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19 December 2024

The Manager  
Market Announcements Office  
Australian Securities Exchange

### ELECTRONIC LODGEMENT

Dear Sir or Madam

### 2024 Annual General Meeting

In accordance with the Listing Rules, attached are copies of the addresses to be given at the AGM by Incitec Pivot Limited's:

- Chair of the Board;
- CEO & Managing Director; and
- Chair of the People and Remuneration Committee.

A copy of the slides accompanying the CEO & Managing Director's address are also attached.



**Authorised by:** Richa Puri, Company Secretary

# Incitec Pivot Limited

INNOVATION ON THE GROUND

## ASX RELEASE

### 2024 ANNUAL GENERAL MEETING – 19 DECEMBER 2024

#### IPL BOARD CHAIR ADDRESS, GREG ROBINSON

I would like to provide an update on the performance of the Company and developments during the financial year. I will then invite our CEO & Managing Director, Mauro Neves to address the meeting.

Our Company ambition is to become the leading global explosives player, with an aspiration of doubling earnings and delivering ROIC above our weighted average cost of capital. Of course, safety remains paramount in everything we do.

The 2024 financial year has been a year of transition and change. We have welcomed a new CEO, seen a realignment of senior executive responsibilities, finalised the sale of the Waggaman ammonia site, clearly stated our strategy to exit our Fertilisers business and, finally, we progressed our \$1.4 billion capital return to investors. We have internally, largely completed the separation of our Explosives and Fertilisers businesses and initiated individual improvement projects for both these businesses. Our Executives and the Board have had a very busy year.

#### *Financials*

For financial year 2024, we reported a statutory net loss, after some significant accounting impairments, of \$311 million compared to \$560 million profit in the prior year.

In this result, significant accounting adjustments totalled \$712 million after tax and included the sale of our Waggaman ammonia plant, the write down of the Phosphate Hill ammonium phosphate plant in Queensland and the St Helens ammonia plant in the US. The main write down for Phosphate Hill was principally related to projections on future input gas prices. East coast gas prices in Australia continue at very high levels and have significantly impacted the profitability of Phosphate Hill and in past years were the main cause of the closure of our Gibson Island Manufacturing plant.

Our Earnings Before Interest and Tax (EBIT) for the financial year was \$580 million, down from \$880 million in the prior corresponding period. The main differences to the prior year were the sale of our Waggaman ammonia plant and closure of the Gibson Island manufacturing plant. If we strip out the adjustments and one-off impairments, the underlying business performance was strong, with EBIT growth of 18% driven by our customer-facing businesses.

These improved operational financial results are a credit to our management team and employees, who together have driven the operational and business improvements that have reduced costs, improved productivity, and delivered growth. I want to particularly highlight the strong operating business performances of Dyno Nobel Asia Pacific and our east coast Fertilisers Distribution business. I would also like to highlight the performance of our Dyno Nobel Americas manufacturing plants and the very strong safety performance across our US business. It was also pleasing to see the improved production performance from Phosphate Hill during the second half of the financial year.

Our technology research and development remain critically important to maintain our competitive position within the explosives industry. We continue to focus our efforts in the mining and quarrying value chain – mine to mill – to help create cost and productivity improvements for our customers. The operational success of premium products and the demand volume increases, coupled with important contract wins, demonstrate that we are progressing in the right direction.

### *Capital Returns*

After the sale of Waggaman, our commitment to shareholders has been to return \$1.4 billion via capital returns, ordinary dividends and on-market buybacks. During 2024 we paid a special dividend and capital return to shareholders of ~\$500 million and commenced our on-market buyback. To date we have bought back shares of ~\$218 million. This leaves about \$682 million to complete of the original \$1.4 billion capital and dividend returns to shareholders. We will continue to buy back shares during permissible trading windows in 2025.

