

9 November 2021

The Companies Officer  
Australian Securities Exchange Ltd  
Level 40, Central Park  
152-158 St Georges Terrace  
Perth WA 6000

Dear Madam or Sir

**PRESENTATION – ANNUAL GENERAL MEETING 2021**

Fortescue Metals Group Ltd (Fortescue, ASX: FMG) advises that Chairman, Dr Andrew Forrest AO and Chief Executive Officer, Elizabeth Gaines are addressing shareholders at the Annual General Meeting (AGM) at 3pm AWST today. The AGM will be webcast on Fortescue's website at [www.fmgl.com.au](http://www.fmgl.com.au) and a copy of the presentation is attached.

Yours sincerely  
**Fortescue Metals Group Ltd**

**Authorised by**  
**Cameron Wilson**  
Company Secretary

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# Fortescue Metals Group Ltd

## Annual General Meeting

Tuesday, 9 November 2021

Thriving communities | Global force



# Forward Looking Statements Disclaimer



## Important Notice

The purpose of this presentation is to provide general information about Fortescue Metals Group Ltd (“Fortescue”). It is not recommended that any person makes any investment decision in relation to Fortescue based on this presentation. This presentation contains certain statements which may constitute “forward-looking statements”. Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements. No representation or warranty, express or implied, is made by Fortescue that the material contained in this presentation will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of Fortescue, its officers, employees and advisers expressly disclaims any responsibility for the accuracy or completeness of the material contained in this presentation and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission therefrom. Fortescue accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation or any other information made available to a person nor any obligation to furnish the person with any further information.

## Additional Information

This presentation should be read in conjunction with the Annual Report at 30 June 2021 together with any announcements made by Fortescue in accordance with its continuous disclosure obligations arising under the Corporations Act 2001 and ASX Listing Rules. Any references to reserve and resources estimations should be read in conjunction with Fortescue’s Ore Reserves and Mineral Resources statements released to the Australian Securities Exchange on 27 August 2021. Fortescue confirms in the subsequent public report that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. All amounts within this presentation are stated in United States Dollars consistent with the functional currency of Fortescue Metals Group Ltd, unless otherwise stated. Tables contained within this presentation may contain immaterial rounding differences.



An aerial photograph of a vast, rugged landscape at sunset. The foreground is dominated by dark, reddish-brown volcanic rock formations interspersed with low-lying green scrub. In the distance, rolling hills and mountains are silhouetted against a sky with soft, orange and yellow light from the setting sun. A few small lights are visible in the valley below.

# Elizabeth Gaines Chief Executive Officer



# Journey to zero harm



Unwavering focus on the health, safety and wellbeing of the entire Fortescue family

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## 2.0 TRIFR

at 30 September 2021

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## Safety culture

Empowered to take control and look out for our mates

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## 99% participation

Safety Excellence and Culture Survey



# A safe and supportive workplace



**Zero tolerance approach to bullying, harassment or intimidation**

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## **Strong culture**

Built on integrity and respect

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## **Workplace Integrity Review**

Engaging with Fortescue workforce and contractors to understand views

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## **Speak Up**

Empowering team members to report behaviour not aligned with culture and Values

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## **Diversity and inclusion**

Building a workforce that is reflective of the community





# Approach to sustainability

Ensuring communities benefit from Fortescue's success



## Setting high standards

- Health, safety and wellbeing
- Workforce diversity
- Protecting Aboriginal heritage
- Business integrity
- Economic contribution



## Safeguarding the environment

- Climate change action
- Protecting biodiversity
- Water management
- Mine closure and rehabilitation
- Waste management



## Creating positive social change

- Creating opportunities
- Building sustainable communities
- Social investment
- Protecting human rights
- Eliminating modern slavery



