



Downer
Relationships creating success

Investor Day 2022



Agenda

<p>1 8:30-9:45am</p>	<p>Overview – Growth to net zero Making our communities better Risk management at Downer Downer’s role in decarbonising the economy</p>	<p>Grant Fenn and Michael Ferguson Julie Wills Peter Tompkins Ricky Bridge</p>
<p><i>Morning tea</i></p>		
<p>2 10:00-11:15am</p>	<p>Facilities & Asset Services Infrastructure Projects Utilities Defence</p>	<p>Pat Burke Mark Mackay Jim Kafanelis Jacob Bonisch</p>
<p><i>Break</i></p>		
<p>3 11:30-12:20pm</p>	<p>Road Services Rail and Transit Systems Downer New Zealand</p>	<p>Dante Cremasco Stephen Kakavas Steve Killeen</p>
<p>4 12:20-1:20pm</p>	<p>Panel Q&A All presenters</p>	
<p><i>Lunch</i></p>		



Grant Fenn
Chief Executive Officer

Understanding Downer

Our Purpose

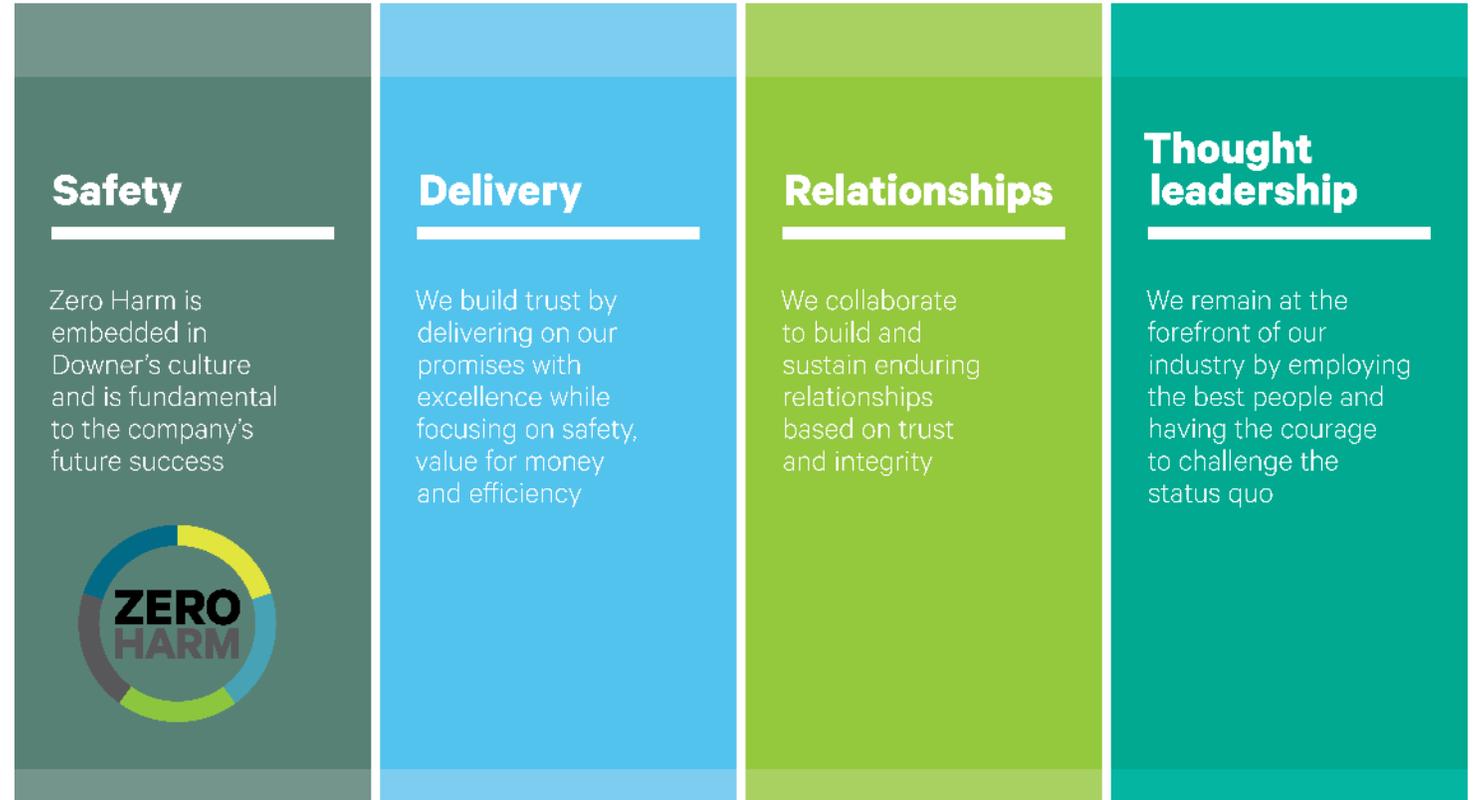
Our Purpose is to create and sustain the modern environment by building trusted relationships with our customers.

Our Promise

Our Promise is to work closely with our customers to help them succeed, using world-leading insights and solutions.

Our business is founded on four Pillars which support our Purpose and our Promise.

Our Pillars



Downer today

We are the leading provider of **Urban Services** in Australia and New Zealand.

We are critical to the **sustainment** and **operation** of a vast portfolio of **government** and **private infrastructure**.

We are **diversified** across capabilities, markets and geographies.

Our **service delivery excellence** drives **long-standing** and **trusted relationships**.

We are uniquely placed to support the **Australian** and **NZ economies** in **energy transition** and **decarbonisation**.

Disciplined
CASH MANAGEMENT
and capital
ALLOCATION



90%
Government
work-in-hand
Federal/National
State and Local

\$35bn
WORK IN
HAND

**Australian
Sovereign**
OPERATIONS

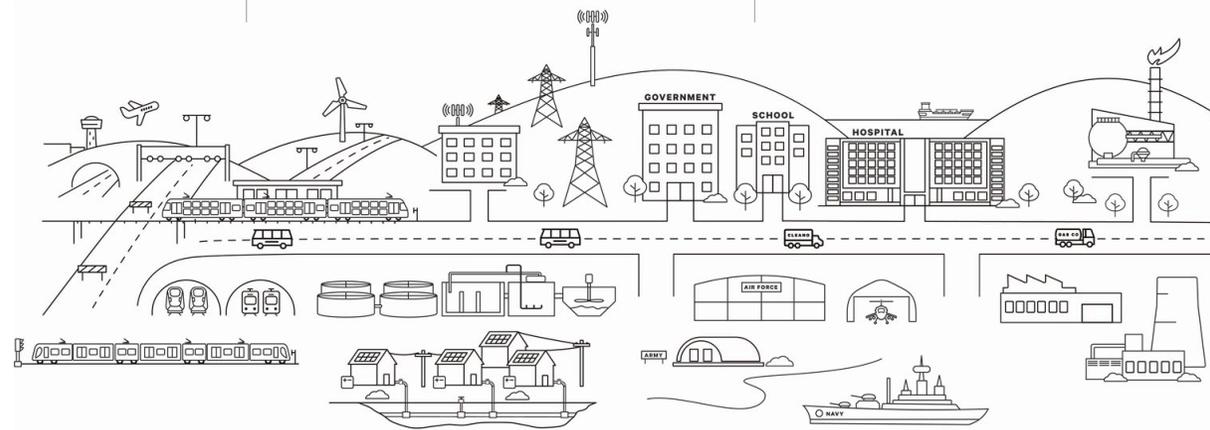



43,000
people
ACROSS AU + NZ

WELL DEFINED
RISK
appetite
and controls



Sustainability
LEADER



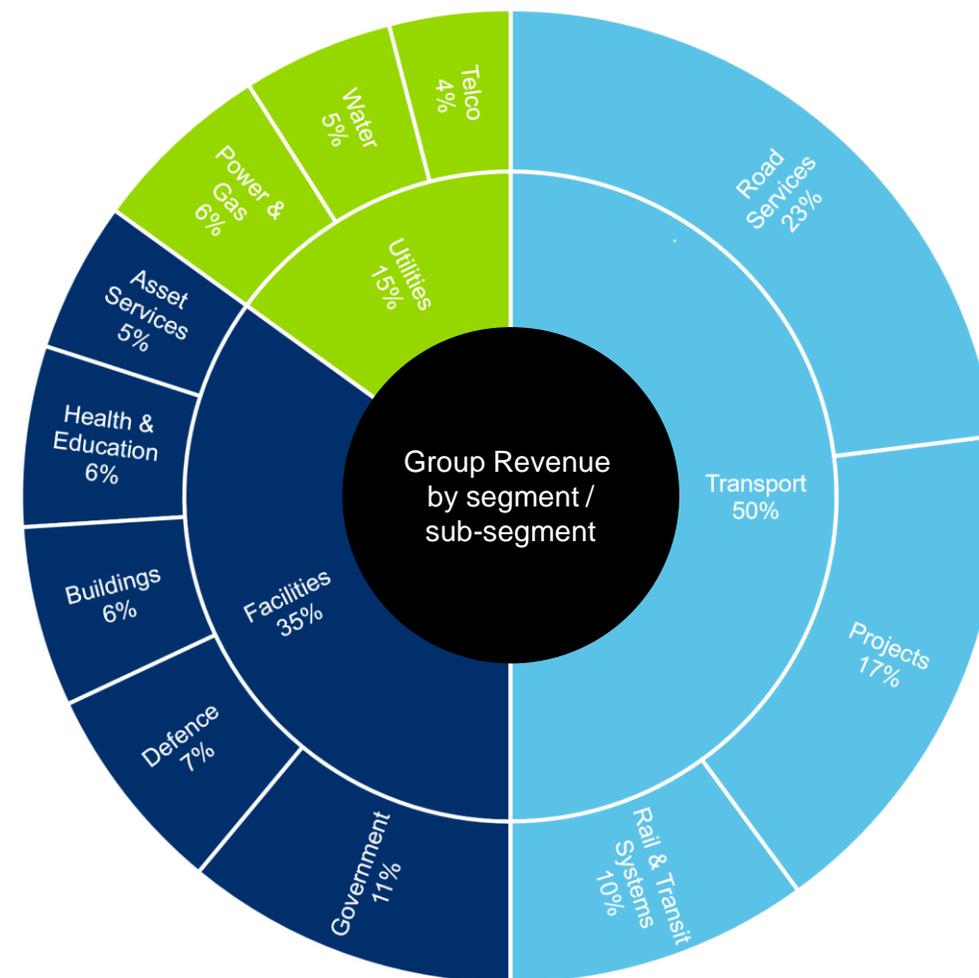
Unique exposure to critical Urban Services

Market leader in most categories in both Australia and New Zealand.

High market growth expected across the portfolio – weighted average CAGR 7-8%.¹

Significant and increasing barriers to entry – management systems looking across the supply chain.

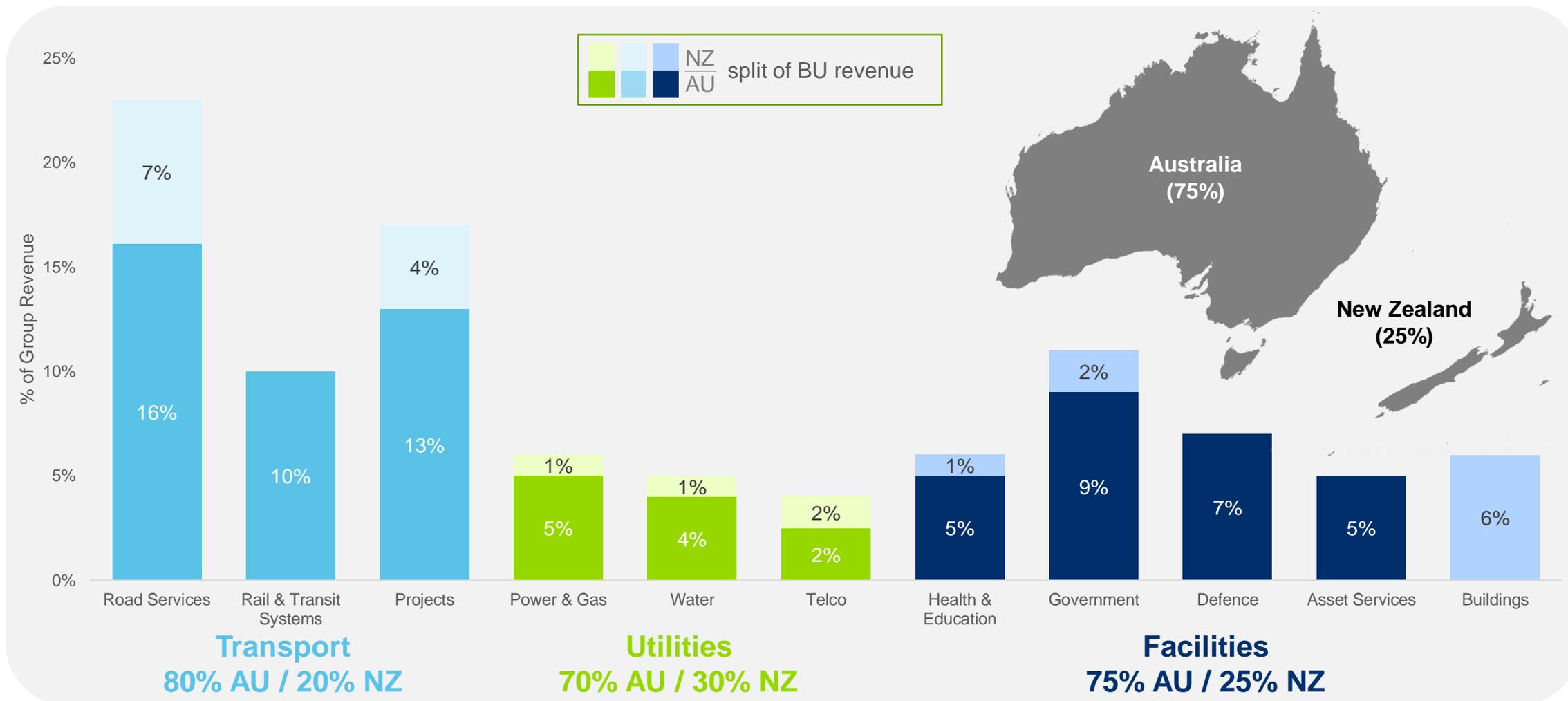
New energy and decarbonisation opportunities across our customer base.



1. BIS Oxford Economics (2022), based on spend in Downer's Urban Services markets in Australia and New Zealand

Based on HY22 revenue mix of Downer's segments

Scale and capacity in both Australia and New Zealand



Based on HY22 revenue mix of Downer's segments

Customer spend to increase well above GDP

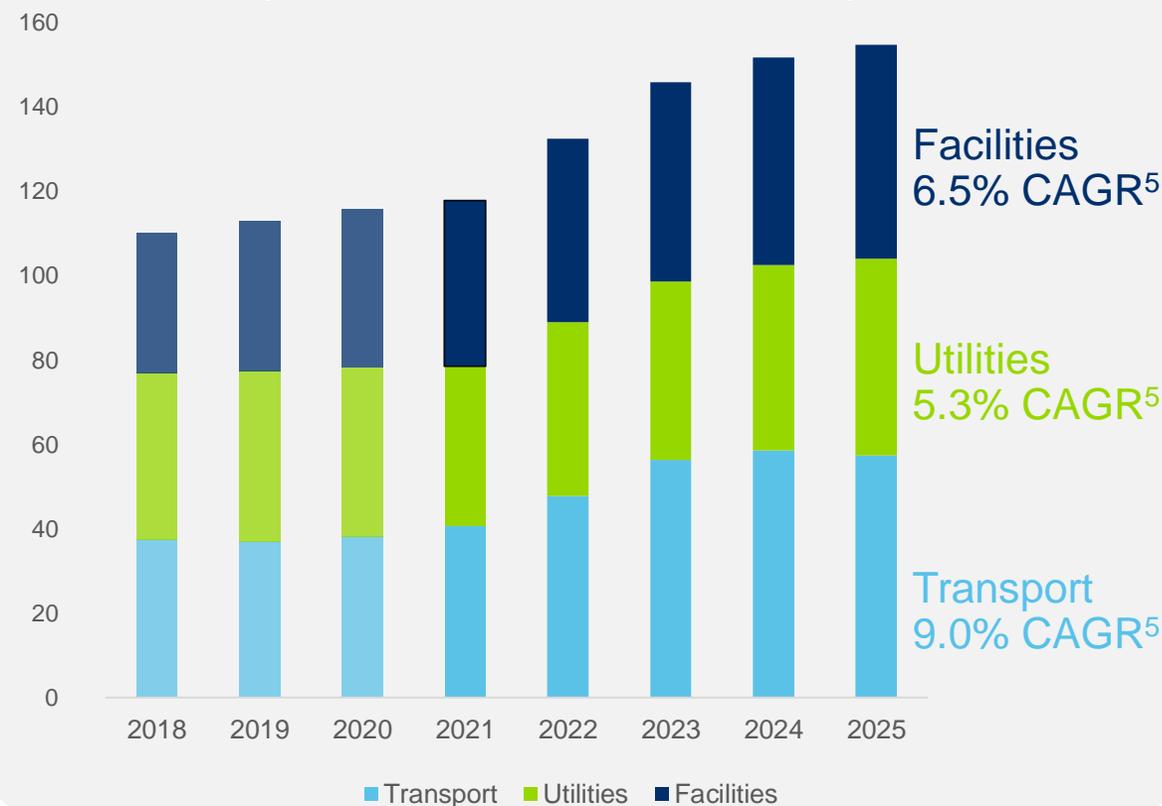
- Unprecedented levels of Government investment in construction and sustainment
- Weighted average sector spend growth of 7-8% CAGR^{1, 4}
- Our scale, management systems and technical capabilities put us in a very strong position to secure forward revenue
- A significant cross sector customer base for new energy and decarbonisation solutions.

