



BEYOND BORDER: UNLOCKING CRITICAL MINERAL INVESTMENT OPPORTUNITIES

Announcer 00:01

Please welcome the panel on “Beyond Borders: Unlocking Critical Mineral Investment Opportunities,” moderated by Alexander Burns, Senior Executive Editor, North America, Politico.

Alexander Burns 00:13

Thank you all for joining us today. Thank you to the audience for coming out for this conversation. I want to jump right in. We have a tremendous and varied group of panelists here, really prominent people from across the space that we're going to talk about. I also can't imagine a better and more precarious moment to be having the conversation that's we're having here. We just heard on the previous panel from Ambassador Waltz about the enormous effort that the US and the allies are going through to try to unchoke a resource choke point in the Strait of Hormuz. And I want to ask this panel, and I wonder if I could ask the minister to start us off. In this moment where we do see the real geopolitical peril of these resource choke points, how should we be thinking about risk differently in the critical mineral space?

His Excellency Bandar Alkhorayef 01:09

Thank you, and it's great to be here. When we look at the investments in mining and the journey of any mining project, it's a very long-term investment horizon, and therefore I don't think any investment in mining would not think about risk and disruption and geopolitical issues. And, therefore, what we are seeing today is just another way of demonstrating that once we look at projects, we need to look at the end-to-end project. We need to look at the journey of the project from all angles. And this is very important for investors, for the asset owners, for countries where they have the deposits, but also for countries that are actual users and everything in between, because you need processing, you need logistics, you need technology, you need

midstream, downstream and so on. So what we are learning today is that we also need to increase the ability of coordination and working together. We created in Saudi Arabia—as a result of launching our Vision 2030 and the mining strategy—the Future Mineral Forum, which is a platform today, I’m happy to say, and proud actually to say that it is the most important platform today that brings stakeholders in the sector—from governments to mining companies, financial institutions, technology providers, academia, and so on—in one platform to discuss the opportunities, the challenges and how can we collaborate to ensure the supply of minerals for the global need.

Alexander Burns 03:07

Do you think, and just to stay with you, Minister Alkhorayef, that the profile of the right kind of investment partner in critical minerals is different today than it would've been a couple of months ago? Are you looking for partners with a higher risk appetite or people who are more open to the kinds of disruptions that we're looking at right now?

His Excellency Bandar Alkhorayef 03:27

I think it's fair to say this is probably something that will change. But I think the general consensus when it comes to the global demand of minerals is that growth is huge and the need for new projects and the need for new investments is very important. I think we need to work together also—governments and the private sector and financial institutions—to de-risk the investments in the sector to ensure that it's not only looking at the right profile and the right, let's say, risk appetite but also to work together to ensure that the risk is reduced. Otherwise, it will be very hard to see the investment coming in.

Alexander Burns 04:11

I see a lot of nodding on this row right now. Anna, do you want to jump in?

Anna Krutikov 04:11

Sure, and it's great to be here. I fully agree with everything the Minister said. I think maybe just to add a couple of considerations. The current focus on critical minerals is incredibly exciting. The work that's happening in the US and elsewhere is probably unprecedented, is the word that's been used, and it's probably the right one. From a trading perspective—from Glencore's perspective—this is where we are. We supply the markets with the products that they need at the time that they need them. As a miner, we think long term, and that's exactly the point that the Minister made. These projects can take 15 years to come to delivery and the life of a mine may be 20, 30 years, and so we have to think over that long-term horizon. And so all of the policy measures that are being put in place today, what's exciting about them is the speed and decisiveness with which they're being put in, but also the thinking about building for that longer term. But I would also just like to add a slightly different perspective, which is when we think about risk in these