# Sustainability Financing Framework



**Strong ongoing commitment to environmental, social and governance leadership**

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## **Sustainable finance**

Growth in sustainable, green and social sources of capital

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## **Financing framework**

Aligned with sustainability strategy and climate change objectives

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## **Shareholder value**

Further optimising capital structure



# Setting high standards



A focus on building a diverse workforce that is reflective of our community

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**21% female**

Employment rate

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**25% female**

Employed in senior leadership roles

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**14% Aboriginal**

Employment rate across Pilbara operations



# Preserving Aboriginal heritage



**Working with Native Title Partners  
to manage Aboriginal heritage  
responsibly and sustainably**

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## **Seven agreements**

With Native Title Groups

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## **>6,000 heritage sites**

Protected and avoided

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## **Co-management framework**

Collaborating with Eastern Guruma people to  
oversee new mining areas at Solomon



# Creating positive social change



Empowering thriving communities and creating opportunities through training, employment and business development

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> **A\$63 million**

Social investment in communities

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**Billion Opportunities**

> **A\$3.5 billion** in contracts awarded to Aboriginal businesses and joint ventures since 2011

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**VTEC program**

> **1000** Aboriginal people successfully employed across all sites



# Industry leader in addressing climate change

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## Carbon neutral by 2030

Clear short term priorities on pathway to decarbonisation

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## Scope 3 emissions

Net zero by 2040, addressing emissions across global value chain

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## Stationary energy

Energy infrastructure supporting incorporation of large scale renewables

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## Green fleet development

Heavy industry decarbonisation initiatives underway at Fortescue Future Industries



# Fortescue Future Industries



**100 per cent renewable energy and green industry company**

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## **Enabling 2030, 2040 targets**

Investing in decarbonisation technologies  
Supplier of green energy

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## **New energy business**

Assessing global portfolio of renewable energy and green industry opportunities

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## **Capital allocation**

10 per cent of net profit after tax

# Emissions reduction pathway

## Investing in renewables and decarbonisation technologies



### Stationary energy

#### Integration of large scale renewables

##### Current activities

- Pilbara Energy Connect
- Chichester Solar Gas

##### Future investment

- Large scale wind, solar and battery storage to support 2030 target



### Mobile fleet

#### Eliminating diesel fuel

##### Technology development

- Trialling battery electric, green hydrogen fuel cells and green ammonia as a fuel