\$18bn for new road and rail projects across Australia in the 2022-23 Budget²

Defence estate development & base upgrade spend going from \$2bn to \$4bn p.a.³

1. Based on revenue mix of Downer's segments at 31 December 2021
 2. Australian Federal Budget 2022-23
 3. Australian Federal Budget 2021-22. Increase in spend from FY21 to FY23

Downer's Urban Services Markets to 2025
(Australia and New Zealand - \$Bn)⁴



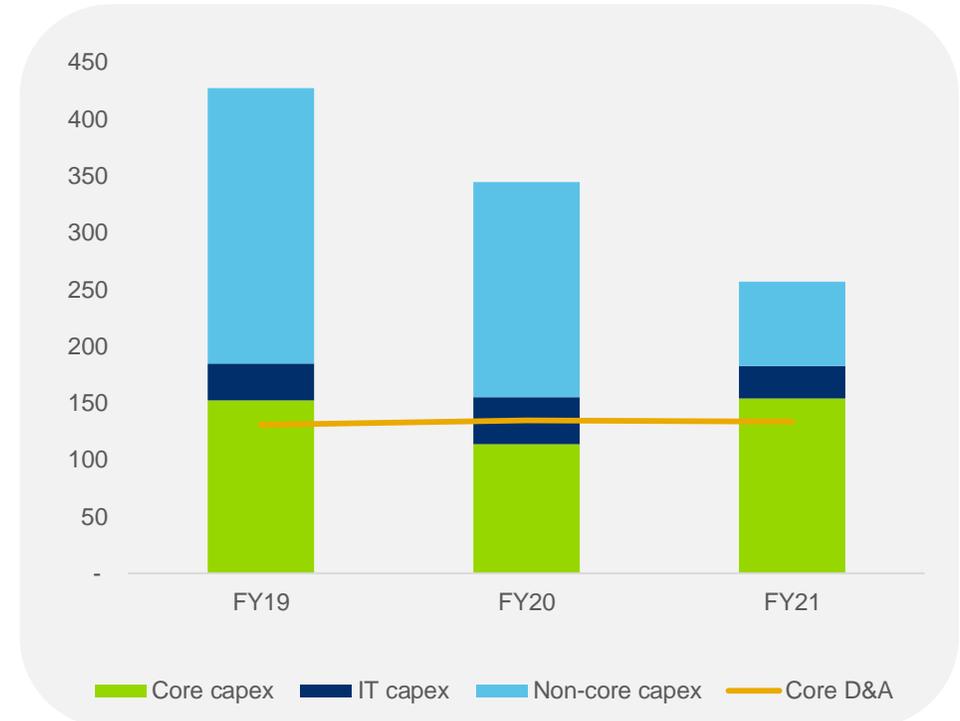
4. BIS Oxford Economics (2022), based on spend in Downer's Urban Services markets in Australia and New Zealand
 5. CAGR represents growth from FY21-25.

Cash generative and capital light Urban Services business model

Operating cash and capex

- Cash conversion has averaged 88% over the last 10 financial years to FY21 (93% excluding FY20)
- Maintenance capex in-line with depreciation and amortisation expense¹ (~\$135m)
- Lease cost ~\$150m predominantly related to property
- Capacity to grow.

Historical capex¹



1. Depreciation and amortisation expense excludes depreciation of Right of Use Assets

Capital allocation

Strong cash conversion and capital light business model enables value-enhancing capital management initiatives

Target 2-2.5x Net Debt to EBITDA
Maintain BBB Fitch rating

Bolt-on acquisitions

Growth capital projects

Share buybacks

Increasing dividends

Sustainability embedded in our approach to capital allocation

Driving Business Unit returns



Focus on margin improvement and optimisation post-divestment



Capacity for growth within defined risk appetite



Defined hurdle rates across the portfolio

Increasing shareholder value through a focus on business growth and efficient use of capital to deliver consistently growing EPS and DPS

FY22

Trading update

- Demand remains strong across the Business Units
- Strong contract awards / preferred status
- Challenges in 3Q:
 - Weather impact across the Australian Business Units
 - COVID-19 in NZ (now improving)
 - COVID-19 and weather impact YTD (\$50-60m) EBITA
- Core YTD EBITA (4.7%) vs Prior Year
- Expecting strong 4Q.

Immediate priorities

- Earnings and cash performance FY22
- Management of COVID-19, supply chain, workforce availability, contract pricing, cost management
- Pre-contract risk management.

FY23 and beyond

Looking through the noise

- Weighted average sector spend growth of 7-8% CAGR out to FY25
- We are in the right sectors, at the right time!
- Heavily leveraged to the New Energy economy
- Expect strong rebound in earnings in FY23.



Growth to net zero – Downer’s opportunity

- A net zero emissions future will require massive adjustments to almost all urban infrastructure but particularly power generation, power transmission and distribution, energy management and transportation.
- Downer’s technical bent is power!
 - Power generation
 - Transmission and distribution
 - Facilities management
 - Public transport
 - Road network management / road pavements
- Downer has invested heavily in the circular economy.

Capabilities across our portfolio in areas required for the journey to net zero



Low emissions electricity



Electrification



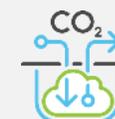
Energy storage



Energy efficiency



Alternate fuels



Carbon capture and storage



Land based solutions



Other emerging technologies





Julie Wills
Making our communities better

Environmental sustainability

Downer is committed to the decarbonisation of our absolute Scope 1 and 2 GHG emissions by 45-50 per cent by 2035 from an FY18 base year, and to being net zero by 2050.

Six key focus areas to ensure we meet our net zero commitments:

1

Increasing focus on urban services, which has seen a shift from high capital, carbon intensive industries to lower carbon activities

2

Continuing focus on energy efficiency and GHG emissions reductions

3

Decarbonising fixed assets with new technology and fuel switching

4

Decarbonising our fleet through EVs and alternate fuel vehicles

5

Increasing uptake of renewables, both on and off-grid

6

Reducing our Scope 3 emissions



Environmental sustainability

Emerging trends

- International Sustainability Standards Board's global sustainability reporting framework
- EU Taxonomy on financial reporting.

Downer's response

- Conducted internal review of Downer's most material climate-related risks and opportunities
- Evaluated the financial impact of different climate scenarios on Downer's value chain
- Commenced integration of climate considerations into capital allocation decision making.

This work has reinforced that Downer is a net beneficiary in the transition to a net zero emissions economy, with more significant opportunities than risks.



Social sustainability

Supporting our people

- Group-wide Inclusion & Belonging Strategy and Action Plan 2022-24
- Own Different campaign
- Enhanced and expanded suite of Learning and Development programs
 - Professional development courses
 - Soft skills programs
 - Expanded THRIVE, Downer's female leadership, professional development, and capability program
- Industry-leading safety performance.



Social sustainability

Supporting our communities

Mental health



Indigenous support



Workplace giving

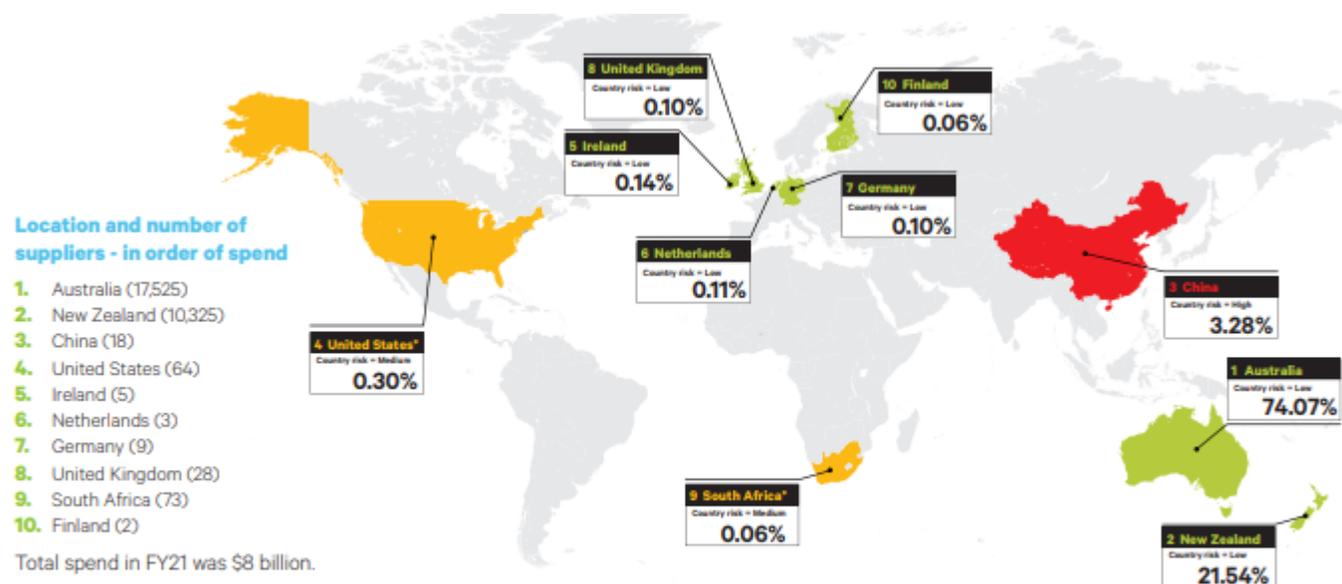


Governance

Modern slavery

Low exposure to modern slavery risk in supply chain, with **96 per cent** of FY21 supply chain spend in low risk countries.

- Refreshed modern slavery framework
- Updated company-wide documentation to enhance modern slavery risk assessment
- Established additional rigour around supplier due diligence and onboarding
- Third party review of Downer’s supplier onboarding process.



* A significant portion of Downer's spend in United States and South Africa relates to the delivery of Mining Services. In October 2021, Downer completed the sale of its Mining business - this will be reflected in the FY22 breakdown of supplier spend by location.

Supporting mental health

Downer prioritises the mental health and wellbeing of our people, their families and our communities.

- Inhouse Health team has trained more than 2,000 employees, who are now accredited Mental Health First Aiders
- Developed online course during COVID-19
 - Trained 790 people in first two years of pandemic
 - Online course endorsed by Mental Health First Aid Australia, and is being used globally, outside of Downer.



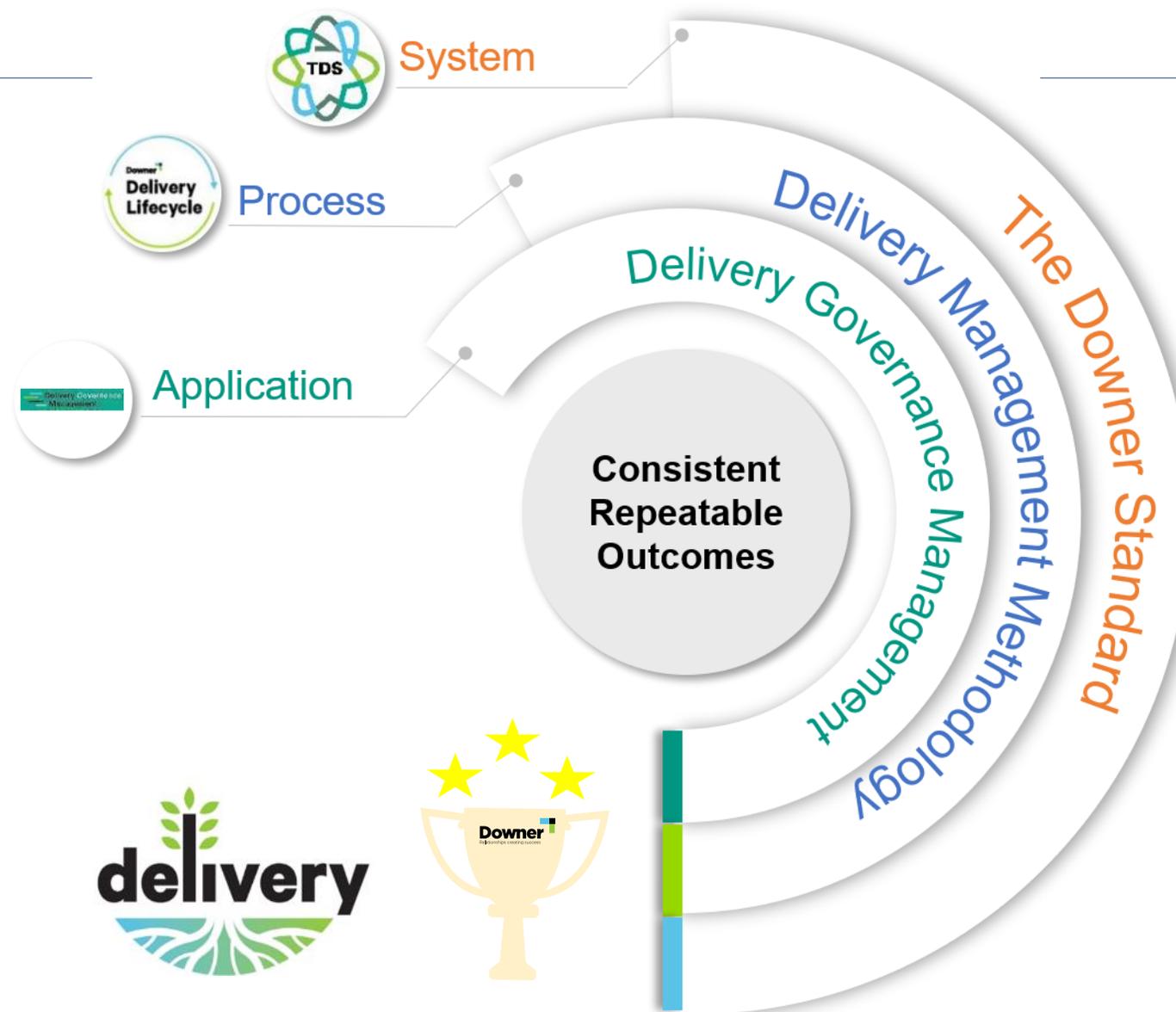


Peter Tompkins
Risk Management at Downer

The Downer Standard (TDS)

TDS is Downer's Integrated Management System, which:

- Applies across the entire organisation
- Provides the policy framework and guides our processes for decision making and governance
- Has content owners for all processes and lessons learnt / continuous improvement
- Includes the Delivery Management Methodology (DMM), as one of 17 'Process' areas that sits within TDS.



Downer's Delivery Management Methodology framed around the delivery lifecycle



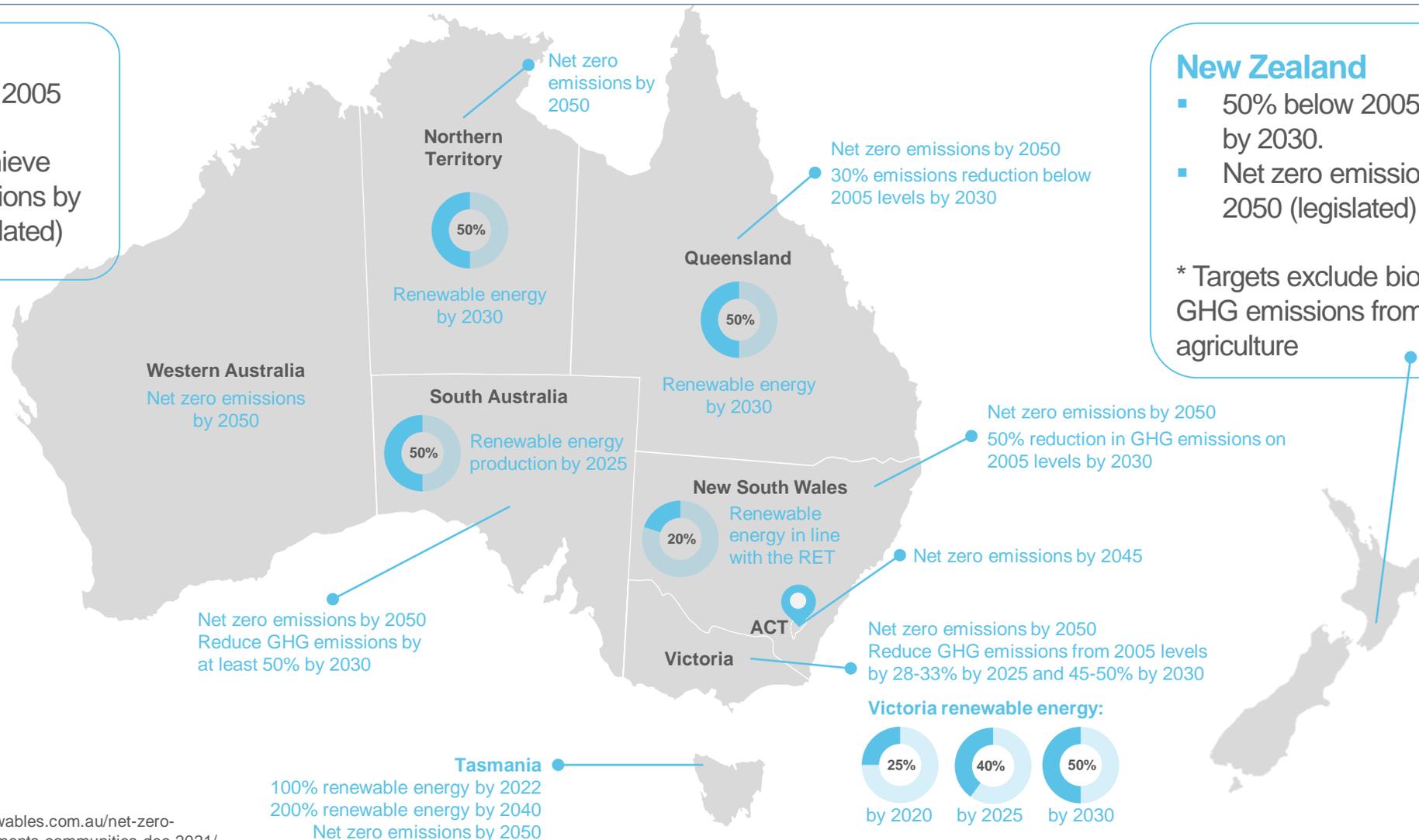


Ricky Bridge
Downer's role in
decarbonising the economy

Net zero targets

Australia

- 26-28% below 2005 levels by 2030
- Pledged to achieve net zero emissions by 2050 (not legislated)



New Zealand

- 50% below 2005 levels by 2030.
- Net zero emissions by 2050 (legislated)

* Targets exclude biogenic GHG emissions from agriculture

Source: <https://100percentrenewables.com.au/net-zero-leaderboard-states-local-governments-communities-dec-2021/>

Australia's emissions by sector

Australia emits around **634 million tonnes** of greenhouse gases each year.

