

GrainCorp Limited

Sustainable & Innovative Agriculture

Bell Potter 'Home Grown' conference

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GrainCorp

Disclaimer



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Numbers throughout the presentation may not add up due to rounding.

GrainCorp at a glance



High quality strategic infrastructure assets servicing customers worldwide



International:

Global network of offices, originating grain, pulses and oilseeds from different regions and delivering to customers in over 50 countries.



GrainsConnect Canada JV:

State-of-the-art grain supply chain connecting Western Canadian grain growers to global markets.

Swaffham

Kyiv

Beijing

Delhi

Singapore

Calgary

Winnipeg

Sydney

Auckland



Integrated ECA network:

Leading bulk grain handling company in east coast Australia (ECA), storing, handling and connecting grain to customers worldwide.

Up-country network connected to seven bulk ports by rail.



Processing assets:

Leading oilseed crusher/refiner and food manufacturer in Australia and New Zealand, producing a range of oils, meals and food products for domestic and international customers.

● GrainCorp Head Office
● International offices

Agenda



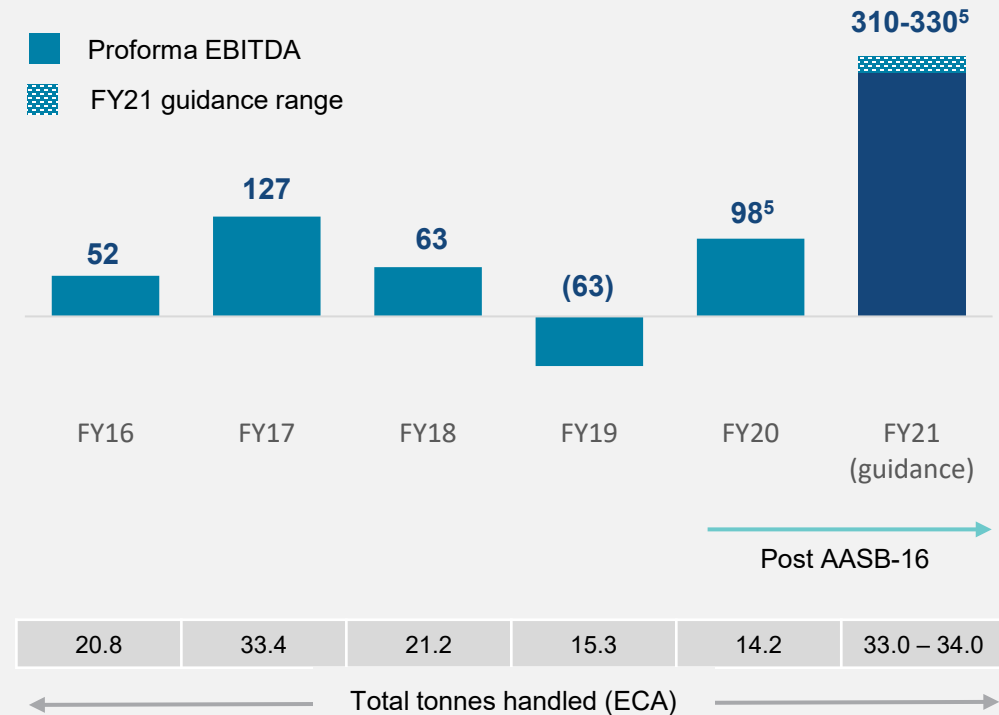
- **FY21 performance**
- **Outlook**
- **Strategy**
- **Sustainability**
- **Deep dives**
- **Conclusion**

Outstanding result expected in FY21



- **FY21 guidance (announced 12 August 2021):**
 - \$310-330m underlying EBITDA^{1,3}
 - \$125-140m underlying NPAT^{2,3}
 - Excellent supply chain execution to capitalise on bumper ECA winter crop
 - Strong margins due to demand for Australian grain, further driven by Northern hemisphere challenges and good prospects for another well above average ECA crop in 2021-22
 - Delivering on capital investments and operating initiatives
- FY21 results to be announced 11-Nov-21