jurisdictions, it's been said many times these resources are located in difficult jurisdictions, whether it's the country risk profile, whether it's environmental sensitivity, whether it's local communities. And so when we think about risk, and this is something that we do in the mining industry, but I think it's something that we need to see more people, more participants get involved with, we need to think about the real structural risks in these jurisdictions, and that may be infrastructure, but it also may be capacity. We need a workforce. We need a trained, capable workforce. And if I think about our operations in the DRC, in Congo, we've seen an incredible—and something I'm really proud of—increase in the number of our Congolese colleagues at every level of the operations, from senior management all the way through. But that takes time, and that capacity investment is what we need to see to catalyze infrastructure governance capacity. We need to look at where these operations are located, where these minerals are coming from and how we can think about de-risking the system as a whole and not just the specific project.

Alexander Burns 06:40

I want to ask Secretary Helberg. These projects that need time and alignment, and alignment over time: Time strikes me as something that you don't have a lot of to spare, right? And can you just sort of address that dynamic here—when you're trying to achieve strategic goals for the United States that are incredibly urgent, but the projects you're talking about are over quite a long time frame? How do you square that?

Jacob Helberg 07:07

Sure. So, it's great to be here, and I just want to thank the Milken team for throwing on an incredible conference as they do every year. If I could just start with the initial point that you raised earlier and really say that we're living through a secular repricing of minerals and we're seeing that by private investment willing to make investments in mineral refining capacity, knowing that the output will likely be at a higher price than the subsidized Chinese price that is artificially low because they're starting to price in the political risk of disruption from those sources. So, the market is starting to actually develop an appetite on its own to shift its supply chain elsewhere because of that premium for reliability and certainty. In conjunction, policymakers in Washington, DC, and around the world are also realigning their economic policy with their national security priorities. And you're seeing that through, in the US, we've done critical mineral deals on a bilateral basis and a plurilateral basis. We've done multilateral architectures like the Pax Silica initiative that's really meant to be an ecosystems-based approach. And so it's really that nexus of policymakers and private companies actually working together in parallel at the same time that I think will make this a success. I think with respect to your point of time, it's important to remember that no later than 2010, the world actually had very substantial refining capacity outside of China. And if you actually go back in time, in 2015 China published its Made in China 2025 strategy, and you could basically look at a graph ever since then, in the last decade, and see that the amount of Chinese refined minerals dumped on the global market went up like a hockey stick because it was a national priority that they prioritized. The reason I'm saying this is because there is a lot of preexisting brownfield infrastructure that already exists outside of China in various places. A lot of it is in a state of financial distress because of years of dumping, but I'm incredibly optimistic that we are going to solve the issue. The key to solving this issue is price. If you solve the price, private capital flows on its own, and we have by far the deepest capital markets, and they're already starting to flow into these projects without a global pricing mechanism. But the Administration is hard at work addressing the price

challenges. We're hard at work addressing the liquidity challenges and the capacity challenges, and I'm very confident that before the end of this term, we will actually have a solution on the pricing mechanism issue.

Alexander Burns 10:17

Can you say anything more about that?

Jacob Helberg 10:20

What do you want me to say about that?

Alexander Burns 10:22

Well, when you say, 'by the end of the term we'll have a solution on that,' what does success look like to you?

Jacob Helberg 10:27

I think success looks like markets having price stability and price certainty that allows them to actually allocate capital over a multi-year time horizon and get financing for that capital at market rate interest rates to fund projects and bring new capacity online because they have price stability.

Alexander Burns 10:50

And how much does it, just a last round with you for a second, but how worried are you about the scenario where countries that have significant resource assets taking away from the current war the lesson that if you can squeeze the United States on the price of something that it badly needs, that gives you really disproportionate leverage for anything else that may interest you as a country?

Jacob Helberg 11:22

I think the takeaway from, frankly, the last 25 years is every supply chain decision is a geopolitical decision. There is no supply chain decision that's purely economic and single points of failures are an inevitable source of leverage that we want to make sure that we actually align with countries that we trust. That is very much the premise behind a lot of the initiatives that we pursue. We pursue them with partners with whom we have a foundation of trust, because the Administration is really laying the foundation for the next 25, 50

years that is going to be the trade architecture that governs how the United States interfaces with the rest of the world economically.