Key sectors:

Power generation (electricity)

Agriculture

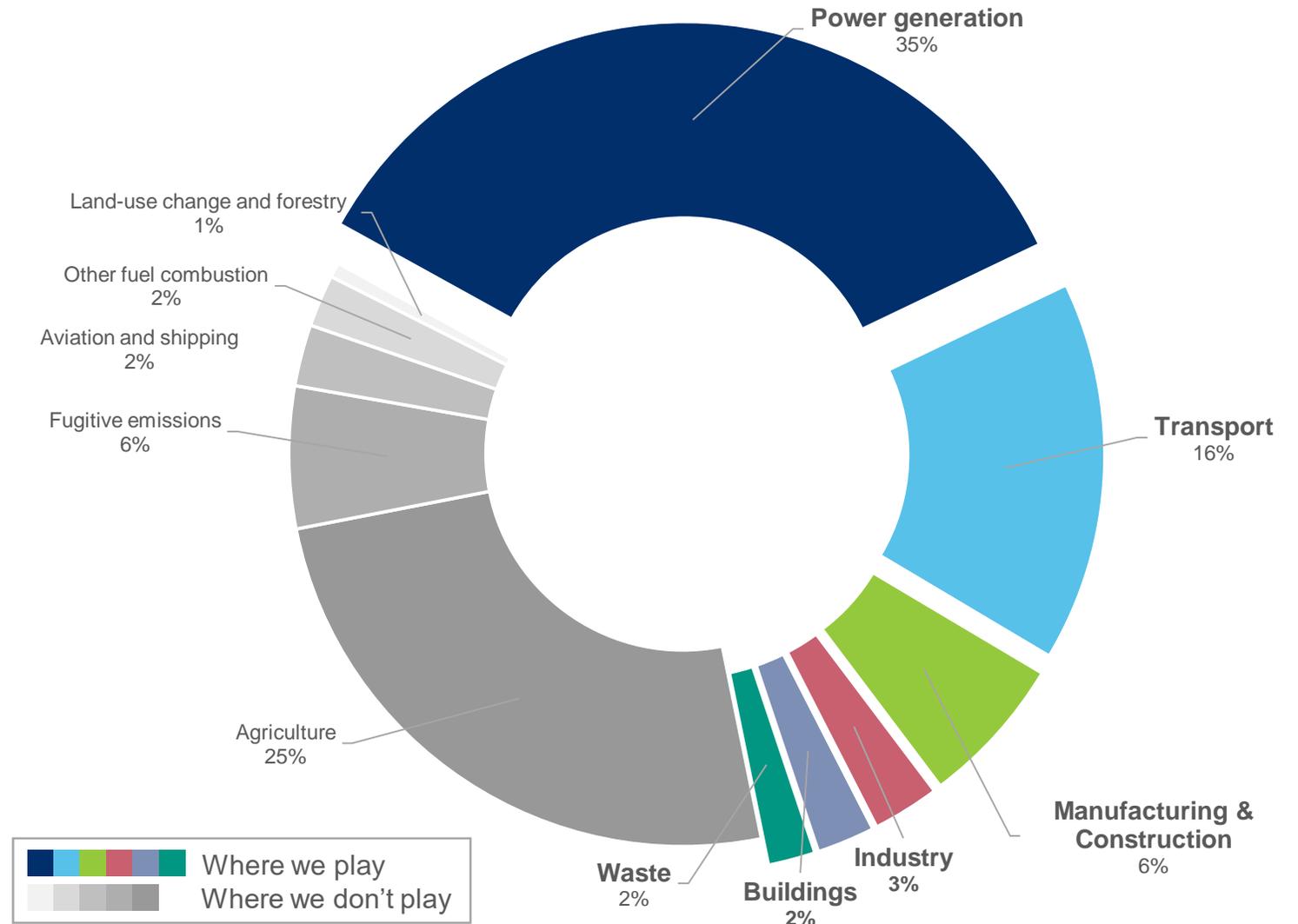
Transport

Manufacturing and construction

Industry

Buildings

Waste



New Zealand's emissions by sector

New Zealand emits around **86 million tonnes** of greenhouse gases each year.

Key sectors:

Agriculture

Transport

Power generation (electricity)

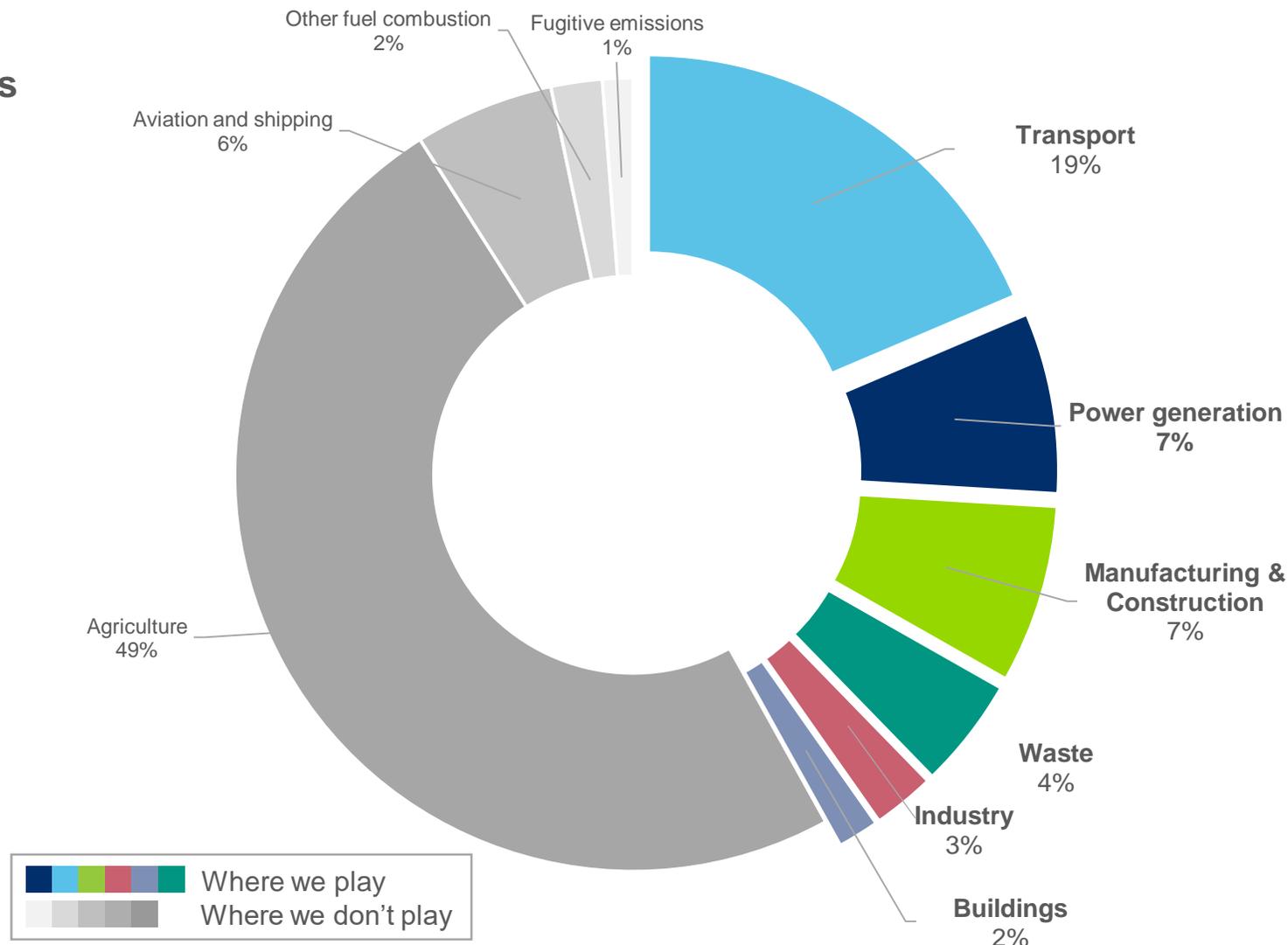
Manufacturing and construction

Aviation and shipping

Waste

Industry

Buildings

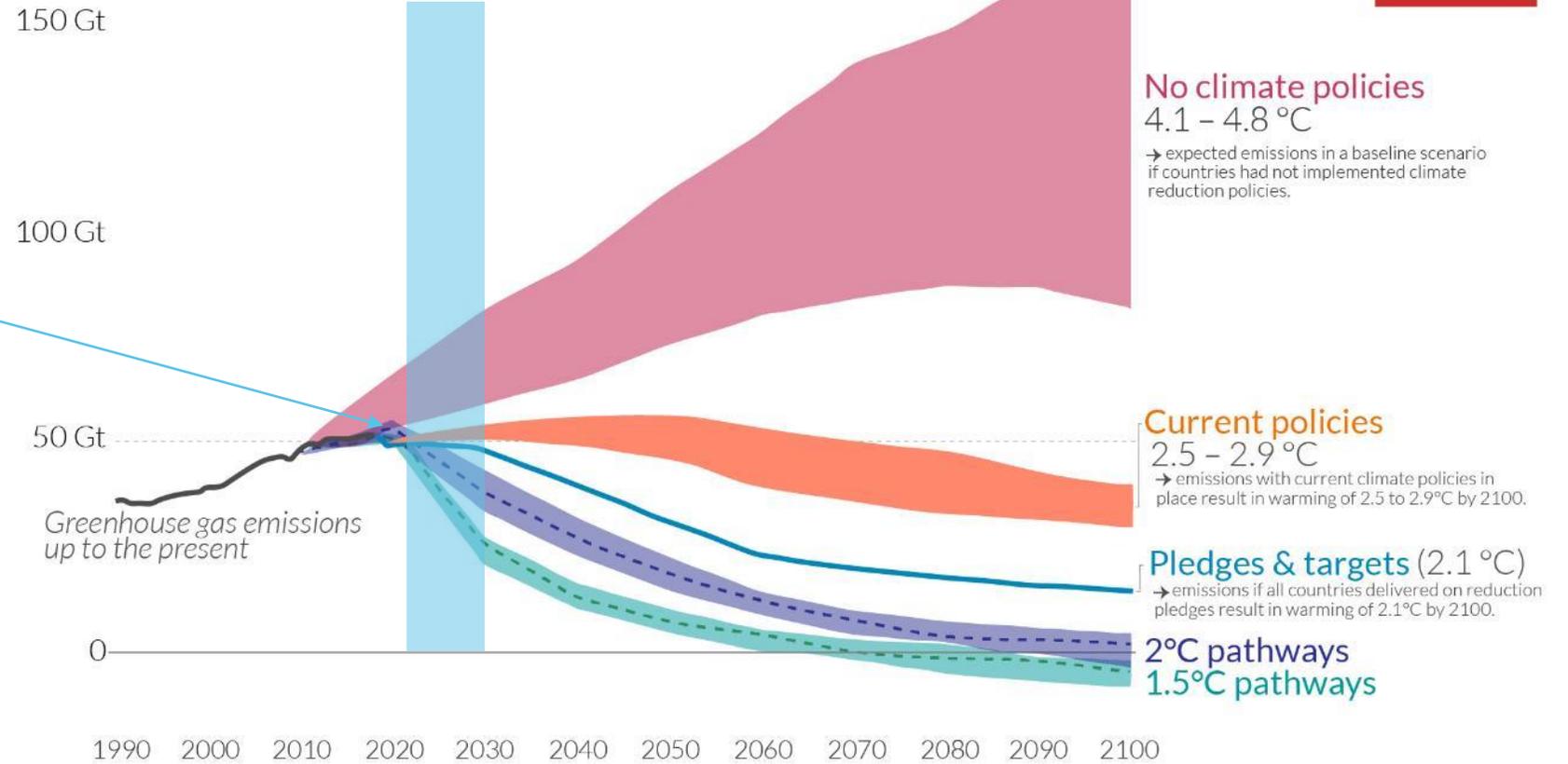


To achieve a 1.5°C pathway by 2050

A **rapid decline** in GHG emissions is required by 2030 to reach a 1.5°C pathway by 2050

We have **eight years** to achieve this

Annual global greenhouse gas emissions in gigatonnes of carbon dioxide-equivalents

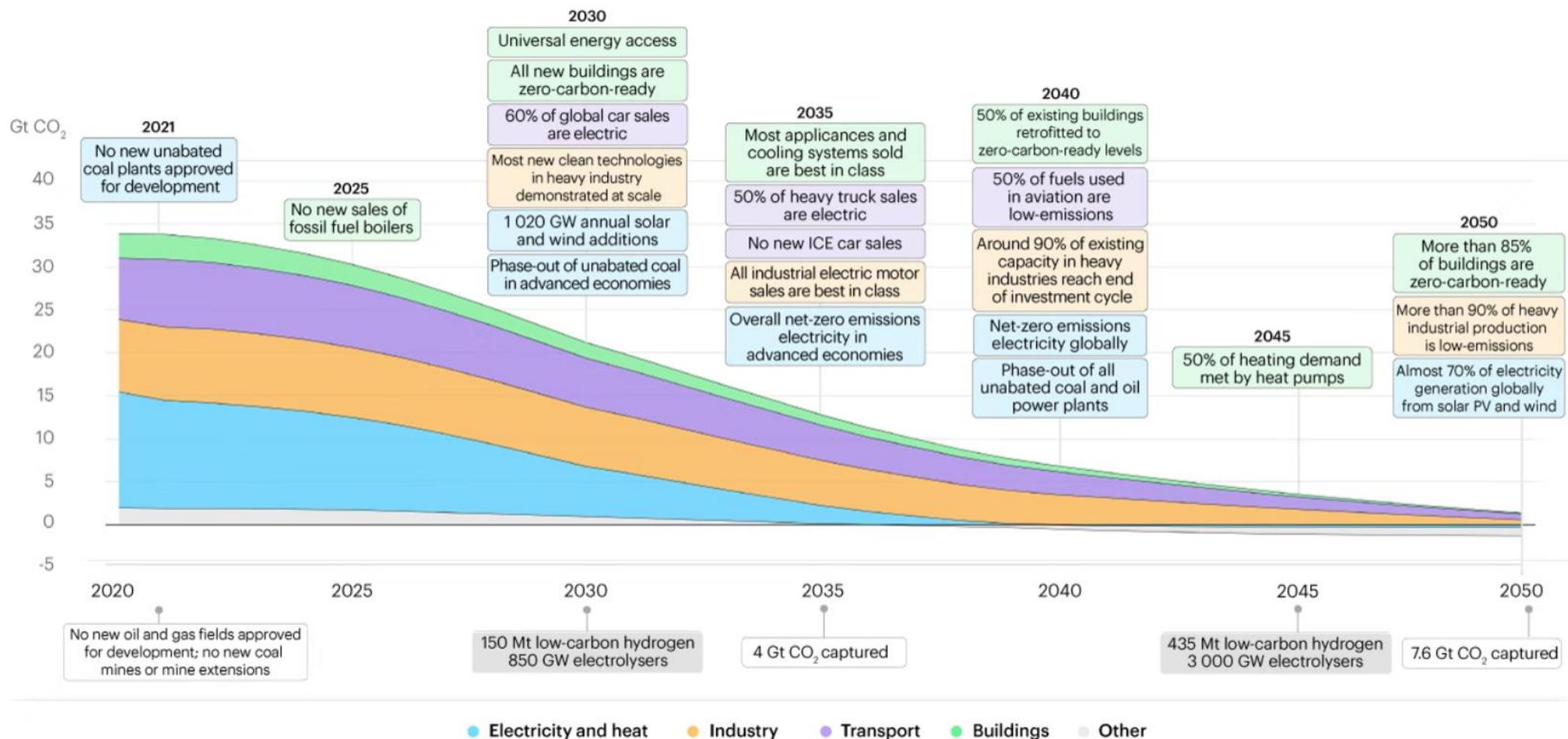


**Our World
in Data**

Data source: Climate Action Tracker (based on national policies and pledges as of November 2021).
OurWorldinData.org – Research and data to make progress against the world's largest problems.