Separate to these capital management initiatives, the Board was pleased to announce a final dividend of 6.3 cents per share, representing a 50% payout ratio, consistent with prior years and taking our total ordinary dividend for the financial year to 10.6 cents per share, for a total return of ~\$202 million.

Even with these significant returns, we will continue to maintain a conservative, investment grade balance sheet.

### *Update on separation strategy*

Following the cessation of negotiations with an international buyer, as part of our financial year 2024 results announcement, we provided clarity to our shareholders on our strategy to exit the Fertilisers business. This exit is being progressed in three parts to maximise value and increase execution certainty.

Mauro will explain more on our business results and the Fertilisers separation process shortly.

### *Sustainability*

Our key decarbonisation project at Moranbah in Queensland is delivering the tertiary emissions reductions we expected, and in recent months Dyno Nobel completed the installation and commissioning of a nitrous oxide Tertiary Abatement Unit at its Louisiana, Missouri manufacturing site. The unit delivered on schedule and budget.

Together these abatement projects will deliver a 25% absolute reduction in Scope 1 & 2 greenhouse gas emissions by 2030, while also helping to reduce the Scope 3 emissions of customers who purchase product from these sites.

We continue to assess opportunities in the important journey to green ammonia production. Green ammonia is an important medium to long term transition towards a zero carbon future.

We remain committed to the pathways to constantly improve our sustainability performance and continue to invest in projects consistent with our ambition of net zero greenhouse gas emissions by 2050.

### *Leadership*

As I mentioned earlier, we welcomed Mauro as the new CEO in January 2024, and in just over 11 months in the role, he has led strong underlying financial year 2024 earnings growth and focused on safely delivering results aligned to shareholder and stakeholder expectations.

On behalf of the Board, I'd like to thank Mauro and our whole leadership team for their efforts during 2024 and look forward to working with them in the coming year.

Regarding Board changes, we welcomed Fiona Hick in September 2024. Fiona brings valuable executive leadership and operational experience to the Board. She has assumed the role of Chair of the Health, Safety, Environment and Community Committee, formerly held by Xiaoling Liu. We thank Xiaoling, who stepped down as a non-executive director in May 2024, for her leadership as Committee Chair during her tenure.

Finally, in February 2025, we will farewell our CFO, Paul Victor. Together with the Board, I would like to acknowledge and thank Paul for his energy, commitment and professionalism as CFO and interim CEO over his tenure and wish him all the very best for the future.

*Close*

We head into 2025 with a very clear set of actions to achieve our strategic objectives of continued improvement and growth of our Explosives business, and the careful but timely divestment of our Fertilisers business.

Finally, I want to again thank the global team across the organisation for their hard work and dedication this past year. Our many achievements were made possible by our talented and highly skilled people, and they have delivered valuable outcomes for our customers, shareholders and other stakeholders. I would also like to thank our shareholders for their continued support as we transition our business to a new future as the global explosives leader.

We are well-positioned to deliver safe, sustainable, long-term, and competitive business performance.

I'll now hand over to our CEO, Mauro Neves for his address to you.

## CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR ADDRESS, MAURO NEVES

Thank you, Greg. Good morning and welcome to our shareholders who have joined us today.

I would like to acknowledge our Chair, Greg Robinson, our Directors, our Executive Leadership Team, and our global workforce who have worked so hard to deliver our financial year 2024 results and who continue to strive towards another successful year.

I'm very pleased to be here today for the first time as CEO & MD of your company, to talk about our two leading businesses and the significant progress we have made throughout financial year 2024 and continue to make in the early part of financial year 2025. I will start with safety, then how we are delivering earnings growth, the progress of our separation strategy, then sustainability and decarbonisation. Finally, I will reflect on our strategic ambition and how we will achieve it.

### *Safety: Our #1 priority*

Our commitment to safety is the foundation of IPL. Safety remains our #1 priority, core to our purpose, and plays a critical role in how we deliver operational excellence, sustainability and commercial outcomes.