Proforma underlying EBITDA (\$m)⁴



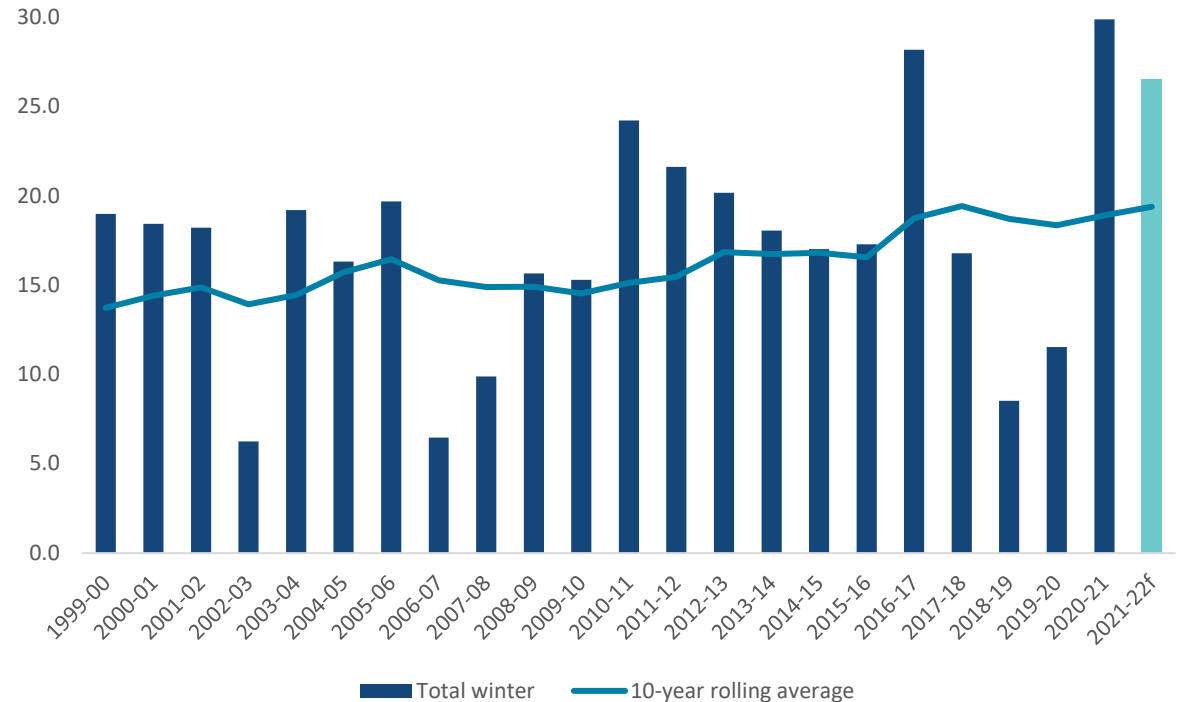
1. Underlying EBITDA is a non-IFRS measure representing earnings before interest, tax, depreciation and amortisation, before significant items. FY21 EBITDA guidance includes \$70m payment (by GrainCorp) under Crop Production Contract (CPC).
 2. Underlying NPAT is a non-IFRS measure, representing net profit after tax, before significant items.
 3. Underlying EBITDA and NPAT guidance excludes impact of revaluation and dividends from UMG holding.
 4. Historical proforma EBITDA includes several adjustments in order to provide a better comparative -including removal of earnings from Australian Bulk Liquid Terminals and Allied Mills, and incorporation of CPC had it been in place in FY16-19.
 5. FY20 EBITDA and FY21 EBITDA guidance include AASB-16 impact of ~\$35m.

Favourable conditions continuing



- **ABARES' 2021-22 ECA winter crop forecast of 26.5mmt¹ is well above average**
- **GrainCorp supporting growers to maximise the opportunity:**
 - Recruiting 3,000+ harvest casuals to manage demand across 160 country sites and ports
 - Building one million tonnes of new storage capacity ahead of 2021-22 winter harvest
 - Achieving significant improvements to grower Net Promoter Scores
- **Long-term fundamentals positive**
 - ECA grain production stable and growing on a 10-year view
 - Crop Production Contract (CPC) smooths impact of year-to-year volatility supporting sustainable cash flows and returns for shareholders

ECA winter crop production and 10-year rolling average (mmt)¹



1. ABARES winter crop production - East Coast Australia. Based on Sep-2021 Australian Crop Report.

Our vision: To lead sustainable
and innovative agriculture through
another century of growth



GrainCorp

Strategy overview



VISION

Lead sustainable and innovative agriculture through another century of growth

PURPOSE

Proudly connect with customers and rural communities to deliver value through innovation and expertise