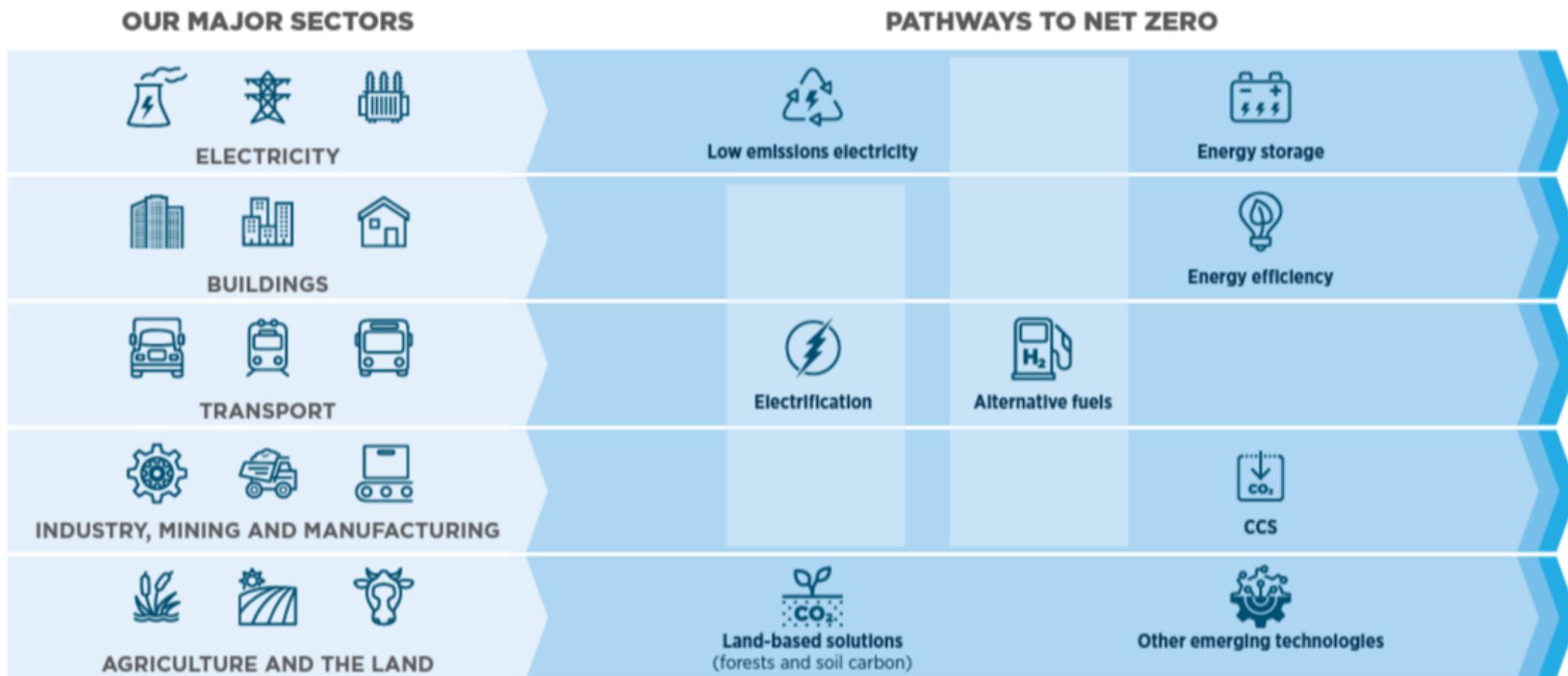
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International Energy Agency's 1.5°C pathway by 2050



Australia's long-term emissions reduction plan

Critical pathways to net zero for Australia's economic sectors



Downer's capability

		Program development	Program delivery	Operations and optimisation
		Strategy/Advisory	PMO	Operations and Maintenance
Low emissions electricity				
	Coal power generation – maintenance and closures	✓	✓	✓
	Gas powered generation – operation and maintenance	✓	✓	✓
	Renewables – wind, solar, hydro	✓	✓	✓
	Enabling infrastructure – HV transmission, LV transmission, substations	✓	✓	✓
Electrification				
	Buildings, road and rail networks and infrastructure	✓	✓	✓
	Public transport vehicles – trains, buses	✓	✓	✓
	Industrial Processes	✓	✓	✓
Energy storage				
	Large scale grid battery storage	✓	✓	✓
	Commercial and residential battery storage	✓	✓	✓
	Pumped hydro	✗	✗	✗

Downer's capability

		Program development	Program delivery	Operations and optimisation
		Strategy/Advisory	PMO	Operations and Maintenance
	Energy efficiency			
	Facilities, buildings, assets	✓	✓	✓
	Alternate fuels			
	Hydrogen and bio fuels (biodiesel, biogas)	✗	✗	✗
	Enabling infrastructure (e.g. Hydrogen hubs, distribution and storage network, refuelling stations)	✓	✓	✓
	Carbon Capture and Storage			
	Carbon capture use and storage technologies	✓	✓	✓
	Land based solutions			
	Forest, coastal and wetland restoration	✗	✗	✗
	High yield crops / farming techniques	✗	✗	✗
	Soil carbon sequestration – (e.g. biochar)	✓	✓	✓
	Other emerging technologies			
	Carbon removal technologies (e.g. Direct air capture)	✓	✓	✓
	New battery technology	✗	✓	✓



Pat Burke
Facilities & Asset Services

Business profile

- Largest provider of:
 - Shutdown and turnaround services across Power Generation and Industrial sectors
 - Largest provider of asset management and operations solutions to Health and Education sectors
 - Largest provider of property FM services to State Governments
- Emerging decarbonisation partner of choice
- Industry-leading technology capability
 - First successful digital twin operational BIM facility in Australia
 - First industry implementation of a blockchain solution
- Strong pipeline of new work and renewals
- Increasing work-in-hand profile.

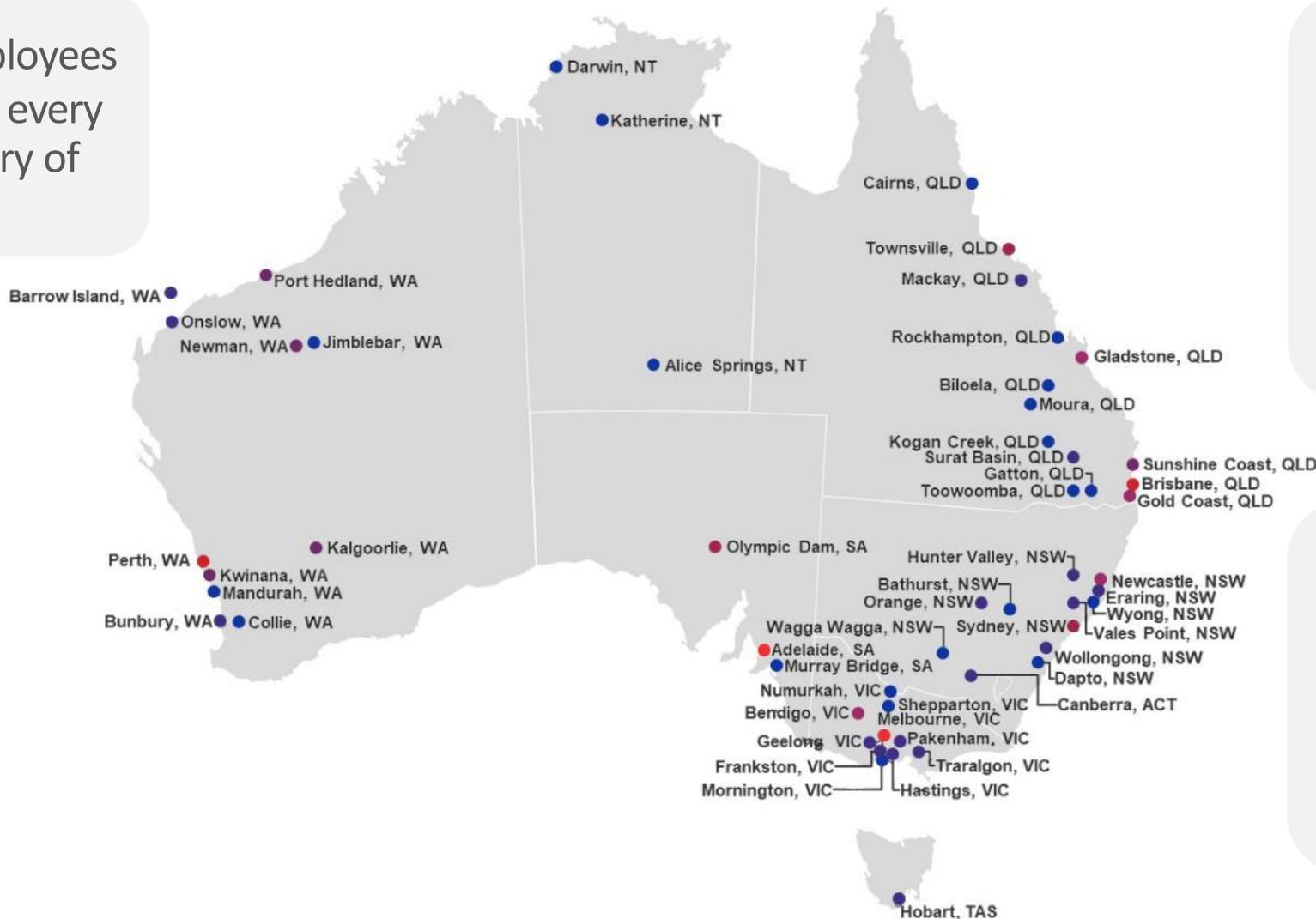
 Health & Education	 Government	 Asset & Development Services	 Power & Energy	 Industrial & Marine
<ul style="list-style-type: none"> ▪ Hospital PPPs ▪ Education PPPs 	<ul style="list-style-type: none"> ▪ Government buildings ▪ Social housing ▪ Transport facilities ▪ Justice 	<ul style="list-style-type: none"> ▪ Integrated Facilities Management ▪ HVAC ▪ Projects ▪ Technical services ▪ Building management services 	<ul style="list-style-type: none"> ▪ Power Generation ▪ Coal Seam Gas ▪ Liquefied Natural Gas ▪ Terminals and refineries ▪ Petrochemical ▪ Next Gen technologies ▪ DMH ▪ Energy transition 	<ul style="list-style-type: none"> ▪ Heavy industrial ▪ Electrical projects and manufacturing ▪ Port infrastructure ▪ Minerals processing ▪ Technical services

17 Health & Education PPPs	287,000 buildings maintained
60 Education Facilities supported	2.9million active assets
30,000 students attend Downer serviced education facilities	100,000+ social housing dwellings maintained

Management of 340MW of solar power generation	130+ shutdowns each year
Partnering with BHP for 50 years	Equivalent of 1.6m cars removed p.a. via decarbonisation projects

National footprint

14,000+ employees operating across every State and Territory of Australia

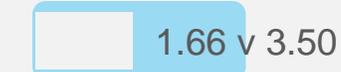


Safety (Actual v Target)

LITFR



TRIFR



As at February 2022

Number of employees



Market outlook

Power & Energy

- Energy transition is the primary challenge and opportunity. Downer’s deep capabilities, combined with our global strategic partnerships, position us for growth
- Business has established the Future Energy Solutions team responsible for decarbonisation and hydrogen initiatives, as well as leveraging our alliance with Mitsubishi Power and other OEM partners for future energy solutions.

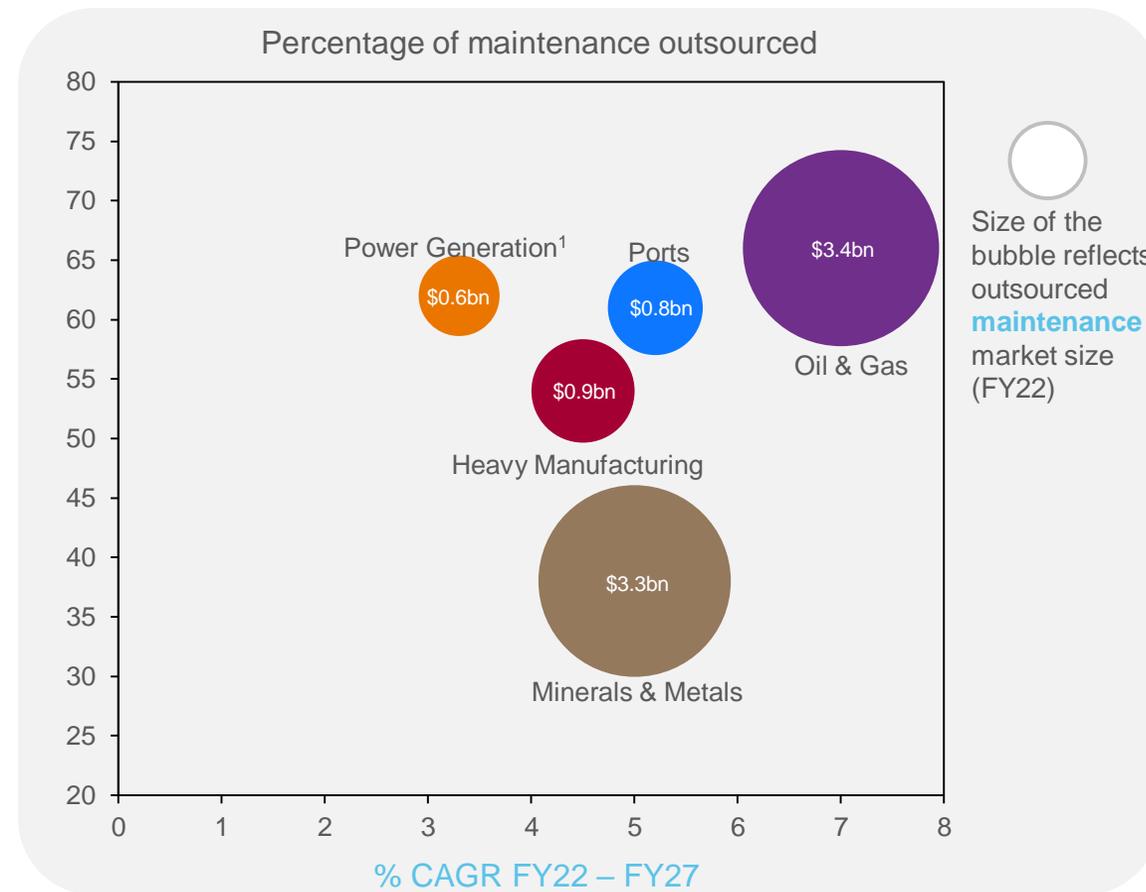
Industrial & Marine

- Reinvigoration of sovereign manufacturing capability and aging industrial infrastructure positions us well to pursue emerging opportunities in decarbonisation, maintenance, and asset remediation.

Recent wins and pipeline



FY22 Outsourced Maintenance Market



1. Market size and CAGR growth from BESS, hydrogen and other future energy opportunities are currently excluded from data
Source: BIS Oxford, Maintenance in Australia – 2022, Deloitte market analysis, Downer analysis
Note: Analysis in nominal terms, market size shown in billions of dollars

Market outlook

Health & Education

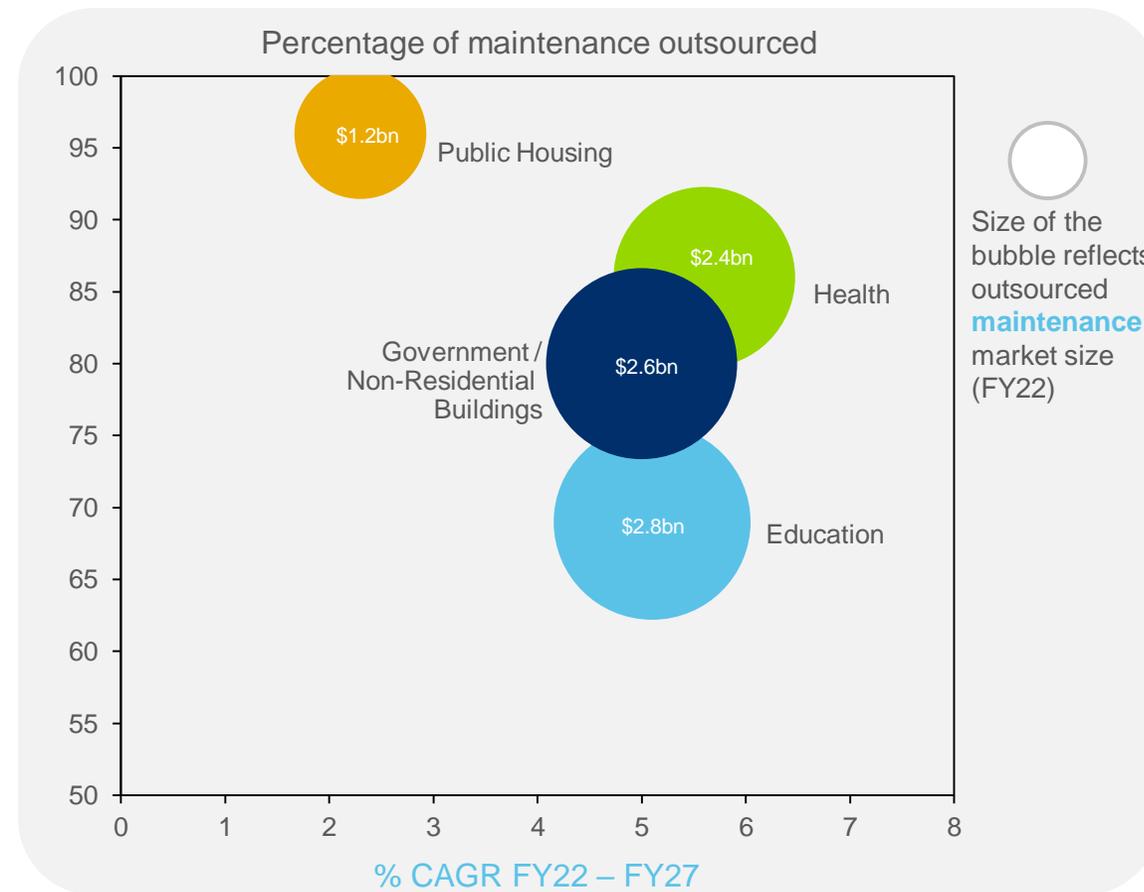
- Favourable market outlook underpinned by population growth and higher community expectations post-COVID. Downer is well positioned for growth and targeted strategic expansion
- Reviewable services at both Royal Adelaide and Bendigo hospitals renewed
- Key renewals and extensions including:



Government

- Significant growth opportunities, leveraging our national footprint, our asset and energy management expertise, and technology
- Winning new work, including NSW Police Force capital works services and Metro Trains cleaning.