Alexander Burns 12:11

JB, should we be doing more at home?

JB Straubel 12:12

I personally think we definitely should. I think we've said it in a few different ways that we're finally really getting confronted with the supply chain risk and the geopolitical risk. And maybe if I could help elucidate maybe a distinction between the mining and the refining piece. These are sometimes mixed together, but I think in more cases we have a geopolitical risk of refining concentration—and that's where I think perhaps there's even more focus that we should put on bringing critical mineral refining back to the countries and closer to the demand where that exists. It doesn't necessarily mean that the mining has to follow. The mining is geological; it will be where it is. But refining is often more of a chokehold. And in our case, recycling and secondary feeds also kind of present an interesting counterpoint to that, where the markets where the products existed are often very different than where the geology put those minerals in the first place. So by leaning into secondary feeds and really prioritizing recycling for strategic critical materials, I think that can help break a little bit of the deadlock around where the geology exists.

Alexander Burns 13:32

And what would this look like in the very near term if the United States were to decide we're going to get much more serious about doing what you're describing?

JB Straubel 13:40

Well, I think it would be really helping, as you explained, present some long-term, stable, investable economics that are starting to emerge for some projects to bring refining back to the US for some of these critical materials or to restart projects that already existed. Because, again, as people noted, not that many years ago, refining of critical minerals was very diversified around the world. So I think it's long-term economic signals and really proving a signal that values the geopolitical stability.

Alexander Burns 14:14

James, we began by talking about places where we see disruption and greater risk around the world. Where do you see a trend towards stability?

James Scriven 14:24

So, I'm going to be a bit biased in my views because I represent a development finance institution that is focused on Latin America and the Caribbean. As the Minister His Excellency referred to, the demand for critical minerals is going to be exponential in the next few years. And Latin America and the Caribbean houses 30 percent of those 13 critical minerals. The issue that we have is that it's not housed in the easiest neighborhood. The ZIP codes are complicated. So, I'm going to refer to what we see as a development institution and the role we can play. One, geologically, the minerals sit where they are, and to be able to extract those minerals there is a number of complications that have to do with the environment, social and making these deals bankable for 30, 40, 50 years. So, I think there's an important role to be played to make those deals investable. Today they're not, either because they sit in complicated environments, the regulatory framework is not there, the history of Latin America—look at Bolivia and Peru and other places—has not been good on the social issues with respect to mining. So, there's a big piece of work to do: how you make bankable deals or investable deals. Another piece is what JB was referring to, which is the difference between extraction and the refinery. Many of the extractions happen where geologically they're there, but refining is going to China and it's going to other places. So, we've got an obsession to bring that refining back to our hemisphere, be it in the US or be it in the Americas. That's a big piece of our work. So to sum up, I think the role of a development institution, which I represent, is to make bankable deals and to bring production or value-added jobs closer to Washington and closer to the hemisphere. But I also want to refer to what the Under Secretary said. Our largest shareholder is the US, and I've seen a renewed interest over the last two years with the Trump Administration to really focus on bringing that back to the Americas. So, together with the US DFC—together with EXIM, and together with the government—we're working very closely not only the extraction or the value chain but the work that we do with ports, with airports, with roads—all the related facilities that come very close to very difficult places where the extraction is happening.

Alexander Burns 17:24

Are there neighborhoods that you see getting less difficult?