##### Forward looking strategic position

- Aligning strategic fleet renewal with decarbonisation objectives



# FY21 highlights

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**182.2 mt**

Record annual shipments  
2% increase on FY20

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**US\$13.93 /wmt**

Industry leading C1 cost

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**US\$135 /dmt**

Average revenue  
72% increase on FY20

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**US\$10.3 bn**

Net profit after tax

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**US\$16.4 bn**

Underlying EBITDA  
96% increase on FY20

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**US\$3.35**

Earnings per share (A\$4.48)  
117% increase on FY20



# Q1 FY22 highlights



## Record first quarter shipments and strong cost management

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**45.6 mt**

Record first quarter shipments

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**US\$15.25 /wmt**

C1 cost

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**US\$118 /dmt**

Average revenue

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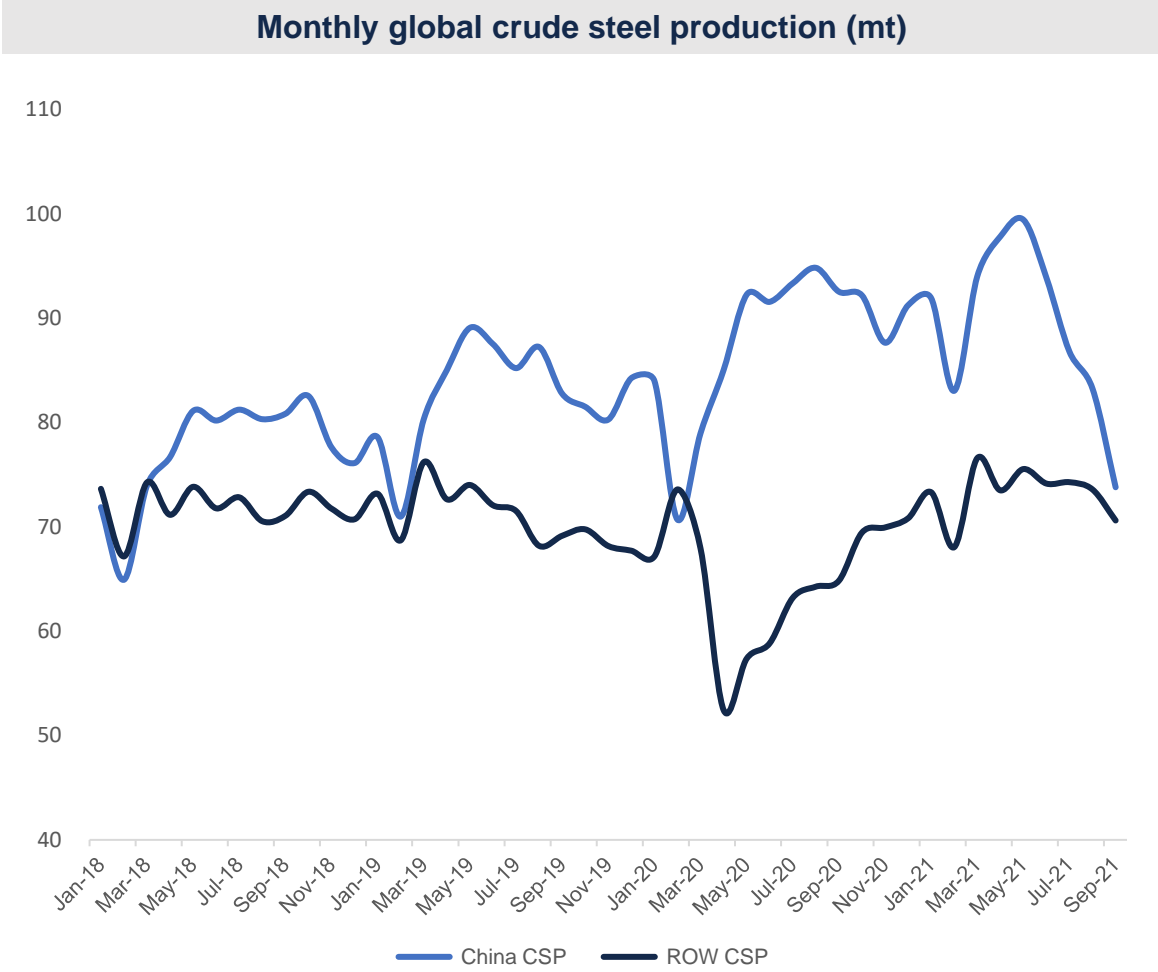
**US\$175 million**