STRATEGIC PRIORITIES

Strengthen the core



Lift returns



Leverage capabilities



Drive existing assets

Targeted growth opportunities



Alternative protein



Digital and AgTech



Animal nutrition



Additional grower services

Sustainability at the centre of our strategy



Strengthen the core



Lift returns



Leverage capabilities



Drive existing assets

- **Managing impact of climate variability** through Crop Production Contract

- **Refocused approach to Environmental, Social & Governance (ESG) and sustainability**

- **Integrated value chain** – from origination of canola to upcycling of used cooking oil (UCO) for use in renewable fuels and feed products

- **Efficient supply chain operations**

- Asset utilisation
- Reduction of waste
- Tarpaulin recycling

Sustainability at the centre of our strategy



Targeted growth opportunities



Alternative protein



Digital and AgTech



Animal nutrition



Additional grower services

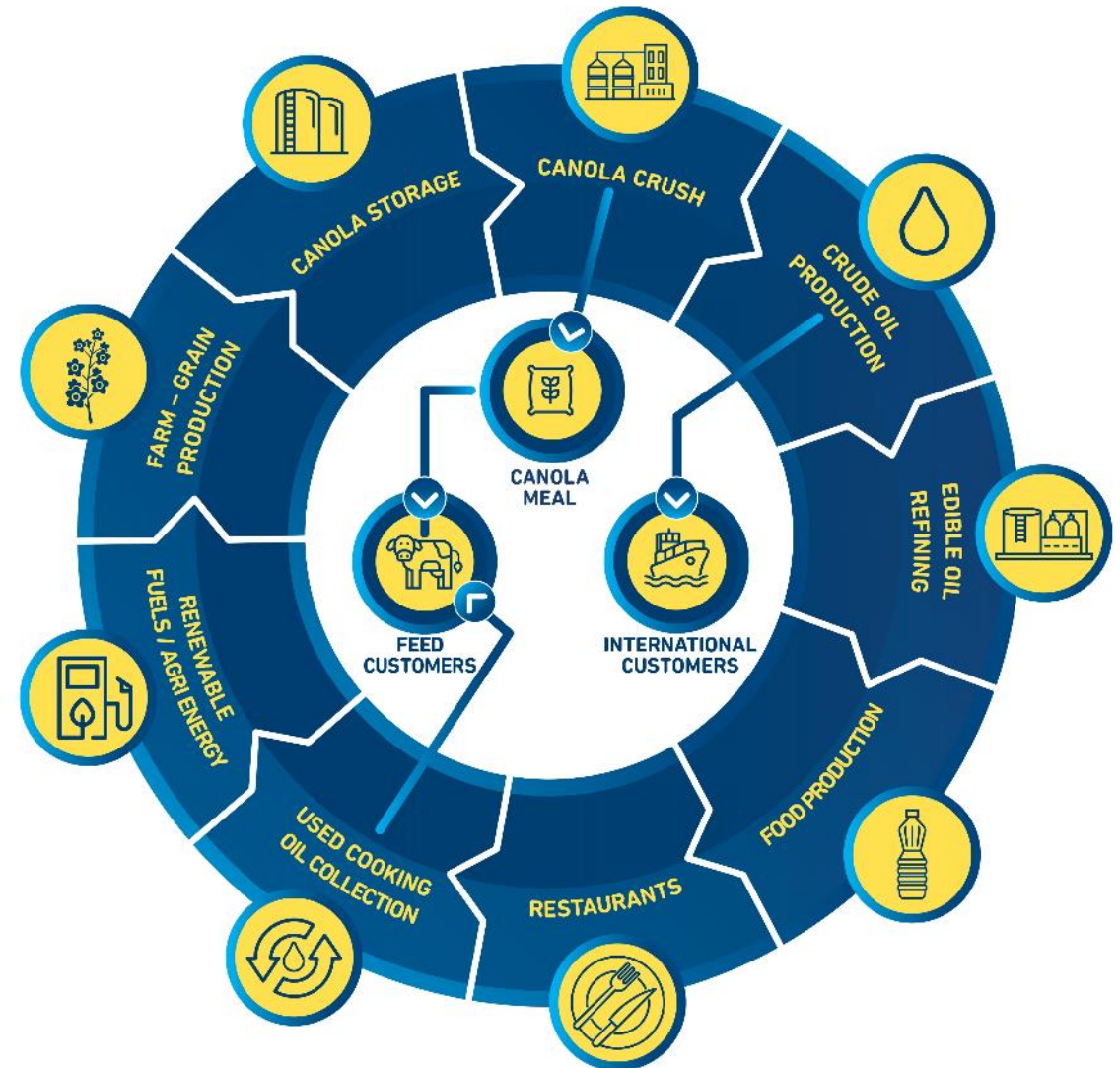


- **Alternative protein** – developing home-grown alternative protein, sourcing domestic oilseeds
- **Digital & AgTech** – investing in start-ups that support sustainable agriculture
- **Animal nutrition** – building on our *FutureFeed* investment to bring methane-reducing seaweed into feed formulation