James Scriven 17:24

I can say Argentina. Let me give you maybe my passport, which shows I'm from Argentina. But if you look at Chile, for example, its exports of critical minerals are \$40 billion per year. They share the same mountain line, exactly the same. It's divided by the waters, where water goes on the mountain. So, \$40 billion in Chile and \$4 billion in Argentina. That shows the political risk and the complications. We've been doing a lot of business. Rio Tinto, Glencore and others have approached us, and because of the institution we are able to do that. Another example is Bolivia. So, in my lifetime, this is the first time that have Chile, Bolivia and Argentina—the Lithium Triangle—all being governed by open-to-the-private-sector governments. That has not happened in my lifetime. So, there's an enormous opportunity to work in Latin America to get closer to that.

Alexander Burns 18:38

And what needs to happen to make sure that business doesn't squander that opportunity? That if it's the first time this has happened in your lifetime, a skeptical observer might say that the moment could be pretty fleeting.

James Scriven 18:41

I used in another panel the concept that one boss once told me: 'Latin America's not for beginners.' That is true. The political volatilities and many other volatilities that you have are not easy to handle, especially when you have the likes of Glencore and others that are thinking about the next 100 years and not thinking about one government—and what we need to be able to do this is stable regulatory frameworks and the rule of law. For most of the mining, it's not a central government activity. You work with the provinces. You work with the states. You need to work with local governments to make sure. So there's big work to be done there on that—and also the physical infrastructure. Usually, mining is at 3,000, 4,000 meters, very far away from ports, airports and roads to be able to transport. So, I think that physical infrastructure is really needed. That's why for us, maybe I say the word: Enter the Inter-American Development Bank. We're the largest development bank in the region. We opened up a business around critical minerals, and we're doing it because of that, because we see the interest in our region, the interest from foreign investors, but that supply and demand are not meeting, and that's why we come together to make that happen.

Alexander Burns 20:22

Anna, what do you think your company and companies like it can do to encourage that kind of stability and take advantage of this moment in a way that makes it sustainable?

Anna Krutikov 20:39

Be there. I think South America is a perfect example of this. We've been present in these countries for decades, multiple decades in some cases. And it's, I think, that longevity in these countries, understanding the local environment, understanding the opportunities for support, that positions us to take advantage of this moment. The other thing that I think is important to add to the conversation is standards. These are challenging places to operate in. They're far away, they're remote, they're environmentally sensitive and they have local communities. You contend with poverty, literacy issues and all sorts of developmental challenges. And I think what's encouraging, and we're starting to see this happen in Bolivia for the first time in I don't know how long. We see this conversation in Peru and in other countries. We're seeing this recognition of the importance of responsible operating standards. And maybe just to take us outside of the Latin America ZIP code for a minute to another country that we've been active in for a long time: the DRC.

We've seen the government become very engaged with the conversation around responsible standards, things like The Copper Mark and the Extractive Industries Transparency Initiative. And the reason I bring that up is because, obviously, responsible operation is critical to the long-term resilience of these operations, but it's also critical to market access. Nobody in the markets today, whether it's the USA, whether it's Europe—I'm sorry I'm speaking for you—wants to have products that are tainted by child labor or by conflict or by corruption. The market wants products that are responsibly produced, and it's been an incredibly positive development to see the government of the DRC, to see the South American governments, recognize and embrace these standards to support the products from their countries and their ability to access markets and to form the building block of these lasting partnerships.

Alexander Burns 22:56

Minister, how does that compare to your own experience of finding partners, both public and private, around the world?