FY22 Outsourced Maintenance Market



Source: BIS Oxford, Maintenance in Australia – 2022, Deloitte market analysis, Downer analysis

Note: Analysis in nominal terms, market size shown in billions of dollars

Decarbonisation and energy transition

Our extensive capabilities, leadership in industry forums and global partnerships position us as the emerging decarbonisation partner of choice.

Transitioning our customers' assets to new technology

Changing the way customers operate, maintain, and modify their equipment

Helping our customers navigate through structural change, including transitioning workforces

Key current projects helping our customers decarbonise

- Supported Chevron in delivering the world's largest carbon capture and storage (CCS) project, the Gorgon CCS System, storing up to 4Mt of CO₂ p.a.
- Supported Santos in the ECI for their Moomba CCS project, which will safely and permanently store 1.7Mt of CO₂ p.a.
- Operate and maintain three solar farms, generating 340MW
- Performed various engineering studies for our power station customers modelling different operating parameters and various technology options
- Providing in-house specialist engineering advice and project management support for our customers' decarbonisation strategies
- Supporting Santos with various electrification and decarbonisation projects.

Where do we see the opportunities?

Assets transitioning to newer technologies

- 19 major coal-fired power stations (17GW)
- Significant number of other assets including traditional power generation assets supporting industrial sites.

Solution focus areas include:

- Building energy management systems
- Energy storage solutions (e.g. BESS, pumped hydro)
- Fuel conversion
- Renewable power generation
- Hydrogen
- Production technology changes (e.g. green steel)
- Grid stabilisation (e.g. synchronous condensers)
- MicroGrids
- Carbon capture/conversion solutions
- Fugitive emissions reduction.

Case study: Eraring Power Station

Location: Eraring, NSW

Overview

- Eraring Power Station is Australia's largest power station, supplying 10.5 per cent of power to the National Electricity Market
- Downer was awarded the Consolidated Maintenance Contract (CMC) at Eraring Power Station in March 2018, responsible for delivering maintenance services.

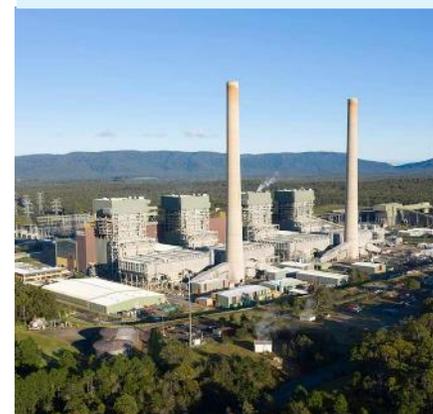
Scope: Responsible for delivering maintenance and overhaul services to mills, filters, turbines, water treatment plants, compressors and other critical components and processes.

Strong partnering

- Jointly transitioned to a new state with an integrated and co-housed workforce
- Transparent model delivering high levels of trust
- Zero Harm and continuous improvement focus.

Transition: Working with Origin to support timing and approach to asset decommissioning. Focus areas include:

- Late-life asset management and asset re-life planning
- Workforce transition, with a focus on retaining and re-skilling existing skillsets for new technologies.



Utility scale solar farm operations and maintenance

In addition to Design, Build and Commission, Downer delivers solar farm Operations and Maintenance Through-Life-Support.

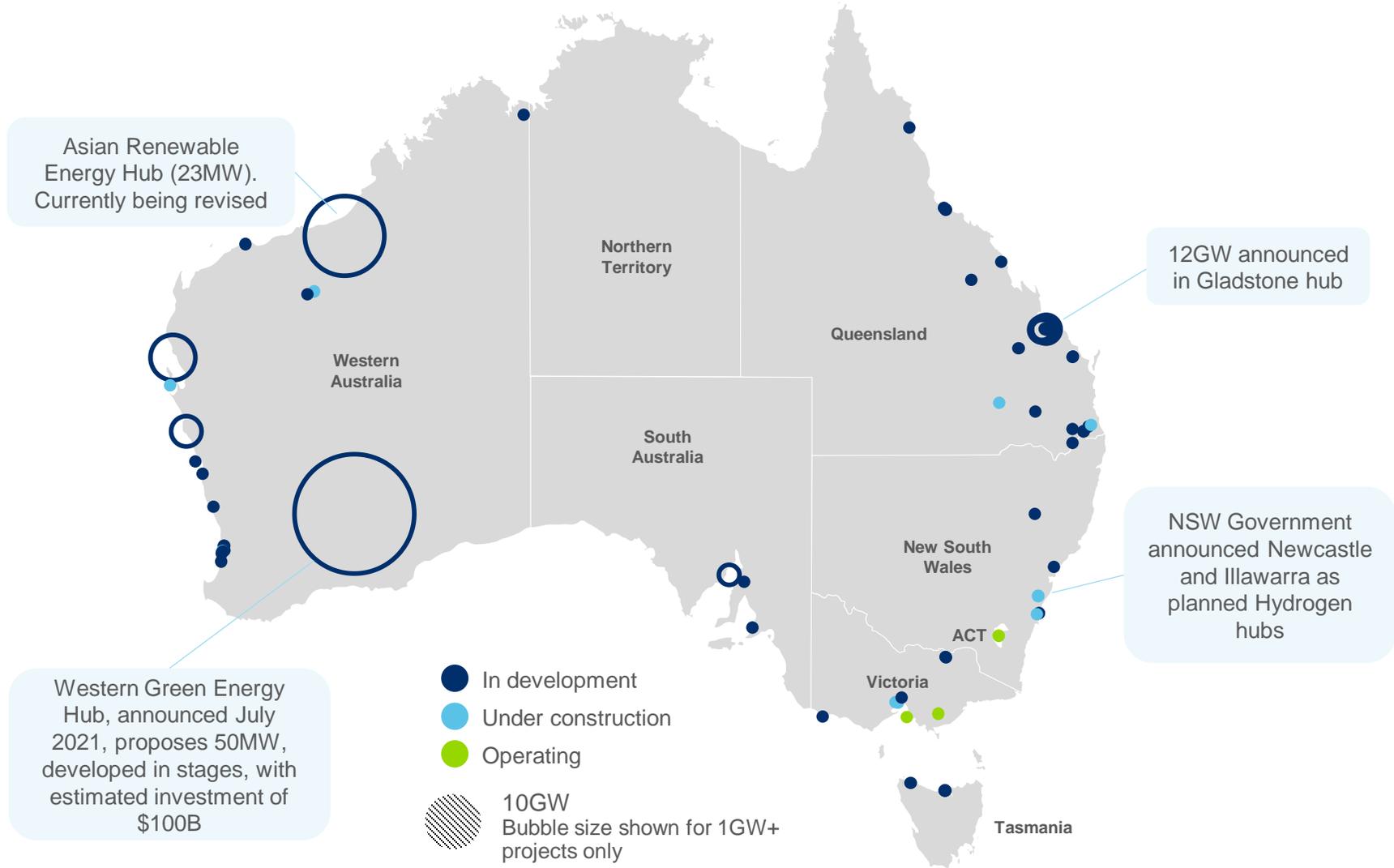
- 340MW total (solar)
- 1.18M solar panels
- Over 1,250 hectares
- Six FT local operators at each site (average)
- Providing regional opportunities for training and ongoing employment.



Hydrogen update

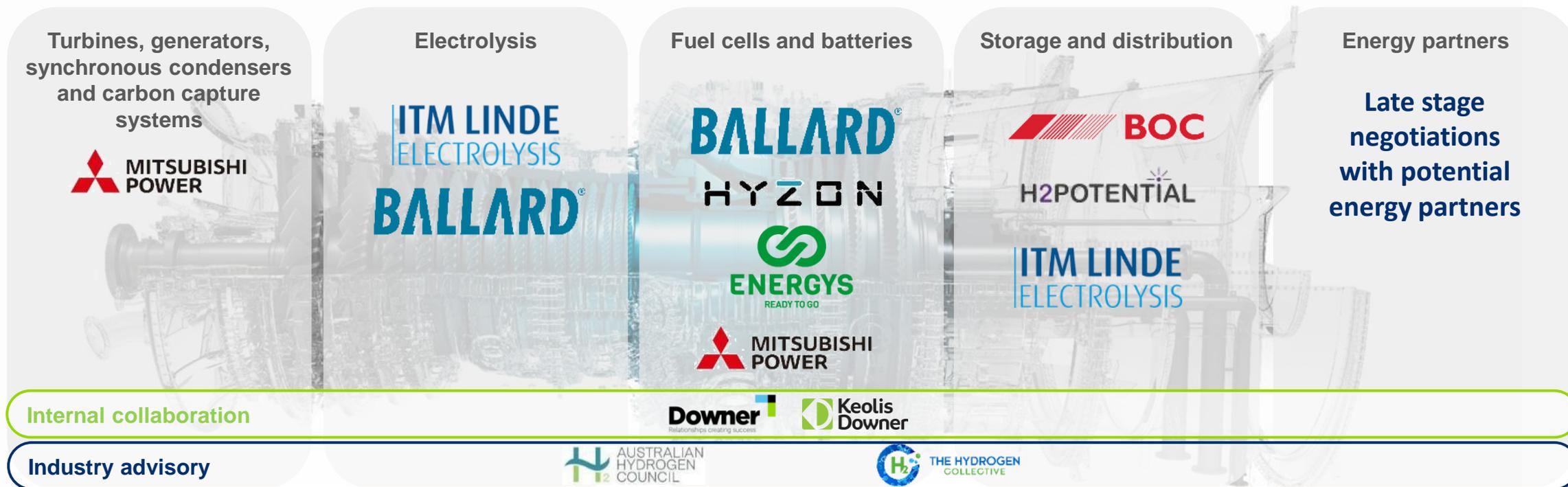
Strong pipeline underpinned by prime location, our proximity to Asia, support from State and Federal Governments, and industry leadership.

Australia has the **largest green hydrogen project pipeline in the world**, exceeding **90GW** (sufficient to produce more than 1 million tonnes of hydrogen) announced capacity, with proposed investment of more than **\$200 billion**.



Source: AusH2 Portal, Downer research and analysis

Strategic partnerships provide a competitive advantage



Downer believes hydrogen is one of the most promising pathways to decarbonisation.

To support our customers, Downer is establishing the capabilities and partnerships to be the technical and thought leader in the industry.

Area of expertise.

We are already playing in this market. Downer's businesses are currently working on infrastructure to inject hydrogen into Victoria's domestic gas network, and developing proposals with CS Energy for a hydrogen solution at Kogan Creek.

Royal Adelaide Hospital – what we do



Manage fleet of 25 automated guided vehicles (AGVs)



110 theatre setups completed each day



Maintenance of building area of 216,000 square metres



AGVs complete 1,150 deliveries per day and travel 11,680km per year



25,000 calls taken by helpdesk per month



Maintenance and lifecycle management of over 130,000 assets



Over 1,200 patient transports are completed weekly



Over 2 million kilometres of structured cabling maintained



Provision of 24/7 security



Planning, preparing, and delivering 3,600 meals per day – factoring in 90 different dietary requirements



Emergency response time of less than five minutes



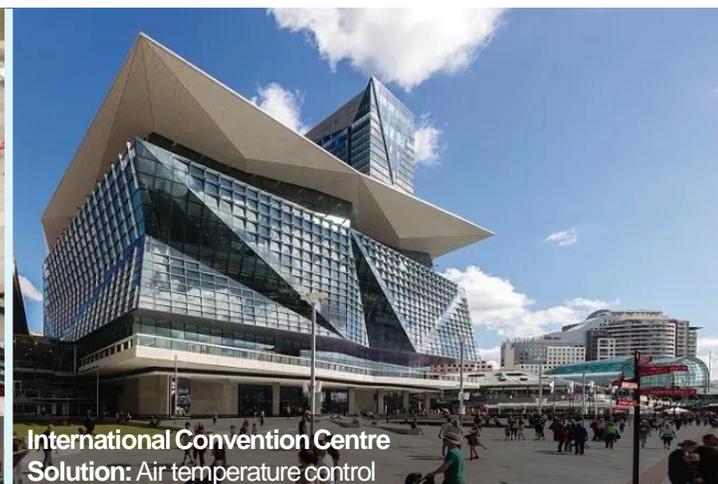
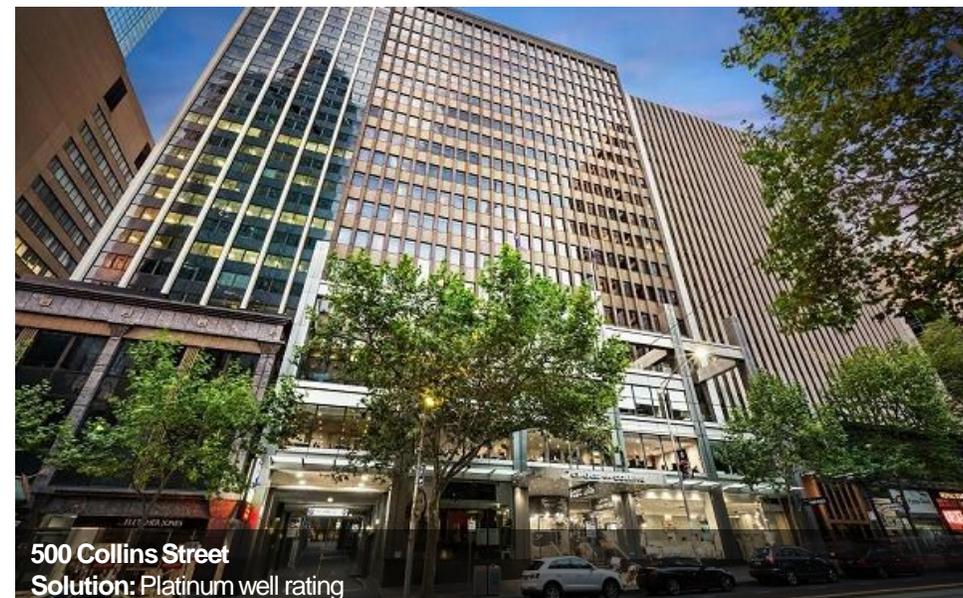
621,600 sheets of hand towels refilled weekly

Energy efficient solutions

Our Asset & Development Services team continues to focus on key elements of a customer's asset portfolio through a multi-layered product and services focus to support our customers in delivering sustainable buildings and facilities.

Core deliverables focus on elements of a customer's asset portfolio in order to provide decarbonisation, energy savings and improved indoor air quality, such as:

- BMS monitoring filtration and air flow assessment
- Air flow and filter management
- Germicidal Ultraviolet and thermal management.



Clean air solution

Downer's initiative revolves around a Clean Air Solution – a true bespoke engineered solution, backed by Downer's sustainability objectives and more than 100 years of leadership within the HVAC industry. Through a partnership program with our customers, the three key elements revolve around:



Current and future sectors benefiting from our decarbonisation initiatives:

- Hospitals
- Commercial buildings
- Airports
- Gaming facilities
- Theatres
- Shopping centres
- Defence facilities
- Government offices and schools.

Where do we see the opportunities?

COVID-19

- To use a mix of leading technologies in the products and services to help customers address current pandemic concerns
- Targeting a reduction and associated risk of airborne contamination through particle removal and improved indoor air quality result more than 99.5 per cent.

Energy costs

- An optimised operation of existing assets through improved asset life and a reduction of energy consumption in excess of 10 per cent.

Carbon footprint/decarbonisation

- Partnership programs with customers to effectively design, implement and maintain key global standards, such as WELL, Greenstar, and NABERS, contributing to a net carbon reduction usage.

Case study: Melbourne Connect Precinct Digital Twin

Stakeholders

- University of Melbourne PPP
- Built by Lendlease
- Operated by Downer.

Project scope

- \$500 million build with over 100,000m² in gross floor area
- Three towers – student accommodation, high-rise and low-rise
- Fabrication laboratory and science gallery
- Integrate 3D geometry, floor plans, all assets, documents, work orders and other data into a single, centralised system.

Key outcomes

- Implementation of a digital twin operational BIM facility
- Advanced data and analytics, AI and machine learning capabilities
- Optimisation of green credentials (including energy consumption and waste minimisation) and maintenance costs
- ISO 19650-3 2020 certification underway (first certified operational BIM facility in Asia-Pacific).





Mark Mackay
Infrastructure Projects

Business profile

- Infrastructure Projects provides a niche construction offering in the Power and Transport sectors
- Our inhouse Engineering Services and Rail Systems Engineering sub-Business Units provide a point-of-difference in the Power and Transport construction markets
- One of Australia's largest and most experienced providers in the renewable energy market and power systems.



