

Chairman's Address Annual General Meeting



14 February 2024

Introduction

Good morning, everyone, and welcome to the GrainCorp Annual General Meeting for FY23. My name is Peter Richards and I am the Chairman of your company.

FY23 was another outstanding year for GrainCorp. We continued to execute on our strategy and delivered our second strongest ever result, driven by outstanding supply chain execution which enabled us to handle high grain volumes and capitalise on continued strong demand for Australian commodities.

The resilience of our team and network was once again evident in managing the disruptions caused by severe flooding across New South Wales and Victoria in early 2023.

We are now four and a half months into the 2024 financial year. As Robert will discuss shortly, the 2023/24 ECA winter harvest was a tale of two halves, with lower production volumes in northern growing regions offset by above average output in Victoria and southern NSW.

This morning, I look forward to updating you on our financial and operational achievements, capital management and shareholder returns, and our Board succession process.

I will then pass to our Managing Director & CEO, Robert Spurway for a more detailed review of our FY23 achievements and an update on priorities and outlook for FY24.

Safety

Before moving to our financial and operational results, I would like to focus on safety at GrainCorp.

It is with great sadness we reflect on the fatality at our receival site in Moree, NSW. The impact of the death of our colleague has reverberated across GrainCorp. Starting with the Board of Directors and cascading down throughout the Company, it is our individual and collective responsibility to ensure that every GrainCorp employee returns home to their family at the end of every day. Tragically, we did not achieve this aim. My Board colleagues and I, together with the Management team, remain resolute in embedding a strong safety culture and in driving our goal of 'zero harm' to our people. This incident demonstrates that safety is a constant and continuing commitment and that there is always more work to be done.

FY23 Highlights

Now, moving to some of the operational and financial highlights for FY23.

The Company delivered earnings before interest tax depreciation and amortisation (EBITDA) of \$565 million and Net Profit After Tax of \$250 million.

In Agribusiness, we handled more than 37mmt of grain and achieved our second highest ever domestic outload, while our processing division crushed a record volume of canola. I am pleased to report our FY23 return on invested capital was 18.6%.

We also progressed several exciting growth opportunities, including the proposed acquisition of Performance Feeds and Nutrition Services Associates in November 2023, and several investments through our corporate venture capital program, GrainCorp Ventures. Robert will provide more detail on our strategy execution and priorities shortly.

Capital management and shareholder returns

FY23 was another strong year of cash generation for GrainCorp, resulting in a core cash position of \$349 million at 30 September 2023, up from \$177 million the previous year.

The excellent financial performance in FY23 allowed the Board to declare a final dividend of 30 cents per share, fully franked, bringing total ordinary and special dividends for FY23 to 54cps. This payout is consistent with both FY22 and our dividend policy of paying out between 50 – 70% of “through the cycle” NPAT, continuing the Board’s strong focus on providing returns to shareholders.

We have also committed to returning an additional \$50 million to shareholder through a share buy-back, which is anticipated to commence towards the second half of FY24.

We are confident that our strong core cash position and robust capital management framework will facilitate ongoing investment in our core business, and in our growth strategies, and allow shareholder returns to be maintained through the cycle.

Sustainability

Turning to Sustainability.

In 2022 we established a new Board Sustainability Committee (BSC), with our Board colleague Clive Stiff appointed as Chair. In the Committee’s first full year of operating, the BSC worked closely with our Management team on the areas of sustainability most relevant to GrainCorp, to ensure that sustainability considerations form an integrated part of our strategic, financial and operational decisions.

Looking forward, we will maintain our focus on the priority areas of Responsible Sourcing, Climate, and on the Environmental Impacts of our Operations. We will continue to enhance our data quality, collection, and management to facilitate a greater understanding of these key areas and promote better decision making prioritisation.

Robert will discuss some of our FY23 sustainability achievements shortly.

Community

GrainCorp’s success as a business relies on thriving and vibrant rural and regional communities. We seek to contribute to the social connection of these communities by investing in the local infrastructure and community initiatives that bring people together.

In its second year of operation, the GrainCorp Community Foundation (GCF) supported more than 140 community groups and 150,000, members in regional and rural communities across Australia.

We were pleased with our success in the first year of our Corporate Partnerships Program. In July 2023 we entered into a three-year partnership with GO Foundation, an Aboriginal led and governed organisation providing education scholarships to Aboriginal and Torres Strait Islander students.

I am also delighted to announce our recent partnership with Ronald McDonald House Charities (RMHC), which provides accommodation and support to the families of seriously ill or injured children, living in remote, regional areas.

Board

Finally, I would like to touch on Board renewal. We regularly review our Board’s composition to ensure we have the right mix of skills, experience and attributes.

In December 2023, we appointed two new directors to the Board, Peter Knoblanche and John Maher. Both were appointed following an extensive search and each adds to and complements the Board’s existing skillset to ensure the effective governance of GrainCorp into the future.

Peter has a deep understanding of strategy, agribusiness, funding, commodity trading and risk management. Most recently, he was Regional Manager of Australia & New Zealand and CEO Australia for Rabobank.

John’s experience extends across strategy, capital allocation, agribusiness growth and innovation and agriculture supply chains. His previous roles included Managing Director & CEO of RuralCo Holdings and, most recently, was CEO of the Indigenous Land and Sea Corporation.

The Board unanimously recommends the election of Peter and John by shareholders today.

I would also like to take a moment to recognise Dan Mangelsdorf, who, at the conclusion of this meeting, will retire from the GrainCorp Board after 19 years.

During Dan's tenure, GrainCorp has undergone countless changes and his experience, knowledge and expertise have been invaluable to the Board and the Company during that time. Dan's passion for Australian agriculture has served as a constant reminder to his fellow directors of the potential, the opportunities and the significant responsibilities that our Company has in supporting this vibrant industry.

On behalf of the Board, I would like to thank Dan for his significant contribution and wish him all the success with his future endeavours in agriculture and beyond.

Conclusion

It remains a privilege to Chair this dynamic company and connect Australian agriculture with the world.

On behalf of the Board, I would like to thank our people for their commitment to delivering for our customers in what has been another very busy year for GrainCorp. The sustainable operational improvements achieved across our business are a testament to their dedication and expertise and leave our business well-positioned for FY24.

Thanks also to Robert and the rest of the senior management team for their ongoing hard work in continuing to drive the execution of our strategy.

I would also like to thank you, our shareholders, for your continued support.

Finally, before handing over to Robert, I would like to share a short video reflecting on GrainCorp's core values, which we refreshed during 2023. These values set the tone for how we operate to achieve our goals and underpin why we remain well positioned to support growers, our customers, suppliers and the communities in which we operate into the future.

Peter Richards

Chairman

This announcement is authorised for market release by the GrainCorp Limited Board.

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