Net debt



# Strong demand for Fortescue products

Dynamic market resulting in increased price volatility



## Steel prices

Supported by strong demand

## Global crude steel production

Up 8% in the nine months to 30 September 2021

## Iron ore supply response

Constrained from traditional producers

## Iron ore prices

Moderated during the September quarter

# Eliwana operations

Ramp up and integration of Eliwana contributed to record performance in FY21



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## First ore

Achieved in December 2020

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## 30 mtpa dry OPF

Running at annualised rate of production

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## Low capital intensity

Fast payback on investment

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## 143km rail

First east-west line through Hamersley Ranges



# Iron Bridge

Strategic investment providing enhanced product range to meet customer demand



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**US\$3.3 – US\$3.5bn**

Capital estimate

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**67% Fe**

High grade magnetite concentrate

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**22 mpta**

First production by December 2022

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**US\$33 – US\$38/wmt**

Competitive C1 cost



# Iron Bridge progress



**Delivery of large modules to Iron Bridge**



**Construction of the ore processing facility**

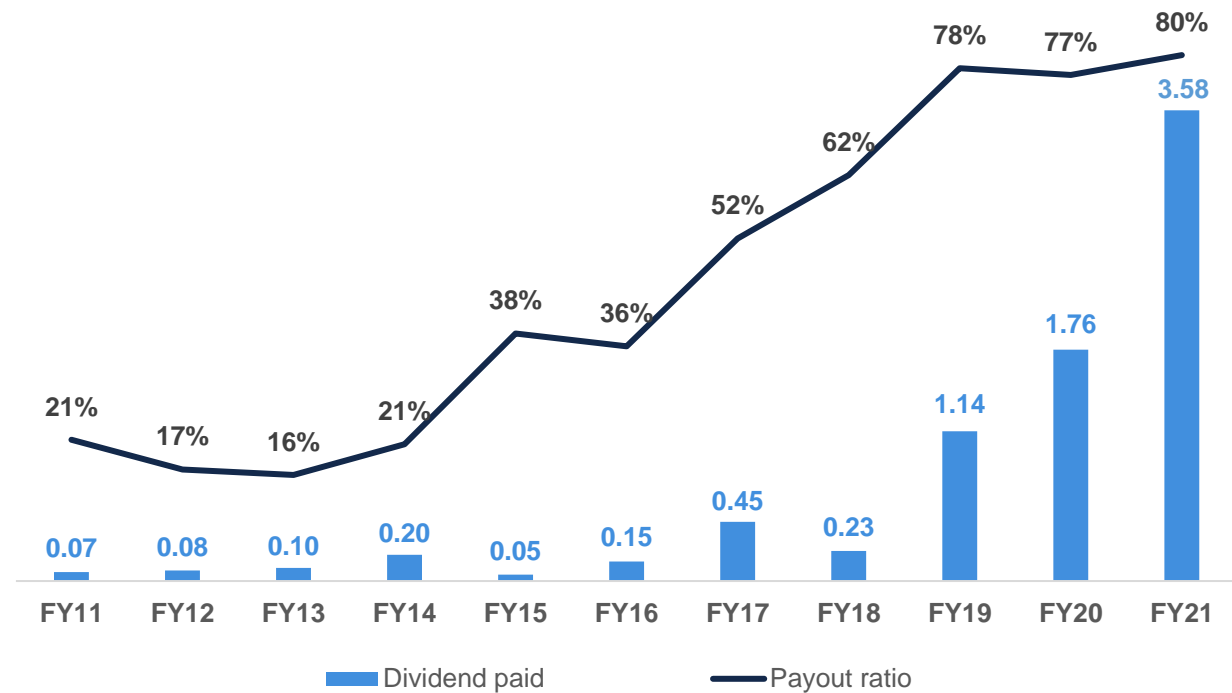


# Delivering dividends



Fully franked dividend of <sup>A</sup>\$3.58 per share, representing a 80 per cent payout of FY21 NPAT

Dividends (A\$/share) and payout ratio (%)



# FY22 guidance



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Iron ore shipments

**180 – 185 mt**

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C1 cost / wmt

**US\$15.00 - \$15.50**

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Capital expenditure, excluding FFI

**US\$2.8 - \$3.2 billion**

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FFI expenditure

**US\$400 - \$600 million**



# Our Values

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Safety

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Family

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Empowerment

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Frugality

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Stretch targets

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Integrity

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Enthusiasm

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Courage and  
determination

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Generating  
ideas

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Humility

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Thriving Communities | Global force





**Dr Andrew Forrest AO  
Founder and Chairman**





Fortescue  
pioneers





# Pioneering philanthropy

















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POD

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Cookies: RATHER\_NOT



# future says\_ reimagine tech

Let us show you our global project on technology and power

< SCROLL >









# TED







# Plastic Waste Makers Index





**GREEN HYDROGEN CAN SAVE US. BUT WAITING FOR IT WON'T.**

**FORTESCUE  
FUTURE  
INDUSTRIES**



**OME2669**

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Optare Metrodecker EV



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**FORTESCUE  
FUTURE  
INDUSTRIES**