His Excellency Bandar Alkhorayef 23:04

I think for us when we looked at mining as a new sector, Saudi Arabia decided a long time ago to leave mining for later, and I think later has just arrived. What was striking to see is that we have to be also very mindful that the perception of mining was negative, and it is still is in some jurisdictions. And it's very important, really, to change this perception, to make the people who are in these areas really feel the contribution of the sector on their own lives and on their futures. If we look at Saudi Arabia, when oil was discovered, it was very clear for the people—that the impact from the returns from oil—that they have been able to benefit from it in their quality of life, education, health care and so on. And, therefore, we believe it's a very important strategic decision from governments to decide what the strategy is towards this sector. For us in Saudi Arabia, it is more an economical play than a financial play. What I mean by this is that we look at the sector as how it can bring back to the country in terms of development, in terms of industrializing the country and in terms of positioning the country as a global player when it comes to utilizing or getting benefit from its physical location. Saudi Arabia is very well situated as a physical location where we can connect with other regions. How can we utilize our energy competitiveness to be utilized in processing, not only from materials or minerals that we have in our own land, but also from abroad? So, I think one important thing is when you have this kind of mindset, it's easier to attract partners. We signed with the EXIM, for example. We are working on multiple projects to see how we can expand in different activities. And it's that kind of model we are also trying to promote to other countries and other investors, because, today, the lack of investment is not only due to risk but also due to some restrictions from an ethical point of view and from getting confused about certain activities of mining in certain regions. And this is what we have tried to show in the Future Minerals Forum, about how great examples globally—and not just in Saudi Arabia—are really bringing back mining to a place where it can contribute to its region. People can benefit from mining rather than only get the environmental hazards or the negative social impact. Then it's very important to look again at the whole journey. We issued what we call the Critical Mineral Framework that addresses seven different angles, from geology to financing to infrastructure, technology, human capital capabilities and regulation and sustainability. These are areas we need to define well to ensure that globally there is at least a certain level of standardization. Also, traceability is a key component of how we look at different trade. I think when

we look at, as Jacob mentioned, the pricing, it's very easy to see where the gaps are that make pricing different— and it is mainly regulation—which is standardization and subsidies. If we can unify this globally, I think the price gap will be adjusted. Otherwise, I think what the US is doing is very brave, especially with the MP Materials deal, where a price floor is determined, which means that the investor understands exactly what the risk is, and then the market can actually operate in a way where it can be competitive. I don't think this is something that is going to be easy to do, but I think when the market understands these dynamics and finds ways of how to deal with it, because, as an individual, as a country and as the Saudi government, we believe in market dynamics. But we need also to be very realistic that they are far from being perfect, and we need to understand what the imperfection is and try to deal with it.

Alexander Burns 28:33

Sorry, could you elaborate on that? The imperfection of what?

His Excellency Bandar Alkhorayef 28:34

The imperfection of market dynamics. So, assuming that market dynamics will kick in, supply/demand dynamics, cost structure and the overall cost from end to end will be the only determining factor of the final price. I think this is not the case when it comes to critical minerals, and even worse when it comes to rare earth metals.

Alexander Burns 29:06

Secretary Helberg, I want to ask you about the level of buy-in that you're getting from the biggest American companies that benefit from the materials that we're talking about. Do you think that big tech here in America is doing enough to support the kind of de-risking and supply chain resiliency that we're talking about here?

Jacob Helberg 29:25

I think all of them are totally bought into the reality that they can't rely on and have predictable business plans with over-concentrations of their supply chains in China. And there are more difficult aspects about that to grapple with for them than others. They are already moving, as in the case of Apple, a lot of their supply chains to other places. Apple obviously committed to building an end-to-end, American-made silicon supply chain in the US. Obviously, as we know, the US accounts for 30 percent of global consumption, but there's still 70 percent of global consumption elsewhere, so they're also rapidly expanding their production operations in India. Some companies are fabless, or factory-less, and so other countries are more reluctant to get involved in lines of work that they don't see as core to their business, even if they obviously rely on these different choke points. So we're looking for creative ways of helping answer the concerns that they have in terms of how they want to de-risk these single points of failure without disrupting their whole

business models. It's totally natural and fair for some companies to say, "You know what? It's part of our business model that we're a design company. We're not in the hardware space." And so the question is: How do you allow them to continue operating along that business model while at the same time leveraging some of the purchasing power that they have in order to force de-risking upstream of that supply chain? And the answer is that it's completely possible because the customer is king, and so it turns out that suppliers are very responsive to their customers. And so we're trying different approaches, but we've found that, generally speaking, we really have seen a complete sea change in the attitude of American companies towards their supply chains. This is not 2020 or even 2022, when national security people politely nodded and then tech companies sort of did what they wanted. They really understand now that you have trillion-dollar operations that could go down to zero if supply chains get disrupted, and it would be a major shock to the global economy. And so they're working very hard to make progress on that.

