



Fortescue Metals Group

August 2020

Global force | Thriving communities



Forward Looking Statements Disclaimer

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Additional Information

This presentation should be read in conjunction with the Annual Report at 30 June 2020 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 21 August 2020. 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.

World class company



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FY20 Financial highlights



↑ ^{US} **\$8.4bn**

Underlying EBITDA

↑ ^{US} **\$4.7bn**

NPAT

↑ ^{US} **\$1.54**

Earnings per share
(A\$2.29)

↑ **65%**

Underlying EBITDA
margin

↑ **40%**

Return on equity

↑ ^A **\$1.76**

Dividend per share
Payout ratio of 77%

Forefront of innovation

Delivering safety, productivity and efficiency benefits

Operational excellence



Optimising value from our asset base

Current

- Autonomous haulage
- Relocatable conveyors
- OPF upgrades and WHIMS

Under development

- Additional equipment automation
- Magnetite processing

Data and analysis



Driving informed decision making

Current

- Fortescue Hive
- Robotic Process Automation

Under development

- Advanced analytics and machine learning
- Transformation of information and decision support systems

Renewable energy



Maximising opportunities

Current

- Solar energy
- Integration of renewables
- Battery storage

Under development

- Hydrogen mobility
- Hydrogen refuelling infrastructure



Emissions reduction targets

Addressing the global climate change challenge with a sense of urgency

Net zero

Operational emissions by 2040

26% reduction

Scope 1 and Scope 2 emissions from 2020 levels, by 2030

Decarbonisation pathway

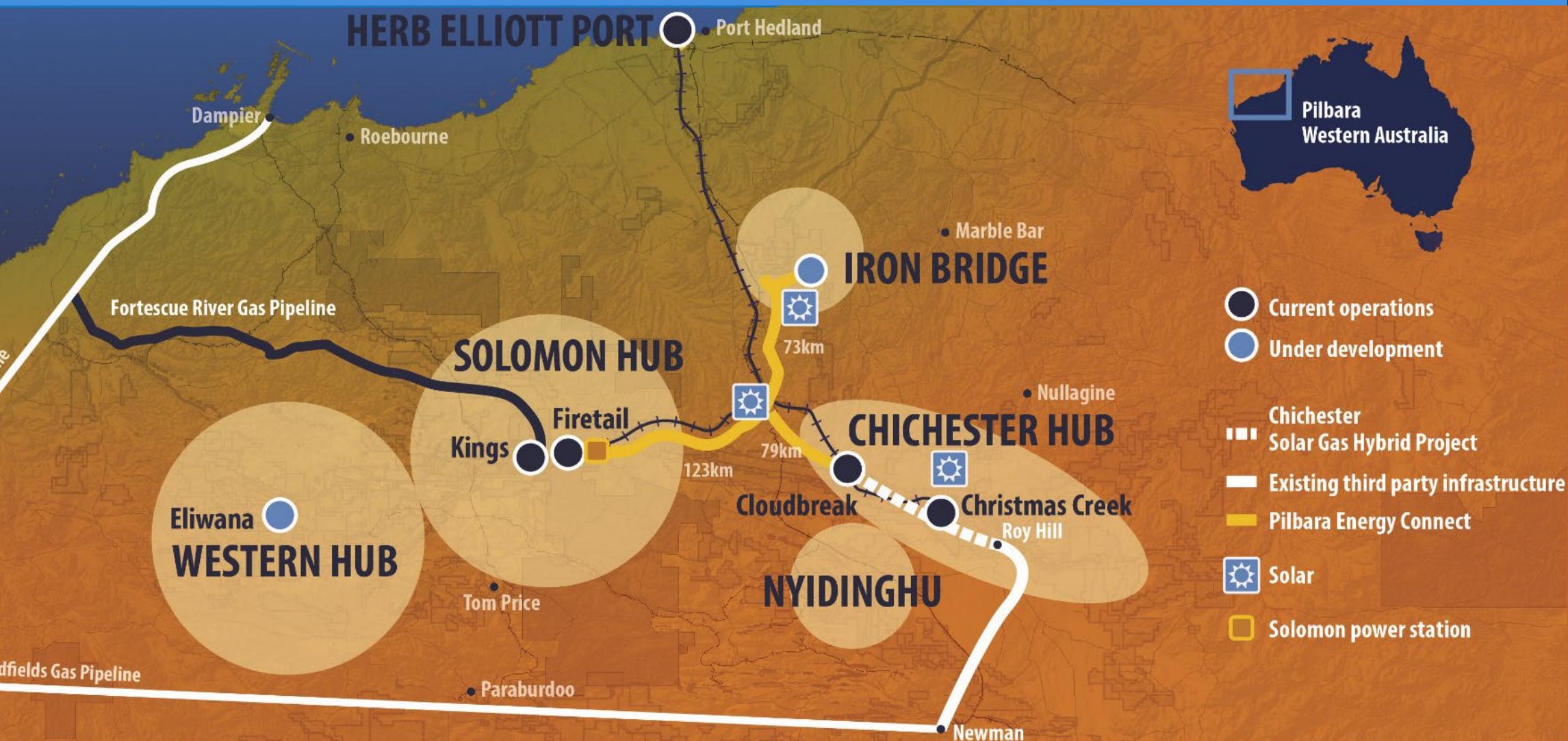
Energy infrastructure to increase use of renewables

Technology and innovation

Hydrogen and battery electric solutions

Energy infrastructure

US\$800 million investment with our business partners will deliver 25 to 30 per cent of stationary energy from solar power



Energy infrastructure

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Chichester solar gas hybrid project



- US\$100 million investment by Alinta Energy
- 60MW of solar generation
- 60km transmission line linking Chichester operations with Alinta Energy's Newman gas-fired power station
- 35MW battery facility
- Displaces 100 million litres of diesel

Pilbara Energy Connect



- US\$250 million Pilbara Transmission Project
- 275km of high voltage transmission lines
- US\$450 million Pilbara Generation Project
- 150MW of gas fired generation, 150MW of solar PV and large-scale battery storage

Hydrogen

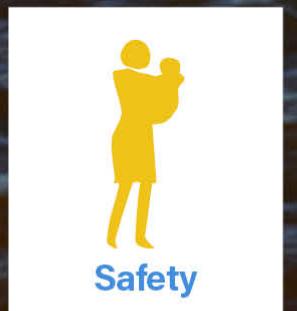


- Reduce carbon emissions and reliance on diesel in our operations
- Hydrogen mobility and improving domestic energy security
- Export potential of green hydrogen from Australia
- Partnership with CSIRO ATCO Australia agreement Green Hydrogen Consortium

Our Purpose

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Fortescue's Values





Fortescue

www.fmgl.com.au

 FortescueNews