The tragic loss of a colleague as the result of a car accident on a public road in Australia has reinforced our focus on risk management across all of our sites globally and the importance of hazard identification and critical controls.

We owe it to our people to strive daily for our Zero Harm Goal.

Disappointingly, our rate of recordable injuries did increase year on year and finished above our target of 0.80.

Improving safety performance is a relentless focus of our global workforce. The entire organisation is actively involved in steps to address this, with leadership interventions and a new integrated approach to risk management.

Our top three objectives for 2025 are:

1. Operations Risk Transformation;
2. Mental Health & Wellbeing; and
3. Effective Safety Leadership:

These initiatives are not just about compliance, they are about creating a culture where safety and wellbeing are at the forefront of everything we do. By focusing on these areas, we aim to foster an environment where every employee feels valued, supported, and safe.

Pleasingly, in terms of environmental safety, we have been able to sustain our excellent performance across the Company, with Zero Significant Environmental Incidents.

### *FY24 result: strong underlying earnings growth*

During FY24 IPL delivered underlying EBIT growth of 18% compared to FY23 after adjusting for items related to the closure of manufacturing at Gibson Island and the sale of the Waggaman plant. A key driver of the improved performance was growth in all customer-facing businesses, with record EBIT achieved by both the Dyno Nobel Asia Pacific and the Fertilisers Distribution business. Which leads me to how our two industry leading businesses are delivering underlying earnings growth for our shareholders.

We have simplified our organisational structure and reduced layers of management to streamline decision making. We are empowering our people to collaborate and deliver

safely and sustainably. We've made progress in better managing our asset maintenance strategies, which is helping us to improve cost and reliability. The Executive Leadership Team has been realigned to deliver our ambition and we have created a new role of Chief Growth Officer. We see exciting opportunities in EMEA and LATAM, where much of the mining growth is expected to happen.

Across our Explosives business, our technology strategy provides a competitive advantage, helping us secure customers and driving growth. Major resource sector customers like Peabody, Fortescue and BHP Mitsubishi Alliance recommitted to contracts and use of our innovative technology to unlock value in their businesses. I'm also delighted that our fully automated electronic detonator plant at Helidon in Queensland went live in 2024. Investing in automation enhances operational efficiency and competitiveness, while maintaining the highest standards of safety and quality.

#### *Our plan to separate Incitec Pivot Fertilisers*

Turning to the Fertilisers business, we remain committed to delivering the Fertilisers separation in the next six to twelve months, with a proposed divestment in parts to maximise value and increase execution certainty.

We have decided to move our Distribution Centre from Gibson Island to a new third-party facility. The new purpose-built facility will modernise IPF's Brisbane capability, allowing us to meet our customers' expectations well into the future. This decision will enable us to monetise the Gibson Island real estate, and we expect to begin a sale process in Q1 2025.

For Manufacturing, we have assessed our options for Geelong and have made the difficult decision to cease our manufacturing operations there. Geelong will transition to an import facility, targeting the end of next calendar year. The Distribution Centre and regional office in Geelong will continue to be important parts of IPF's distribution business.

We continue to deliver on our strategy for Distribution, which is demonstrated by the record EBIT achieved this year. We have appointed advisors to help us with the strategic review of our Fertiliser Manufacturing operations and with the sale process for the Distribution business. We intend to begin a sale process early next calendar year for the Distribution business.

Our focus on reliability and operational excellence at Phosphate Hill helped us to improve volumes and reduce costs, which led to a strong finish to 2024, with second half volumes equivalent to an annualised 950kt run rate and improved reliability. The strategic review of Phosphate Hill is ongoing, and IPL will optimise its performance, while assessing the best option for its future. The review is targeted to complete by September 2025.

#### *Sustainability and decarbonisation*

As far as our strategy to reduce GHG emissions, we have set an ambition to be Net Zero by 2050, or sooner as practical. Our Moranbah and Louisiana, Missouri Tertiary Abatement projects were completed this year. Together, these two projects will reduce Dyno Nobel's global GHG emissions by 41% against our 2020 baseline.