- **Additional grower services** – extending service offering to 11,000+ grower network

Deep dive: Driving our integrated value chain



- GrainCorp is involved in all stages of the fats and oils lifecycle
- Our **integrated value chain** offers world-class quality control, traceability, carbon intensity assessment, and global reach from Australia
- Fully accredited by the International Sustainability and Carbon Certification (ISCC)



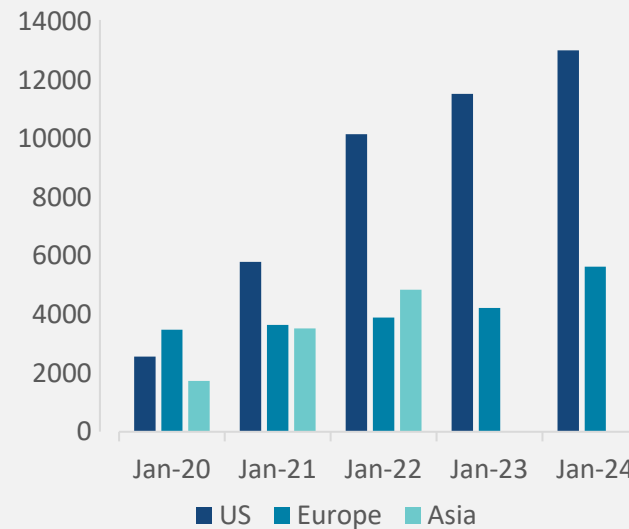
Deep dive: Driving our integrated value chain

Benefiting from strong global demand for renewable fuel feedstocks



- Demand for renewable fuel feedstocks is **soaring**, driven by a desire for cleaner, more sustainable transportation fuels and government mandates
- GrainCorp is positioned well to succeed in this market:
 - Auscol is **Australia's leading upcycler of Used Cooking Oil (UCO)** with a 50-year history of growth and innovation
 - GrainCorp is the **leading Australasian supplier of tallow** for use in renewable fuels and animal feed
 - GrainCorp is the **largest canola seed crusher in Australia**

Global renewable diesel (RD) installed capacity best estimates ('000/t)¹



- Servicing 5,000 outlets across Australia
- 24m litres of UCO upcycled per annum

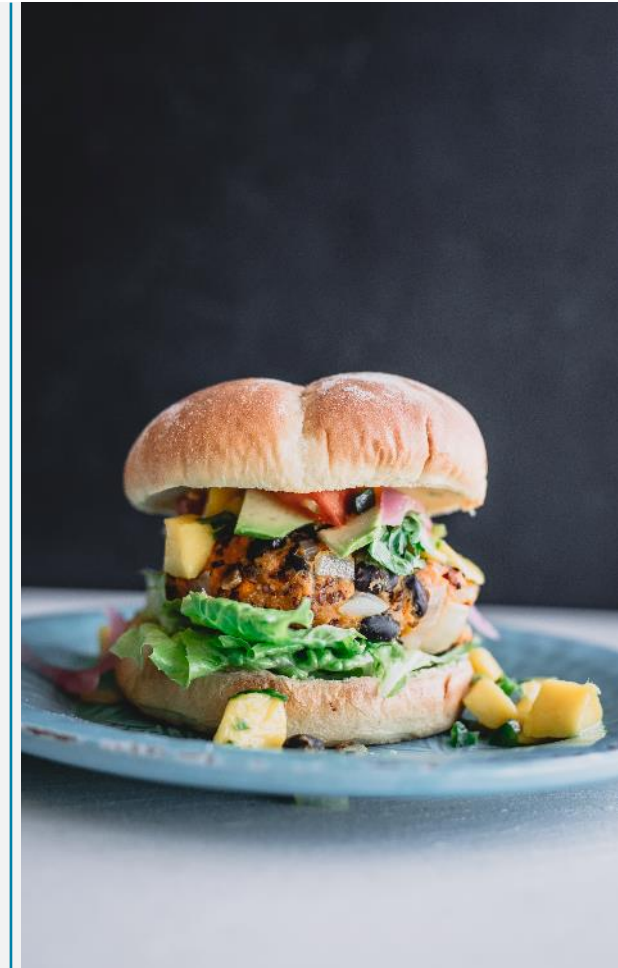
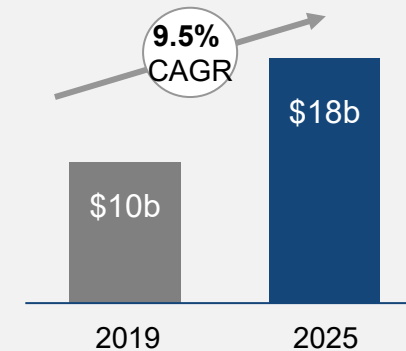
Deep dive: alternative protein