Power

- Transmission lines
- Substations
- Solar
- Battery energy storage
- Wind Balance of Plant



Transport

- Rail infrastructure
- Rail maintenance and renewal
- Rail systems engineering, signalling, communications
- Road and bridge construction
- Adjacent markets such as Water and Defence



Engineering

- Engineering Procurement & Construction (EPC)
- Power and renewables
- Rail
- Water
- Systems engineering and assurance



Parramatta Light Rail, Sydney. Bridge lift over James Ruse Drive



Numurkah 128 MWp Solar Farm, Victoria



Eyre Peninsula Transmission line, SA

Ongoing investment creates strong pipeline

Sustained investment in Transport and Power infrastructure projects

Power & Renewables

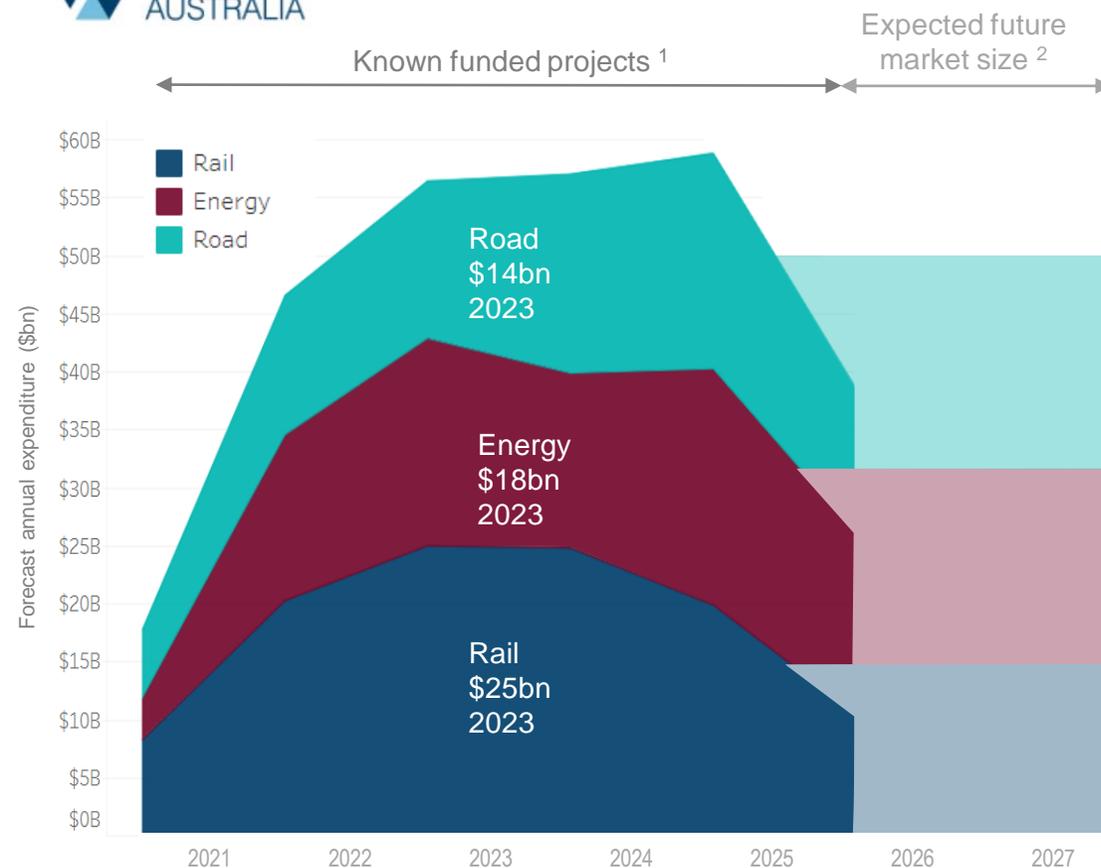
\$70bn pipeline
of which **\$40bn** Transmission & Substations

Roads, Rail & Civil

\$90bn
of which **\$40bn** Rail

Strategic selection criteria “swim lanes” guide our pursuit of opportunities. We know **where we will** and won’t play.

Strategic alignment	Commercial model	Opportunities
	Customer	
	Capability	



1. Source: Infrastructure Partnerships Australia, March 2022
 2. Source: Downer estimates based on announced funding expectations

No transition without transmission

Significant transmission build-out required to support the renewable energy transition

- 45,000km of HV transmission currently in Australia
- Additional 10,000km required over 10 years
- \$20bn transition funding proposed by Federal Labor
- Current industry capacity of 700km p.a. is inadequate
- Downer has a 70-year heritage of transmission line construction in Australia.

Market characteristics

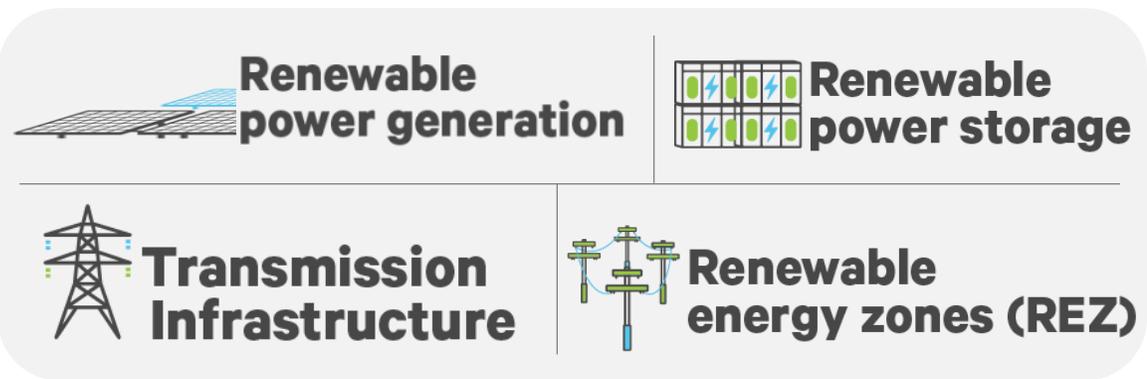
- High barriers to entry
 - Regulation
 - Accreditations
 - Blue collar competencies
 - Specialist plant
- Premium margins
- Limited credible competitors.

Trusted provider to all National Electricity Market (NEM) transmission asset owners



Power infrastructure

Downer's Infrastructure Projects business is positioned to benefit from unprecedented private sector and government investment in power infrastructure.



Select major project recent wins

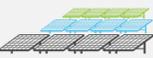
 **SA Project Energy Connect**
\$200m

 **Eyre Peninsula Link**
\$245m

Short term target opportunities

 **Central West Orana**
\$700m

 **Western Victorian Transmission Network**
\$200m

 **Pilbara Solar Farm**
\$500m



Case study: Renewable generation and storage



Project

Chichester Solar Farm in Western Australia – a 60MWp output completed in 2021.

Project scope

- 60MWp output solar generation facility
- 60km transmission line, connecting FMG mines.

Key outcomes

- Daytime operations at FMG mines to be powered by renewable energy
- The project is expected to displace 100 million litres of diesel generation annually from the Pilbara.



Case study: Battery Energy Storage System



Project

Ballarat Energy Storage System, Ballarat Area Terminal Substation, completed in 2021.

Project scope

Grid connected 30MWh of energy storage at 30MW Battery Energy Storage System (BESS)

Key outcomes

- First standalone BESS installed in front of the meter and directly connected to the transmission network in Australia
- Improved network stability and reduced congestion in Victoria's electricity grid. Assisted in the management of price volatility and reliability risks during high demand periods
- Capacity to power over 20,000 homes for more than an hour before being recharged.



Transport infrastructure

Downer's Infrastructure Projects business has been fuelled by significant investment in road and rail infrastructure.

Ongoing government investment in transport

<p>Roads upgrades</p> 	<p>Metro systems</p> 
<p>Faster rail projects</p> 	<p>Transport Access Program</p> 

Having built a strong order book, our recent focus has been to improve the quality of earnings through:

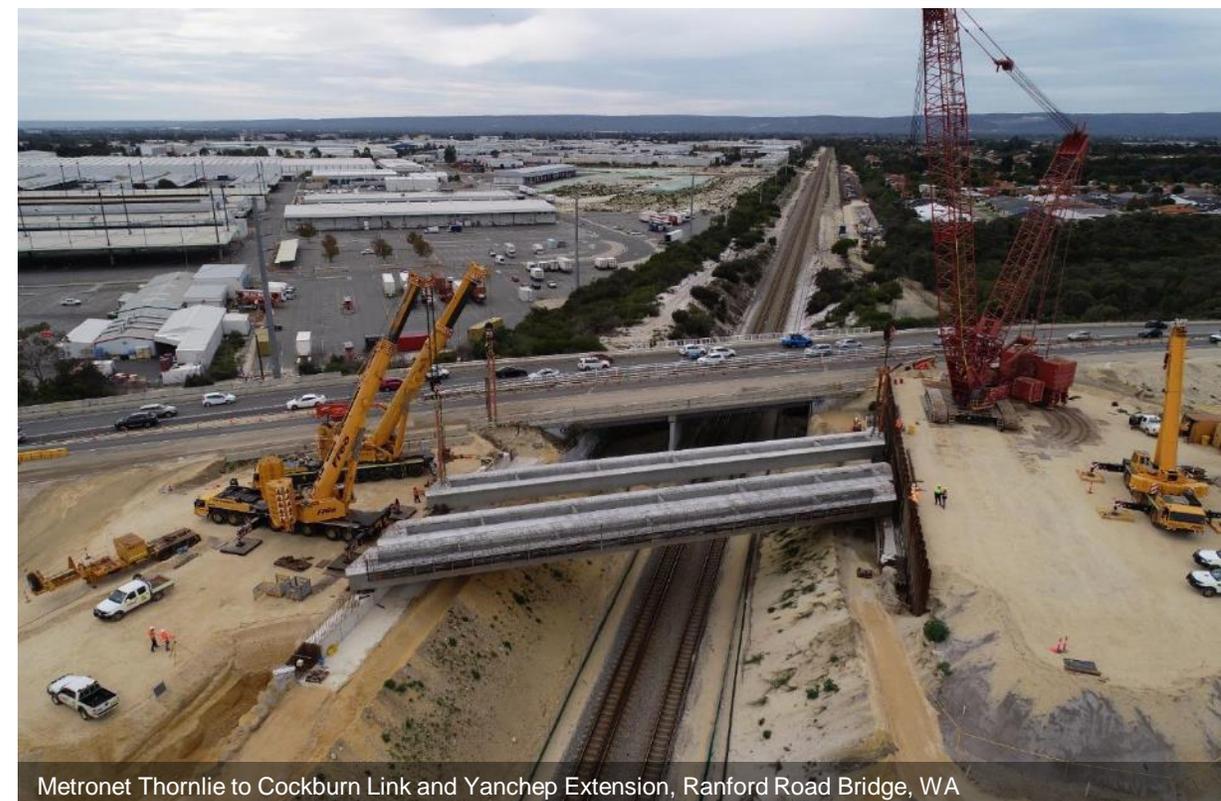
- Improved **contracting terms** with long-term customers
- Growing sources of **recurring work** comprising of long-term contracts, panel positions, and/or regular work with key customers with a high likelihood of conversion.

Select major project recent wins

Warringah Freeway Upgrade
\$400m

Warrn Ponds Duplication
\$300m

RAAF Williamtown Upgrade
\$200m



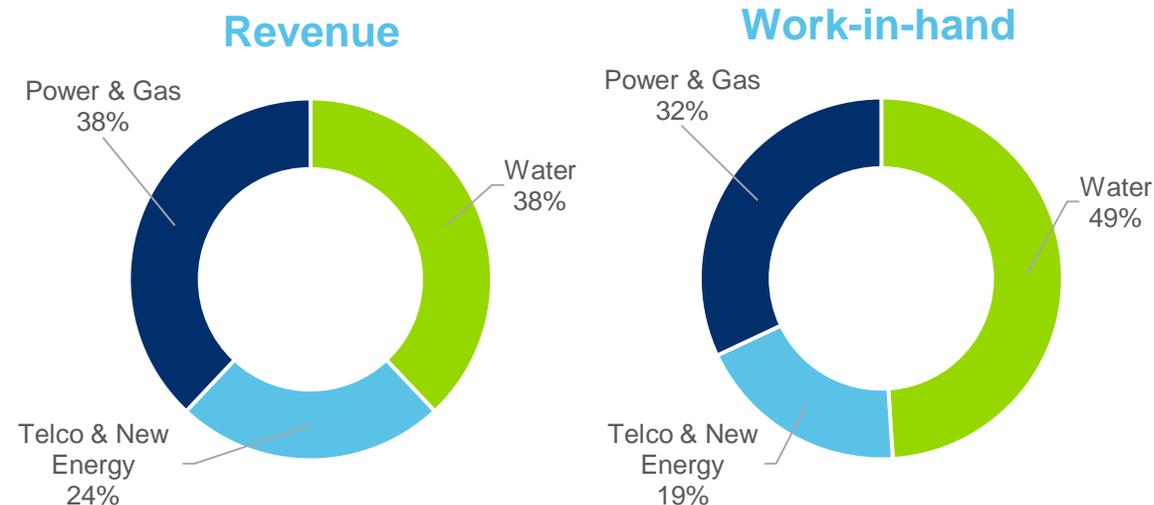
Metronet Thornlie to Cockburn Link and Yanchep Extension, Ranford Road Bridge, WA



Jim Kafanelis
Utilities

Business profile

- A balanced portfolio, well-diversified across Water, Telco, Renewable Energy, and Power & Gas
 - Effectively transitioned away from NBN construction
- Offer unique, innovative solutions driven by our internal engineering capability and IP
- Well positioned to capitalise on opportunities in the market due to having long tenure customers and a broad geographic footprint
- Growth opportunities in short to medium term from significant spend in all sectors of Utilities.



#1 Outsourced utilities provider
across all markets

> 1 million
electrical assets inspected

2 Industry Safety Awards

Maintain and operate
> 100,000km
electricity and gas networks

6,400 NBN fault restorations completed
Visited **> 50 million** properties to conduct metering services

Delivered **880,000** work orders

10% reduction in Scope 1 & 2 emissions

Vision – The leading Australian Utilities partner



Power systems

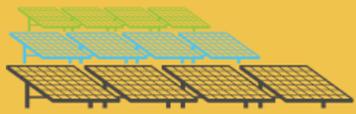
Substations

Traction **substations** and feeders

Transmission

Solar

Commercial solar on facilities and estates



Engineering Procurement and Construction

Wind

Tower **foundations**

Road network

HV reticulation

Turbine erection



Water

Storm, waste, potable water pipelines

Meter reading

Design, construct and program of works

Thermal biosolid removal solutions



Power & gas networks

Fix faults

Upgrade assets

Meter reading

Asset management and inspections

Network availability



Technology & Communications

Residential power solutions

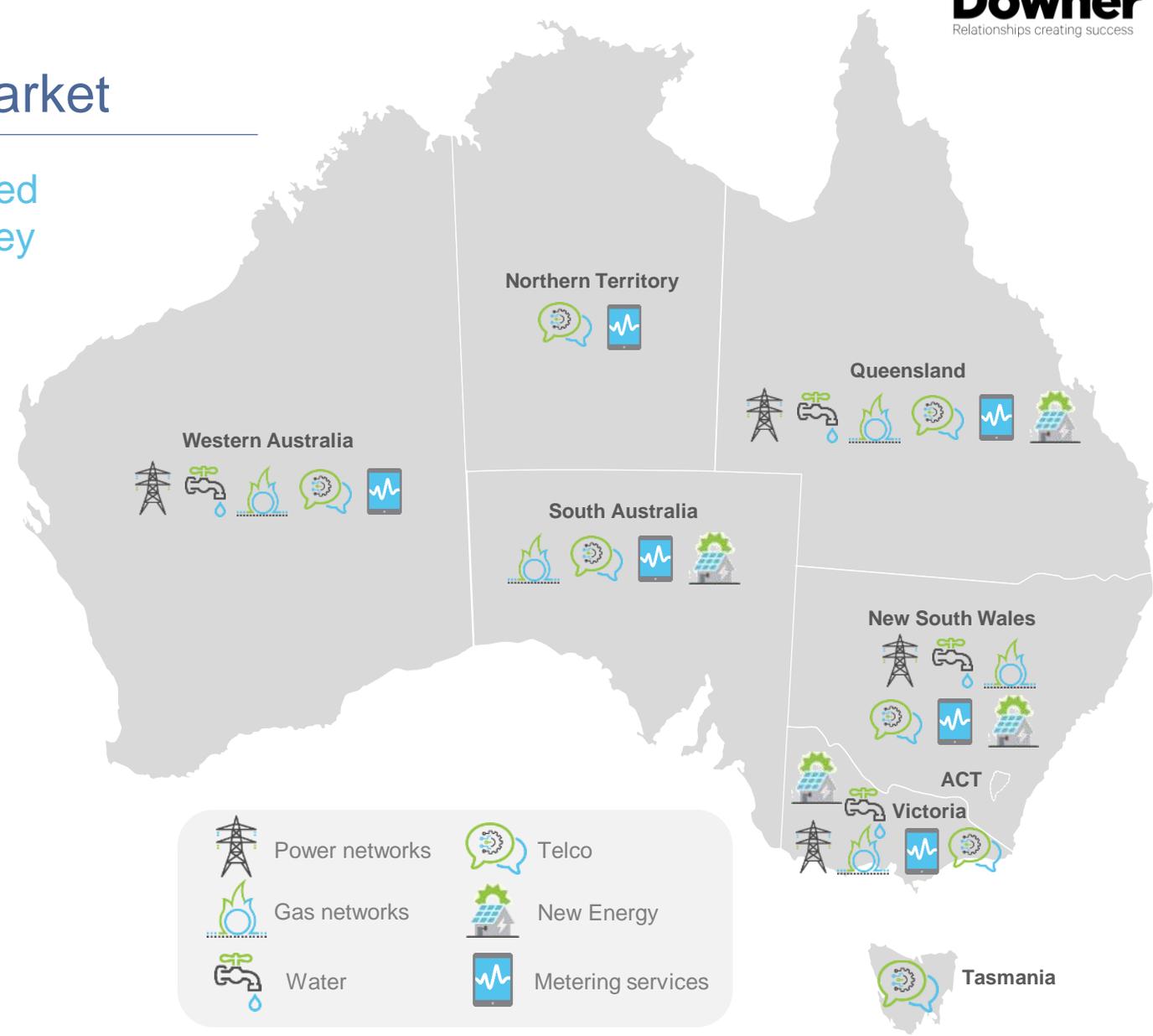
Design and build communications solutions

Technology partnerships



Diversification by State and end market

Our strategy ensures current sources of secured revenue have been evenly spread across all key Utilities sectors including Telco, Renewable Energy, Water, and Power and Gas.