We also continue to explore partnerships focused on green hydrogen and green ammonia.

Our business was also a winner of Chemistry Australia's 2024 HSE Award in recognition of IPL's safe closure of the Gibson Island Manufacturing facility, with zero reportable incidents.

#### *Our people drive our success*

This has been a year of transformation for the Company, and I am pleased with the progress we are making on our strategy of methodically separating the Fertilisers business and building a leading global Explosives business.

Pleasingly, we have also delivered a good set of financial results during a period of profound change. Dyno Nobel Asia Pacific delivered a record EBIT, with a 36% improvement year on year, and major resource sector customers recontracted. In Dyno Nobel Americas, explosives EBIT increased 14% on the back of improved pricing discipline and cost management initiatives. Meanwhile, our Fertilisers Distribution business delivered its strongest result on record, with an EBIT of \$60 million, positioning the business well for the future, alongside a strong agricultural industry.

When I look back on financial year 2024, a real highlight for me has been getting out across our sites and meeting more of our talented and highly skilled people. They've given me a much greater understanding of how they deliver daily for our customers and stakeholders. It really is our people who drive our success and create a high-performing culture. Our leaders have been empowered to build trust and transparency within their teams, where deliverables are focused, realistic, and promises are kept. This approach is continuing into 2025.

Today we will be asking you to vote on renaming our company to Dyno Nobel Limited. The name change, subject to your approval, will help support Dyno Nobel's transformation to the global leader in explosives and hand back the Incitec Pivot brand name to the Fertilisers business, so that Incitec Pivot Fertilisers can truly own the brand's heritage in Australia.

The outlook for FY25 builds on FY24 momentum supported by transformation activities focusing on areas such as price discipline and cost management. Earnings will be impacted by a heightened program of plant turnarounds during the year.

We will provide an update on the strategic review of Fertilisers Manufacturing and sale process for Distribution at our half-year results in May 2025, or earlier if appropriate.

In closing, I want to thank all our people across the business for their exceptional work throughout the year. It's been a great first year leading our talented team and I want to thank the Board for entrusting me in the role.

I'll now hand back to our Chair.

## PEOPLE & REMUNERATION COMMITTEE CHAIR ADDRESS, TONIANNE DWYER

Thank you, Greg.

As the Chair of the People & Remuneration Committee, I appreciate the opportunity to talk to you about our approach to remuneration and the outcomes we saw this year.

As a Committee and Board, our objective is to ensure our remuneration framework is market competitive so we can attract and retain the talent we need, whilst at the same time, incentivising the delivery of long-term performance, creating sustained value for all our stakeholders.

The majority of an Executive's remuneration package is subject to the achievement of performance conditions, measured over both short-term and longer-term periods. This year, Mauro Neves, our CEO & Managing Director achieved a Short Term Incentive outcome of 72.8% of his maximum opportunity and the other Executives averaged 60.7%. These outcomes reflect a mix of achievements against KPIs set at the beginning of the year.

Financial outcomes comprise 60% of the STI scorecard. This year saw strong financial performance, characterised by record earnings performance from the Dyno Nobel business and the initial results of our business transformation program.

From a safety perspective, this year we saw the tragic fatality of one of our employees in a car accident on a public road in Australia. In light of this incident, Board and management agreed that none of the STI component relating to safety should be payable to any Executive notwithstanding strong performance in many parts of the business. We continued to see strong progress on actions supporting our Climate Change plan with our tertiary abatement facility at our Moranbah plant now fully operational.

Each Executive also had individual strategic targets associated with their area of responsibility. Whilst the Board is pleased with current progress on key strategic initiatives relating to our transformation program, in light of the failure to complete the divestment of the fertilisers business, the Board and management agreed that strategic outcomes should be reduced by 10 basis points for all Executives. The Board believed these outcomes to be appropriate in the context of the performance over the year.