Alexander Burns 32:17

Can I ask you how much that shift in thinking, do you think, is about a better understanding of their own businesses, a better understanding of the geopolitical environment, and how much of that is predicated on having—to be really blunt about it—a president who they fear?

Jacob Helberg 32:34

I think President Trump has really been the most effective communicator on issues of industrial over-concentration as well as just the unnatural aspect—I think we had an intellectual establishment in this country that, for a long time, took for granted the idea that it was just a natural part of our economy to have longstanding, 30-year secular trade deficits, until President Trump came and basically said, "Actually, trade deficits are not a natural phenomenon. They're the result of market distortions." Because in a market that has pure and perfect competition, when you have a trade deficit a currency is supposed to depreciate, and the trade deficit is supposed to go back to equilibrium. And so you really had a change, a shift in the school of thought in trade policy in DC. But I also think that one of the very powerful sources of change is the fact that now people are really starting to price in political risk in a way that they weren't. So before, the risk of supply chain disruptions, I think, was seen by a lot of executives as completely hypothetical. Now it's not hypothetical. CEOs understand that if they are overly concentrated in China, they know with 100 percent certainty that they will, at one point or another, get disrupted or somehow interfered with. Because all you have to do is look at the labyrinth of regulations that China has put in place, whether it's the new supply chain directive that they just published in the last month, a lot of their new regulations that they published or their national security regulations that they published over the last several years. But they will disrupt your operations, guaranteed, and companies totally know that, and so now they're pricing that into their activities.

Alexander Burns 34:35

JB, I'm curious. When you look at American policy here at home, how much do you feel like you have the predictability that you need? I'm not even talking about from within the Trump Administration, but I've been

a political reporter for a while, and I think four of the last five presidential elections we've had have heralded a major swing, one way or another, on energy policy, environmental policy, tech policy and business regulation. Is there a point where that kind of whipsawing starts to represent a very serious political risk?

JB Straubel 35:06

Well, it does present a challenge to operating in the US, I think, but it's not a particularly new one, and I think some of these realizations are not that political. And if we look at some of the rare earth material shocks, those have happened under different administrations over different years. So, I think it's just becoming more understood across industry some of what you're describing, which is there is a very real risk. It's not hypothetical, and now there's a whole chain of explicit events that have caused that to become a disruption and cost real money to companies. So that, I think, is driving a little more consistency in business response and investment response—in the US and abroad also—on these types of projects. Now, certainly, trying to look at the fundamentals and look at the long-term investment economics on these projects, I think it is very important for any of these refining deals, even for many big energy projects, because one that has started today will land many years in the future. So, we have to make sure there's an environment that can work with that, no matter what happens politically.

Alexander Burns 36:24

And how do you personally do that?

JB Straubel 36:28

Well, I'd say with a business and an entrepreneurship hat on, we're really trying to look at what are the right durable trends. People will need critical materials, whether they're looking at it from a sustainability angle or looking at it from a security point of view. Sometimes, the actual actions are very similar. And I guess, from my point of view, we try and really look at what are the things that would endure and what are the right fundamental actions for the country, I think, but also for business economics.

Alexander Burns 37:03

James, you mentioned before that you feel like your operation, the organizations you work with, has really benefited from this moment under the Trump Administration, where there's this focus on bringing back capacity to this hemisphere. Do you lie awake at night worrying that the next president won't care?

