and battery-electric haul trucks, large fast chargers and the battery systems and software needed to use it efficiently are now already on site in the Pilbara being used today.

These green technologies will decarbonise Fortescue first, but that's just the start.

We're now also working to sell the same solutions and products to other heavy industry players who need also to eliminate their emissions.

As our Chairman mentioned, last month, we unveiled our autonomous battery-electric T 264 truck to the world.

As you heard, it was a significant order, over A\$4 billion contract signed with Liebherr, but a big part of that does flow back to Fortescue Zero.

This means that a significant amount of that value will come back to the Company.

Our battery systems will do more than just decarbonise our mining operations.

We're also going to partner with others around the world, including in the US where we have a manufacturing centre there ready to go.

Our Elysia team signed a multi-million-dollar deal with Jaguar Land Rover to deploy their battery intelligence software on their next generations of electric vehicles.

What's clear is there is a huge demand and a gap in the market for what we're creating, and Fortescue is being recognised for leading this way.

The Green Pioneer is a testament to that.

Our dual-fueled ammonia-powered vessel was debuted to the world almost a year ago, and since then it has been named a winner at the World Hydrogen Awards, after successfully completing trials and being certified in the Port of Singapore.

This is a significant milestone and brings the world one step closer to green shipping.

What we're doing is real and we continue to drive value for you, our shareholders.

Let's turn to Energy Projects.

Our goal is to play our part in decarbonising the world by producing renewable energy around the world at scale. This will be in the form of green electrons and green molecules. As we do this, we will always keep our strong financial discipline at the very centre of every decision we make.

Fortescue is maintaining a portfolio of projects which show significant potential for decarbonisation and economic growth.

We have projects in Australia, USA, Norway, Brazil, Morocco and the Middle East which are progressing.

Fortescue always makes business decisions that make sense commercially and are in the best interest of you, our shareholders.

What we've achieved as a One Fortescue team this year is incredible, we're delivering on what we said we would do.

We will continue to deliver value and show the world what real progress is, and how you can get to Real Zero.

Thank you for your time today, I'll hand back to Mona.

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