In addition to their annual remuneration, all of our Executives participate in the Long Term Incentive Plan – or 'LTI' – which rewards them for achieving outcomes over a 3 year period. For the 2021-24 Plan, performance across the four measures of Relative Total Shareholder Return (RTSR), Return on Invested Capital, Long Term Value Metrics and Sustainability, resulted in vesting of just over 47%. This followed a RTSR performance which saw IPL positioned at the 59<sup>th</sup> percentile against the ASX100 comparator group. The Board believes this level of vesting is an appropriate outcome given the performance over the period.

I would now like to take the opportunity to explain some changes we are making for 2025. Following, the one-off grant of share options as part of last year's LTI, the 2024-2027 LTI Plan has reverted to a grant of performance rights only. These rights will be measured against total shareholder return equally weighted to relative and absolute TSR. The Board has determined that TSR will be the most transparent measure of shareholder value over this period. Return on Invested Capital or 'ROIC' which was previously measured under the LTI, has been removed for the 2024-2027 grant given the likely changes in the Group's asset base over the next year as we dispose of the fertilisers business, make target setting and measurement difficult. Improving ROIC remains very important, and the Board will consider the reintroduction of ROIC for future LTI grants following the completion of the Fertilisers divestment.

We have also made two additional changes to strengthen the alignment of Executives to shareholders. Firstly, we have increased the minimum shareholding requirement for Executives, from one to two times fixed remuneration for the CEO and from 50% to one times fixed remuneration for other Executives. In addition, we have introduced a compulsory deferral into Company shares for all STIs paid to Executives. Previously, once an Executive had reached their minimum shareholding requirement, all STI was delivered in cash. Now, even where an Executive has met their increased minimum shareholding, part of their STI will continue to be deferred into company shares.

Finally, turning briefly to the Directors. The Chair has agreed a reduced fee and the other Directors' fee structure has been amended to a composite fee to better reflect how Directors participate across the Board's multiple Committees. Total fees paid to Directors remain consistent under this new approach. I am also pleased to report all Directors meet, or are on track to meet, their minimum shareholding requirements.

Thank you. I will now hand back to Greg.



**Mauro Neves**

Chief Executive Officer & Managing Director

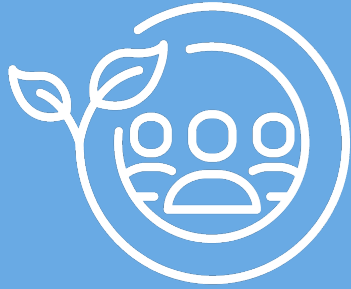
ANNUAL  
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**CEO & MD's Address**