A collection of logos for various utility and service providers in Australia, including:

- icon WATER
- TELSTRA
- Yarra Valley Water
- Greater Western Water
- Ausgrid
- Multinet Gas Networks
- TESLA
- EnergyAustralia
- Melbourne Water
- nbn
- origin
- SA Water
- agl
- UrbanUtilities
- LOGAN CITY COUNCIL
- Sydney WATER
- essential energy
- united energy
- OPTUS
- western power
- Jemena bringing energy to life
- Powercor AUSTRALIA
- South East Water
- AusNet services
- Energy Queensland
- ATCO
- apa
- CITY OF GOLDCOAST

Legend for end market icons:

- Power networks
- Gas networks
- Water
- Telco
- New Energy
- Metering services

Case study: Renewable Energy in Queensland Schools

Project

Advancing Clean Energy Schools

Customer

Queensland Department of Education

Contract type

- Engineering, Procurement & Construct
- Operations & Maintenance, and Measurement & Verification.

Project scope

- Approximately 600 schools receiving rooftop solar and other energy conservation measures
- Deployment of 60MW of solar capacity.

Key outcomes

- \$20m in annual energy savings.



Case study: Helping our customers in their net zero initiatives

Project

Loganholme Wastewater Treatment Plant

Customer

Logan City Council

Contract type

- Engineering, Procurement & Construct
- Operations & Maintenance.

Project scope

- 2MW PV Solar Farm.

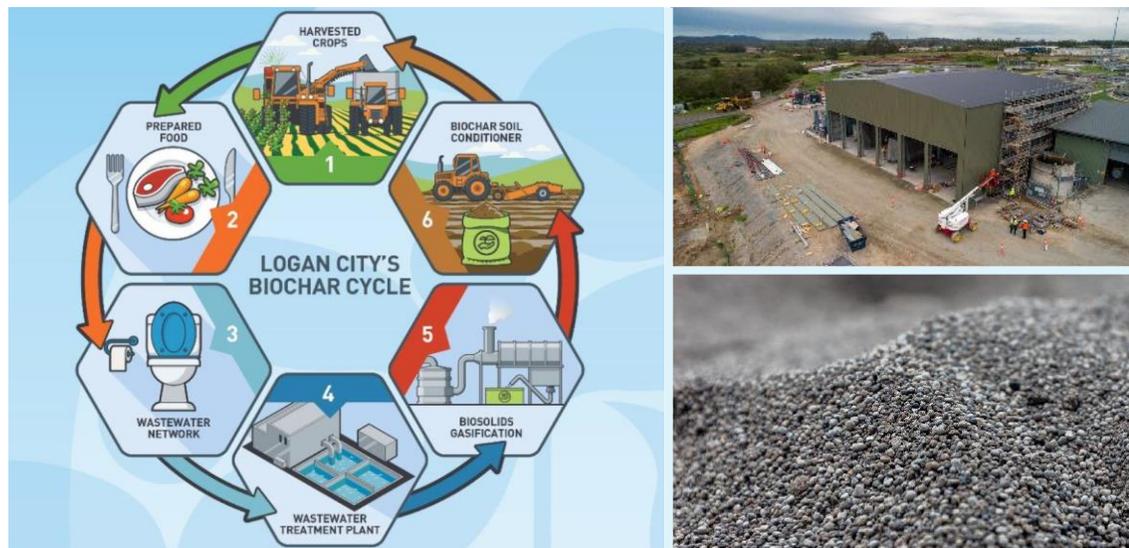
Key outcomes

- Part of a wider energy efficiency roadmap delivering key net zero initiatives across Logan City Council infrastructure.



Australia's first Biosolids Gasification Facility

Loganholme Gasification – Innovation to commercialisation



- Loganholme Gasification was a finalist in the 2022 Banksia awards in the category of circular transition
- Aligned to seven of the UN Sustainable Development goals.



- Sequestration of carbon approximately 3,350 tonnes of CO₂ per annum



- Generation of approximately \$1.5m in revenue per annum through biochar sales and carbon trading on international markets – a significant swing from biosolids disposal being a cost, to biochar generating income for Council



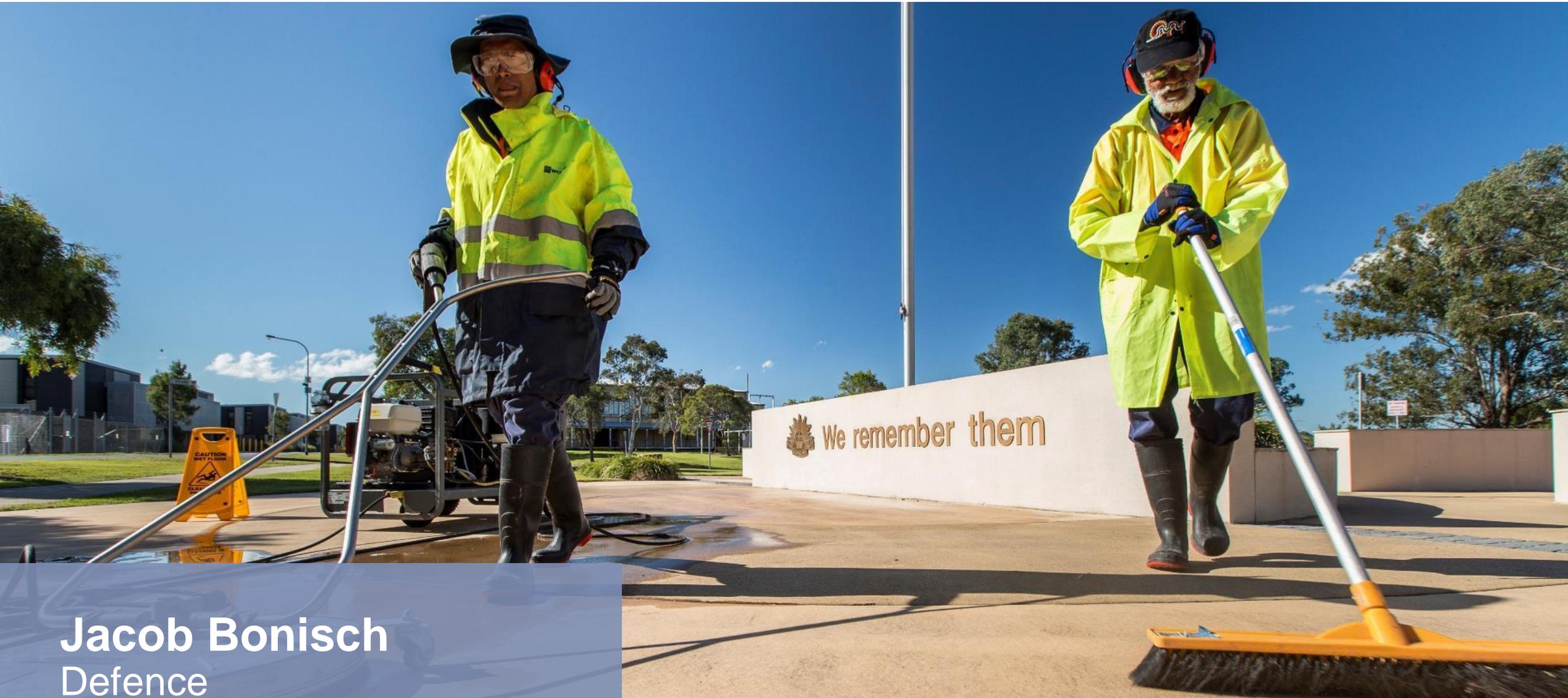
- Gasification destroys Persistent Organic Pollutants (e.g. PFAS) and nano and microplastics, which are troublesome to the food chain



- Further opportunities for higher revenue streams for the biochar being used in building products or with further enhancement into Activated Carbon (a product in short supply in Australia)



- Further opportunities for Council to establish a sustainable collection and treatment hub for regional biosolids.



Jacob Bonisch
Defence

Business profile

Downer is a sovereign, capable and committed partner to Defence.



Downer Professional Services (DPS)

Strategy

- Project management
- Commercial analysis
- Systems integration and engineering

IT and communications

- Systems integration
- Cybersecurity
- Logistics support



Base & Estate Management

- Asset management
- Estate maintenance & operating services (EMOS)
- Defence PPP installations



Estate Development & Base Upgrades (EDBU)

Upgrades and refurbishment of Defence estates, including:

- Programmatic upgrades
- Large multi-year base redevelopments.



Airfields



Ports and wharfs



Barracks



Multi-storey offices



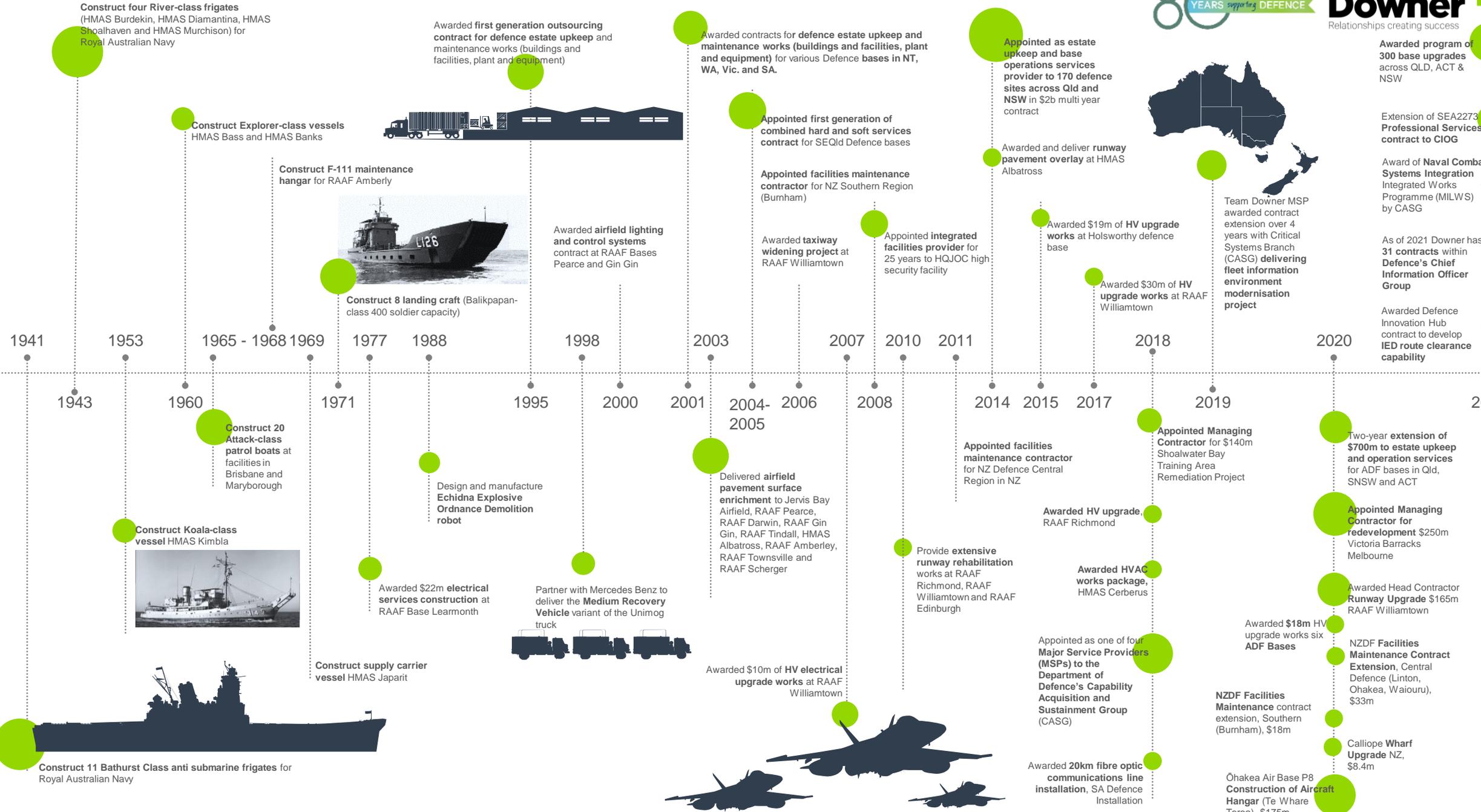
Training, live fire, mechanical target ranges



Signals and surveillance installations



Large education campuses



Construct four River-class frigates
(HMAS Burdekin, HMAS Diamantina, HMAS Shoalhaven and HMAS Murchison) for Royal Australian Navy

Construct Explorer-class vessels
HMAS Bass and HMAS Banks

Construct F-111 maintenance hangar for RAAF Amberly



Construct 8 landing craft (Balikpapan-class 400 soldier capacity)

1941

1943

1953

1960

Construct 20 Attack-class patrol boats at facilities in Brisbane and Maryborough

1965 - 1968

Construct Koala-class vessel HMAS Kimbla



1969

Construct supply carrier vessel HMAS Japart

1971

Awarded \$22m electrical services construction at RAAF Base Learmonth

1977

Design and manufacture Echidna Explosive Ordnance Demolition robot

1988

Partner with Mercedes Benz to deliver the Medium Recovery Vehicle variant of the Unimog truck



1995

Awarded airfield lighting and control systems contract at RAAF Bases Pearce and Gin Gin

1998

2000

Delivered airfield pavement surface enrichment to Jervis Bay Airfield, RAAF Pearce, RAAF Darwin, RAAF Gin Gin, RAAF Tindall, HMAS Albatross, RAAF Amberley, RAAF Townsville and RAAF Scherger

2001

Awarded \$10m of HV electrical upgrade works at RAAF Williamtown

2003

Awarded contracts for defence estate upkeep and maintenance works (buildings and facilities, plant and equipment) for various Defence bases in NT, WA, Vic. and SA.

2004-2005

Appointed first generation of combined hard and soft services contract for SEQld Defence bases

2006

Awarded taxiway widening project at RAAF Williamtown

2007

Appointed facilities maintenance contractor for NZ Southern Region (Burnham)

2008

Appointed integrated facilities provider for 25 years to HQJOC high security facility

2010

Provide extensive runway rehabilitation works at RAAF Richmond, RAAF Williamtown and RAAF Edinburgh

2011

Appointed facilities maintenance contractor for NZ Defence Central Region in NZ

2014

Appointed as estate upkeep and base operations services provider to 170 defence sites across Qld and NSW in \$2b multi year contract

2015

Awarded and deliver runway pavement overlay at HMAS Albatross

2017

Appointed as one of four Major Service Providers (MSPs) to the Department of Defence's Capability Acquisition and Sustainment Group (CASG)

2018

Awarded \$19m of HV upgrade works at Holsworthy defence base

2019

Awarded 20km fibre optic communications line installation, SA Defence Installation

2020

Awarded HV upgrade, RAAF Richmond

Awarded HVAC works package, HMAS Cerberus

2021



Team Downer MSP awarded contract extension over 4 years with Critical Systems Branch (CASG) delivering fleet information environment modernisation project

2015

Awarded \$30m of HV upgrade works at RAAF Williamtown

2017

Appointed Managing Contractor for \$140m Shoalwater Bay Training Area Remediation Project

2018

Awarded \$18m HV upgrade works six ADF Bases

2019

NZDF Facilities Maintenance contract extension, Southern (Burnham), \$18m

2020

Ōhakea Air Base P8 Construction of Aircraft Hangar (Te Whare Toroa), \$175m

2021

Two-year extension of \$700m to estate upkeep and operation services for ADF bases in Qld, SNSW and ACT

Appointed Managing Contractor for redevelopment \$250m Victoria Barracks Melbourne

Awarded Head Contractor Runway Upgrade \$165m RAAF Williamtown

NZDF Facilities Maintenance Contract Extension, Central Defence (Linton, Ōhakea, Waiouru), \$33m

Calliope Wharf Upgrade NZ, \$8.4m

Awarded program of 300 base upgrades across QLD, ACT & NSW

Extension of SEA2273 Professional Services contract to CIOG

Award of Naval Combat Systems Integration Integrated Works Programme (MILWS) by CASG

As of 2021 Downer has 31 contracts within Defence's Chief Information Officer Group

Awarded Defence Innovation Hub contract to develop IED route clearance capability

Defence EMOS scope – what we do



1 million planned and 40,000 reactive maintenance FM tasks for 20,000 buildings, including: HV electricity; communications; powergen; data centres and security systems



Land and grounds management of 35,000 ha.



Daily housekeeping of 15,000 beds. Accommodation reception for equivalent of 28 commercial hotels



300,000 items of laundry p.a.



Clean 5,000 buildings covering 1.6m square metres



Condition assessment and estate appraisal. Representing customer on third party projects



Monitoring and managing water quality of potable, pool, cooling and wastewater treatment plant



Patient and troop transport. Cleaning of hospitals and clinics



Operate 10 gyms and 22 pools for 15,000 users per week



Pest, vermin and feral animal control



Standalone call centre handling 160,000 requests p.a.