Alternative protein supporting a healthy, secure and sustainable food system for the future



- **Alternative protein playing key role** in meeting rising global demand for protein
- Shift to plant proteins expected to have **measurable positive impact on the environment** – lower emissions, water usage and land use
- Asia-Pacific, the largest market for alternative proteins, will account for 2/3 of global consumption by 2035²
- **GrainCorp extremely well positioned:**
 - Strong track record in food science and innovation
 - Ability to leverage assets and operational capabilities
 - Key input handler through supply chain channels
- **Research collaborations underway** with CSIRO and other partners to assess value-add, processing opportunities

Global alternative protein market size (\$US)¹



Deep dive: digital and AgTech

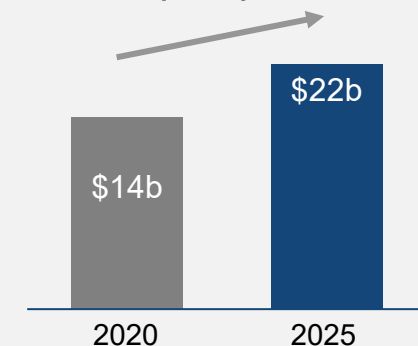
Partnering with innovative AgTech businesses to address agricultural and environmental challenges



- **Global digital and AgTech market projected to rise substantially** between 2020 and 2025¹
- **Australian farmers early adopters of technology** - have embraced innovation and shown willingness to adopt technologies that lead to improvements in farm practices
- **Innovation is targeted at reducing waste/losses, maximising yields, improving traceability**
- **GrainCorp well positioned:**
 - Deep commodity and supply chain knowledge/data
 - Detailed understanding of agricultural value chains
 - Access to ~11,000 growers and +\$A2b of grain
 - Established proprietary online marketplace **CropConnect**
- **Assessing AgTech start-up investment opportunities**



Global digital & AgTech market (\$US)¹



Deep dive: animal nutrition



Livestock optimisation and environmental impact driving value-add opportunities for the sector

- **Innovation throughout feeds industry driving positive sustainability outcomes** and enhancing animal productivity
- **Growing global animal nutrition market:** projected CAGR of 6.1% between 2021 and 2028, with revenue of \$US15b by 2028¹
- **GrainCorp well positioned:**
 - Leading handler of key inputs
 - ~11,000 growers and livestock customers
 - Unparalleled supply chain infrastructure
 - Established feeds brands in Australia and NZ
- **R&D collaboration underway** - exploring value-add opportunities in canola meal, soy meal and faba bean



FutureFeed

GrainCorp has invested with CSIRO to commercialise a livestock feed additive made from the seaweed *Asparagopsis*.

Feedlot trials have shown the use of *Asparagopsis* in feed can lead to a **90% reduction in methane emissions** and positive trends in productivity.



ENERMOL

ENERGRO

RUMIFEED

Molafos®

Conclusion

GrainCorp is well placed to advance sustainability across its value chain and build long-term value



- **FY21: outstanding performance, driven by supply chain execution and strong margins**
- **Short-term outlook: preparing for another well above average crop in ECA in FY22**
- **Long-term outlook: positive fundamentals, greater consistency in cash flows**
- **Strategy: improving ROIC through core and targeted growth opportunities**
- **Sustainability: central to our vision and strategic priorities**



GrainCorp

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and rural communities to deliver
value through innovation and expertise**

www.graincorp.com.au