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# Safety: Our #1 priority

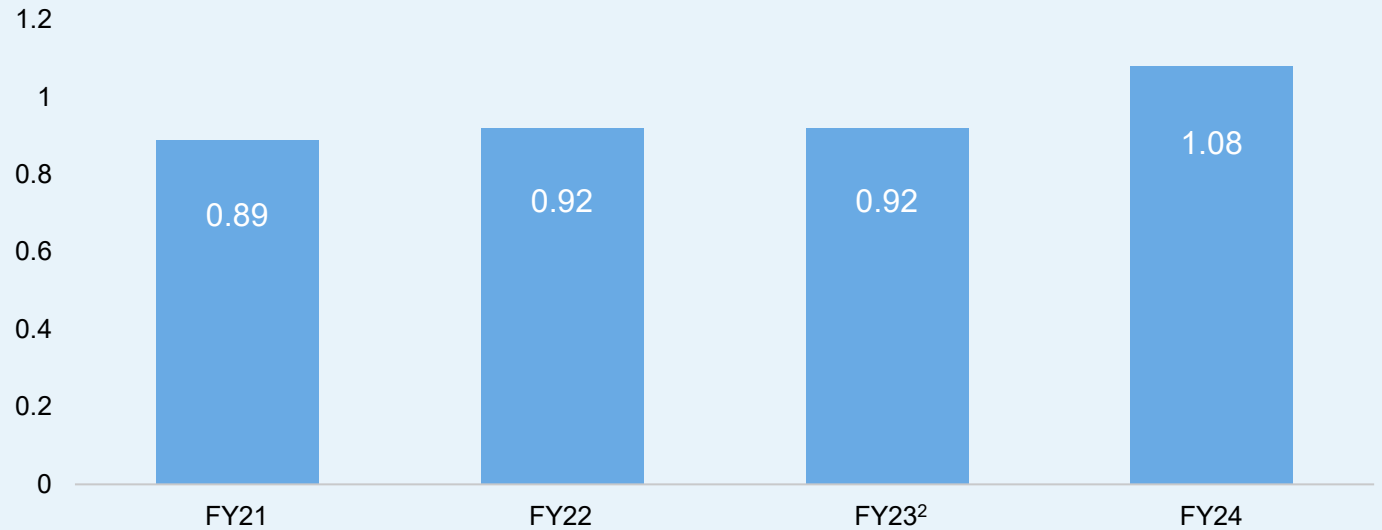


Zero Harm  
for Everyone  
Everywhere

Focused businesses are  
safe businesses, and safe  
businesses lead to strongly  
performing businesses

## Total Recordable Injury Frequency Rate (TRIFR)<sup>1</sup>

Trending unfavourably. Leading indicators showing progress.



Operations Risk  
Transformation

Mental health  
& wellbeing

Effective safety  
leadership

# FY24 result: Strong underlying earnings growth

## Earnings<sup>1</sup>

### EBIT

# \$580M

Down from  
\$880M in FY23

- **Group EBIT** up 18% after adjusting for WALA sale, Gibson Island closure and commodities / FX impact
- **Growth in all customer facing businesses**
- **Record EBIT achieved by DNAP and Fertilisers Distribution<sup>2</sup>**

### Dyno Nobel Asia Pacific

Record EBIT with a 36% improvement year on year driven by positive customer recontracting

### Dyno Nobel Americas

Explosives EBIT increased 14% driven by improved pricing discipline and cost management initiatives

### Fertilisers Distribution




EBIT of \$60m strongest result on record<sup>2</sup> driven by improved volumes and margins, despite lowest average commodity prices since 2021

### Fertilisers Manufacturing

Excellent 2H Phosphate Hill production volumes equivalent to annualised ~950kt run rate

# Our plan to separate Incitec Pivot Fertilisers

Personal use only

		Next steps
	<b>Real estate assets</b>	Commence sale process for Gibson Island real estate (launch expected 1Q 2025)
	<b>Manufacturing assets</b>	Strategic review progressing well with completion targeted by September 2025 Geelong manufacturing operation targeted to cease by end December 2025 and transition to import model
	<b>Distribution assets</b>	Sale process to commence early 2025 with completion targeted for mid 2025 Share buyback expected to continue through permissible trading windows <sup>1</sup>

(1) Refer to IPL's FY23 results release dated 13 November 2023 and IPL's 2023 Notice of AGM dated 20 November 2023, for details of the on-market buyback program. Although it is IPL's current intention to complete the on-market share buyback of up to \$900 million, any purchases under the program remain at the discretion of the Company.

# Sustainability and Decarbonisation

## Key progress on our transition pathway

- Moranbah Tertiary N<sub>2</sub>O Abatement<sup>1</sup> – opened 8 March 2024
- LOMO Tertiary N<sub>2</sub>O Abatement<sup>1</sup> – approved for installation in 2025
- Continuing to explore partnerships focused on green ammonia

## ESG credentials



- Awarded the Health, Safety & Environment Award at the 2024 Chemistry Australia Industry Awards
- Recognised as a Leader of Agriculture & Environment in the Australian Financial Review's Sustainability List for 2024

CEO & MD's address

# Our people drive our success