James Scriven 37:24

I am not going to take a political stand over here, but I would say that under the Trump Administration, both “Trump I” and now “Trump II” have been very close to Latin America, and you can see it expressed in policy and in action, and we took advantage of that in a good sense. I would also refer to what Jacob was referring to. We’ve had a number of global or local issues that have questioned the reliance of the US and Canada on Asia. And for us, I need to be biased because I run an institution that is only focused on Latin America and the Caribbean. We need to take advantage of that; call it nearshoring. We internally call it ‘friendly-shoring,’ because it’s operating with countries that follow the same political environment, the same moral application, and we need to take advantage of that. Obviously, that doesn’t mean it’s easy to operate with Latin America, and that’s when I referred to in my previous statement about the role that we can play to make it more friendly to be able to do it. But we’ve seen that shift importantly, and I might say in dealing with or working with the US DFC, with EXIM Bank and with the US Treasury, I’ve seen that very strong interest in Latin America and the Caribbean, and we, as a development institution, need to embrace that, harness that and help channel that. Needless to say, I would say that a few weeks ago, we opened up an office in Miami to be able to make that connection a reality. This is the first time in history that a multilateral institution will be physically outside of Washington, DC. Miami is a good connection. There are 1,500 companies that operate the connection and the bridge between the US and Latin America and the Caribbean, and we need to have a presence there.

Alexander Burns 39:27

Secretary, how often do you run into skepticism that the structures that you’re building, the priorities you’re outlining, sort of live past either this president’s term or, frankly, your own tenure in this job?

Jacob Helberg 39:42

So, I think this is why our focus from day one is really to actually get shovels in the ground and build infrastructure, because infrastructure will not be undone. But I will say I actually think partisan disagreements between political parties in the US are often overstated by the media. I was really struck during my confirmation hearings as well as recent congressional hearings I had to do on Capitol Hill by how, in the area of economic foreign policy, there actually is a lot of bipartisan continuity. And the proof of that is that the previous administration actually kept in place a lot of the Trump tariffs from the first Trump Administration, and the Trump Administration kept in place certain elements, like, for example, restrictions on Chinese electric vehicles from the prior administration—and so there really is a through line that ends up being a lot more consistent than what the media suggests. Look, I think the gyrations in governance that we have as a result of elections is a very healthy thing. But, ultimately, I don’t think anyone is going to wake up in 2028 and think that China’s going to be a reliable supply chain partner—and I can say this as someone who spends a lot of time paying attention to what people in our body politic are saying, including on the Hill with people from both parties, and no one is saying that. So personally, we’re very focused on driving as many tangible results over the next two and a half years as possible in order to make sure that these initiatives are really anchored on a solid long-term footing—but we’re also very confident that regardless of who takes the lead, this is an area where there will be a lot of bipartisan continuity.

Alexander Burns 41:52

Anna, can I ask you, in your experience are there useful case studies for exactly what the Secretary is talking about? A place where you have seen or you have built a politically resilient mining project because there are shovels in the ground, there are jobs created and there's value being created for the full community, so that even if you do get that kind of volatility, the people around the project are really bought in?

Anna Krutikov 42:22

Yeah. Look, once you've built a mine, you're kind of stuck, right? And if I think around the globe, yes, we have had some challenges in some jurisdictions. But by and large, I think our operations have stood the test of time. We've dealt with different regimes, and really our approach is absolutely bottom-up. We look at the area where we operate. We put a lot of effort into understanding the risks that we face but also the potential impacts of our operations, and so our philosophy is that if we can understand the risks and understand the potential impacts and put in place the correct mitigating actions and take the correct steps to mitigate the impacts on the environment, to mitigate the impacts on the communities, we build those long-lasting partnerships. And sometimes it's actually at that level of the local government where that relationship is the one that's most consequential. The national governments in some countries come and go every couple of months. But the regional governments tend to have more longevity and continuity and that connection to the ground. But also, and I just want to re-emphasize this point, through our trading arm we build long-lasting relationships with our customers and with our markets. And so it's not just about building stability on the ground. It's also working with the downstream destinations of these products, whether it's the US or whether it's Europe, to connect those dots. And again, that also supports us in withstanding the volatility that may sometimes occur.