**Offtake**





Ramping up  
production





# Retrofitting the future



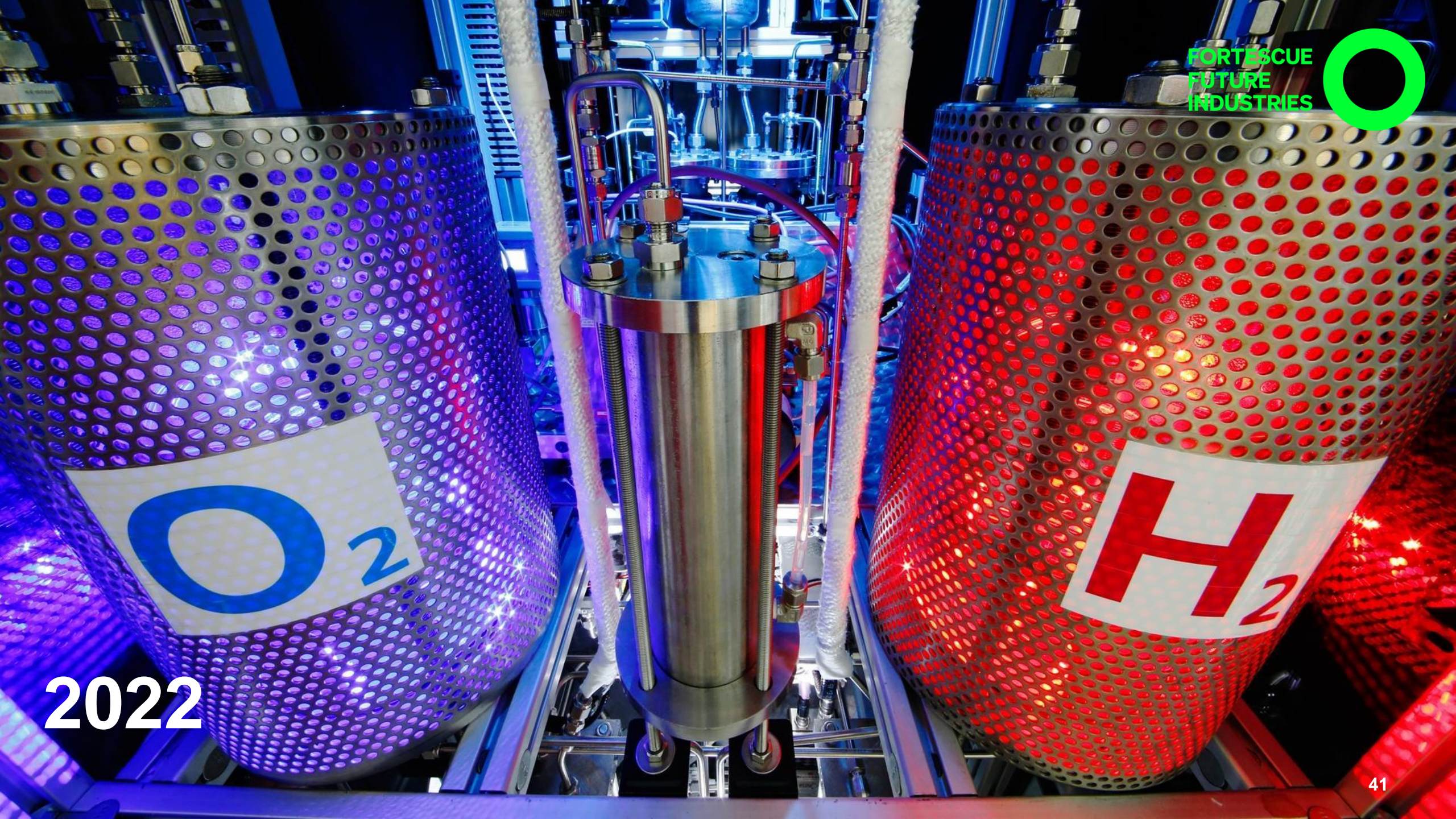






# Scope 3 emissions





2022





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