Jacob Helberg 44:09

And if I could just add one more point: I think the biggest risk that would flow from changes in partisan leadership is less on the economic statecraft front and is a lot more on the domestic economic policy front. Because if you think of the changes on energy policy, on tax policy, on permitting, on antitrust policy, the FTC, the FCC, all of these different government agencies and departments will have a fundamentally different approach, and I think that will have macroeconomic repercussions on America's GDP growth. And that is actually the concern I hear a lot more from American business leaders: It is not changes in our foreign economic policy. It's the risk that a change in political power would result and the implications that would be for our domestic economy and our domestic regulations.

Alexander Burns 45:12

JB, how much does that reflect your perspective?

JB Straubel 45:16

Well, I guess I would agree. I think that it's important to make sure we sort of look past some of these partisan challenges for investment in these projects. And I really do believe that it won't look that different in 2028 related to the risk of China's supply chains in particular. That's driving a lot of the decision-making around refining investment in critical materials and rare earth investment, and that's not a political issue. That's a real-world trade issue. So most of the projects we're looking at, the investors that are backing them are thinking in terms of much longer term, and they're looking at those fundamentals of, "Does China's posture change in the world? Does that somehow look different in just a couple of years?" And I don't think so.

Alexander Burns 46:08

Minister, we started with you. We're getting close to the buzzer here, so I want to come back to you before we wrap. We've been talking about places in the world where American policy is pretty stable and where the geopolitical environment is not necessarily predictable, but at least calmer right now. I wonder: When you look at the environment in your country and in your region as a destination for American investment and as a set of partnerships for American investors, how much do you feel like Americans are currently looking at you and your country with a different kind of skepticism?

His Excellency Bandar Alkhorayef 46:53

Well, I think it's evident with the interest we are seeing with different investors. Saudi Arabia built most of its economic development with partnerships in oil and gas in the beginning, in petrochemicals and now in mining in different industries. So, it is the nature of how we operate, and we have been able to show that we have been a very loyal partner. We have been showing great success and stability. And one of the examples which you just mentioned regarding how an investment can really sink in and stay as solid as possible is what we have been able to do in the fertilizer business. So today, Saudi Arabia is fully integrated from the phosphate to the fertilizer business. Today, Saudi Arabia is the fourth-largest exporter of fertilizers and is going to be number one very soon. A country like India imports 45 percent of its fertilizer from Saudi Arabia. In aluminum, we have been able also to show a fully integrated supply chain—from the bauxite to the high-end products of aluminum going to packaging products or automotive and hopefully very soon also into aerospace. It's just showing an example of how we look at this kind of investment from a long-term perspective, which allows investors also to realize that this is a very stable environment. What is also interesting in what we have been able to do is really to slice the projects in a way that investors can come in and exit and make money at different stages of the project because no one—and I'm talking about investment forums like here—is willing to wait 30 years to get returns. So, we need to be also creative in how we introduce the project and how we finance the project. So, all in all, I think Saudi Arabia is a great partner for investors who are looking to invest in the future. And definitely with our vision and our strategies in different areas, especially the non-oil areas, which mostly I'm responsible for, like industry, like mining and export. And we have been able to show, actually, in the last five years, the growth in non-oil exports and non-petrochemical exports as a result of this strategy.

Alexander Burns 49:50

Thank you, Minister. Please join me in thanking all of our panelists for this great discussion.

Announcer 49:57

We hope you enjoyed the discussion. Be sure to utilize the mobile app to stay up to date on the latest programming changes. As you exit the room, please remember to bring your belongings with you.

Disclaimer: This transcript was reviewed by individuals for accuracy and serves as a reference. However, it may still contain errors or omissions. Please verify any critical information independently.