Management of training ranges, including bushfire management

Defence outlook

Current Defence operations

Strategic advisor to Defence on **capability acquisition** and **Information Technology**

Managing Contractor overseeing multi-year **base redevelopments**

Program Manager of large programmatic **refurbishment** programs

Estate Maintenance & Operating Services **Contractor**

Where is growth in Defence coming from?

Downer Professional Services

Increased spend on new military capability

- New military capacity delivered via the CASG MSP (Downer is one of four providers)
- Demand for professional services to support complex programs and systems integrations.

Base & Estate Management

Increased spend on base infrastructure and precinct upgrades and redevelopments

- Base redevelopments, acting as Agent for Commonwealth (e.g. Vic Barracks)
- RAAF airfield upgrades via early contractor involvement (e.g. Williamtown P008 Upgrade)
- Programmatic estate refurbishment (e.g. Estate works program).

Estate Development & Base Upgrades

Increased Defence personnel

Increased ADF headcount increases:

- Demand for volumetric FM service lines (cleaning, accommodation, transport, etc)
- Demand for live-in accommodation infrastructure.

Offering a decarbonisation solution through existing relationships

- Embedded green power
- Building efficiency upgrades
- Energy supply resilience upgrades
- O&M of integrated power solutions.



Case study: Energy efficient solutions

Project

Russell offices complex

Contract type

Estate management and operations services ('EMOS')

Details

- Russell offices complex in Canberra is effectively the services HQ for Defence
- Russell 'R1' is a six-storey building used by approximately 1,200 senior Defence personnel
- The Estate Works Program identified the building's HVAC 'chiller' was approaching the end of life.

Key outcomes

- Downer commissioned third party engineering analysis to identify energy-efficient replacement options
- \$1.2 million project to replace and recommission chiller
- Energy saving of 189,000kw/h p.a. (approximately 32 per cent saving)
- Reduction of 31.1 tonnes of CO₂ emissions.





Dante Cremasco
Road Services

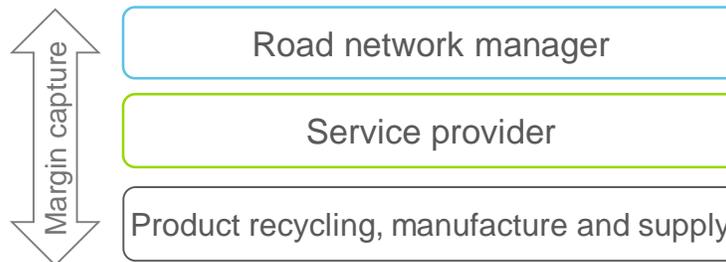
Business profile

Who we are

Australia's leading supplier of **integrated** and **sustainable** road network and infrastructure solutions

Australia's largest non-government owned business in this space

What we do



Our promise

Creating **safe, efficient and reliable** journeys

Providing an integrated national footprint:

27% of the **asphalt market**

17 long-term road management contracts

28% of the contestable market

EMPLOYS OVER **2,400** people

3,200,000 TONNES of asphalt p.a.

operating from over **70** sites

With market leading recycling capabilities:

16,250 tonnes of **CO₂e saved** from recycled asphalt mixes p.a.

2 Sustainable road resource centres in **Sydney and Brisbane and Repurpose It in Melbourne**

Recycled products used

1,000,000 litres of recycled oils

450,000 tonnes of **RAP** p.a.

100 million plastic bag equivalents p.a.

1,911,000 glass bottle equivalents p.a.

and leading positions across the value chain

Strategic footprint

Presence in every State and Territory

Over the past three years, \$135 million has been invested in growth initiatives to expand our competitive advantage.

Leading manufacturing and recycling technology

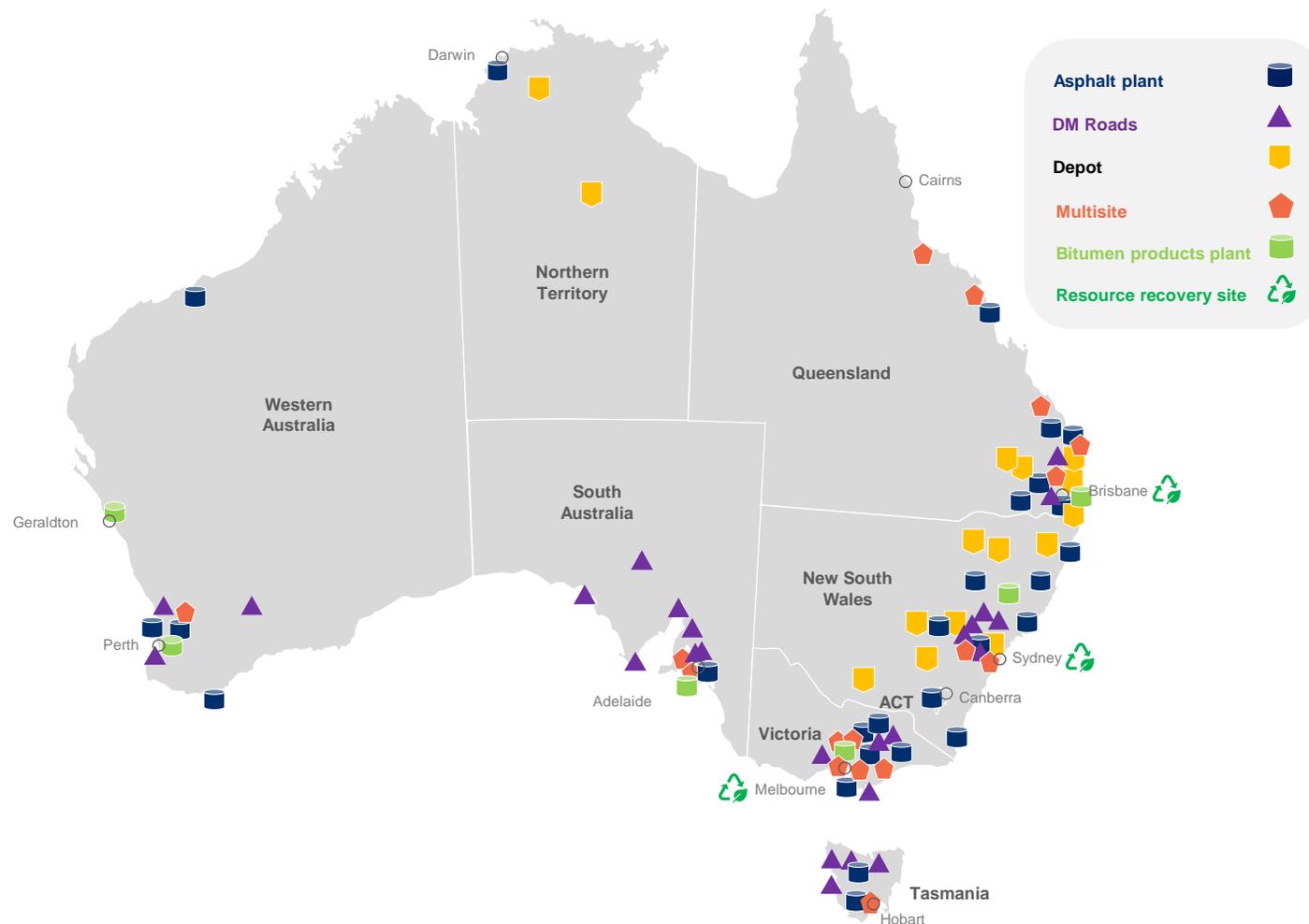
M&A into new geography / strategic locations

Growth opportunities

Leveraging our tech and IP to de-commoditise and disrupt markets

Further growth into new geographies

Population growth and associated investment in infrastructure



Acquisition of Fowlers Asphaltting



Location: Gippsland, Victoria

Business profile: Multi-disciplinary, integrated business offering asphalt, minor civil construction and capital works, crushing and recycling, line marking and pavement stabilisation services

Acquisition profile

- Bolt-on acquisition in an area not serviced by Downer
- Geography has strong population growth, large agriculture and tourism industry, and a growing renewables industry
- The Gippsland region requires road infrastructure to meet the demand of the increasing users
- Government is investing in the area, creating an attractive pipeline of work.

Upside value drivers

- Growth opportunities with Downer's existing business
- Operational efficiencies with other Downer businesses
- Supply of services to Downer, reducing margin leakage and vice versa
- Access to Downer's IP and R&D to grow customer value proposition
- Project disciplines and governance through The Downer Standard.



Gippsland region

- Total size of 41,556km²
- ~18% of Victoria
- >3x size of Sydney

Growth outlook

Revenue drivers

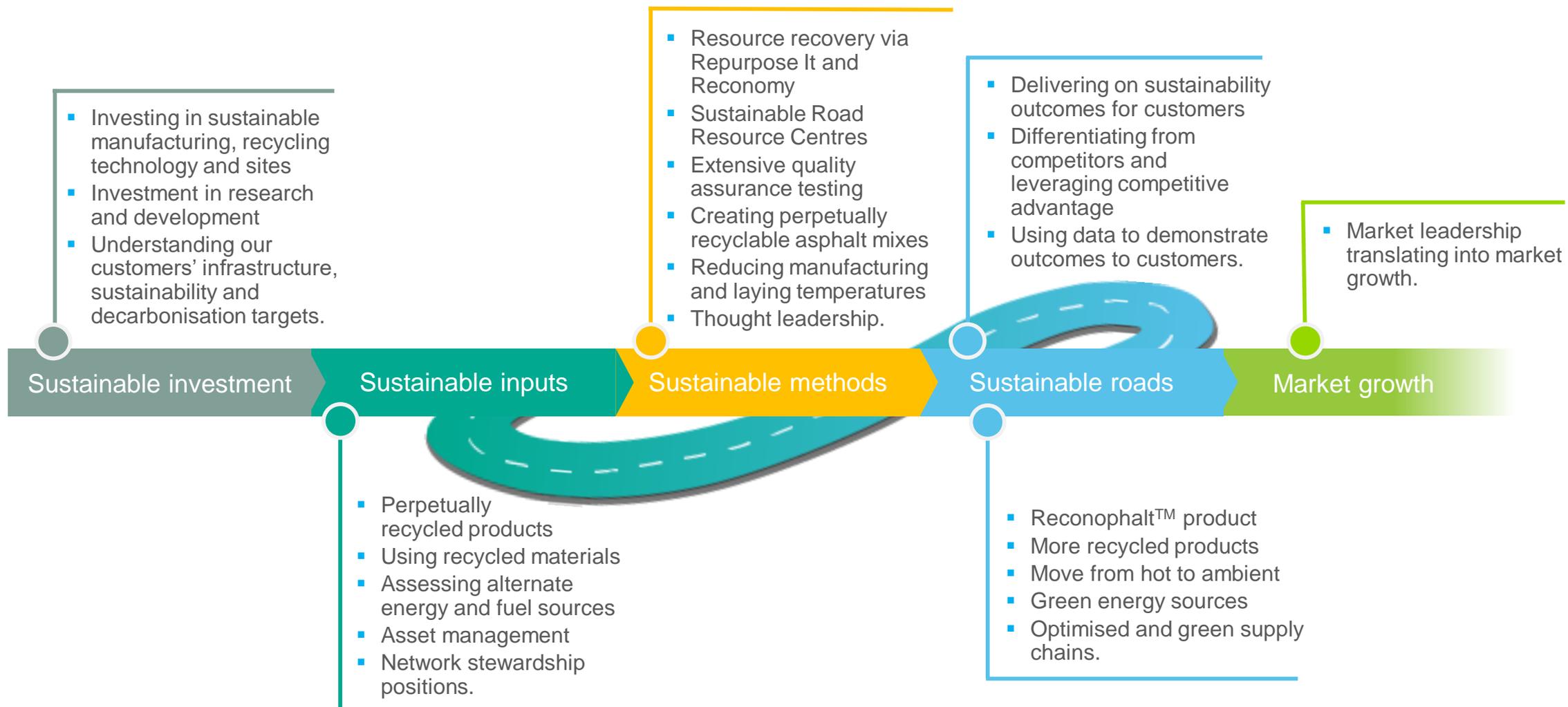
- Growth of sustainable roads market share via differentiation and cost advantage
- Capture of demand in Western Melbourne and Western Sydney
- Government investment in regional Australia
- Emphasis on sustainability outcomes for 2032 Brisbane Olympics
- Opportunistic bolt-on acquisitions in geographies or markets we do not service.

Earnings margin drivers

- Leveraging our manufacturing investments, R&D and integrated supply chain
- Increasing RAP
- Increasing utilisation
- Optimising supply chain, transport, labour force, and plant
- Reducing internal wastage.



Sustainable roads and moving towards net zero



Case study: Downer's Sustainable Road Resource Centres

The only two closed loop sites of their kind in Australia.

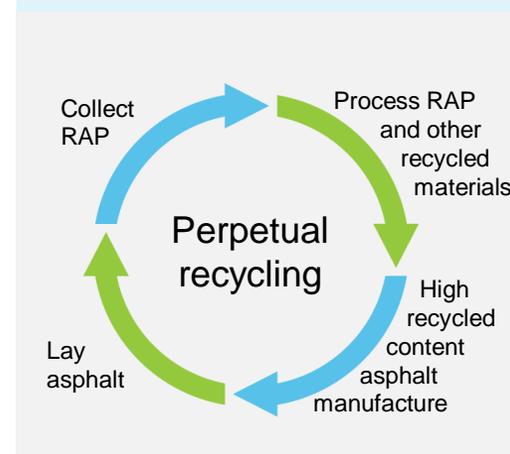
Locations: Brendale, Qld; and Rosehill, NSW (under construction)

Features

- Best practice asphalt manufacturing and recycling technology
- 100 per cent RAP asphalt manufacturing capability
- On-site RAP crushing and processing
- Reconomy's resource recovery wash plant, capable of diverting up to 75,000 tonnes of material from landfill, including materials used in asphalt manufacture
- Efficient and cost effective handling of materials.

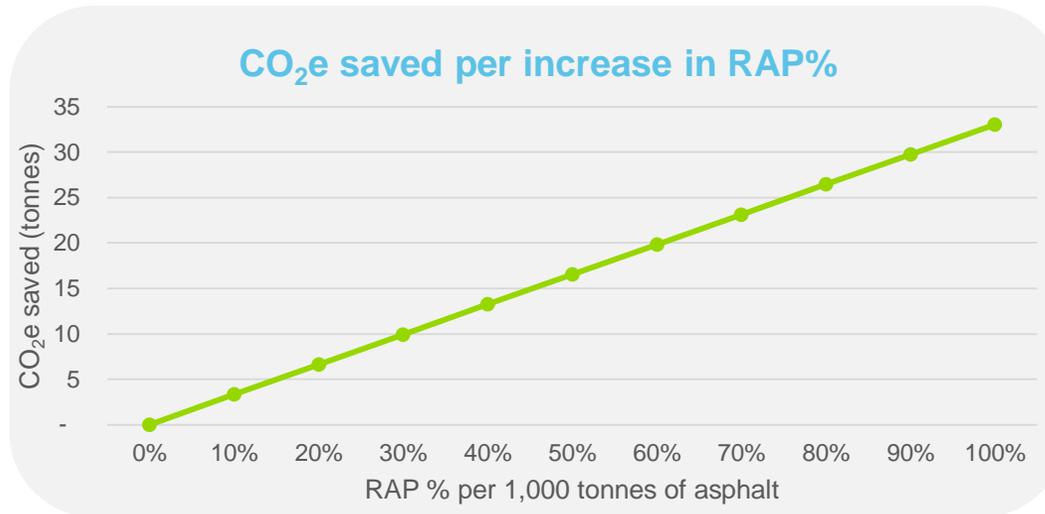
Upside value drivers

- Integrated value through closed loop solutions
- Lower cost of production
- Reduction of Scope 1 and 2 emissions by over 1,200 tonnes p.a. through leading manufacturing technology
- Strategic locations
- Competitive advantage.



The sustainable road to value creation

- Approximately 12 million tonnes of asphalt laid in the Australian market per annum
- Local government has traditionally led the market in use of recycled materials. However, this is starting to shift to State road authorities
- If the industry can get to 30 per cent RAP on 12 million total tonnes, it will result in a 119,000 tonne CO₂e saving p.a. **Equal to removing ~50,000 vehicles from the road**
- Downer has the market-leading technology to increase RAP percentage.



1% increase in RAP
=
\$0.60 saved per
tonne

Leads to a decrease in

- Purchase of virgin materials
- Bitumen pricing exposure
- CO₂e emissions
- Transport costs
- Materials going to landfill.

Driving an increase in

- Margins
- Pricing flexibility
- Market competitiveness
- Volume capture
- Customer focused outcomes.

The Circular Economy

Reconophalt (asphalt mix)

- Perpetually recyclable mix that contains high percentage of RAP, recycled glass, plastics and toner, with quality equal to 100 per cent virgin asphalt mix
- Traditionally local government – harder to penetrate State Government market due to State road specifications
- Recently approved for use by Victorian State Government, after working closely with Sustainability Victoria and Major Road Projects Victoria, and ensuring the quality and sustainability outcomes were linked to Victoria’s Recycled First Policy. 200,000 tonnes now ordered.

Using Downer’s sustainable asphalt, including the Reconophalt suite of products on the M80 Upgrade (Sydney Road to Edgars Road, VIC)



Repurpose It

- A leading resource recovery business based in Epping, Victoria
- Strategic location providing competitive advantage
- Receives and processes over 500,000 tonnes of material p.a.
- Effective end market channels for the sale of repurposed products
- Providing circular economy solutions for Victoria’s Big Build.



The long thin black quarry





Stephen Kakavas
Rail & Transit Systems

Business profile

- Downer provides trusted support to critical passenger train assets across Australia and is the largest national rollingstock maintainer
- Unique breadth of capabilities across Downer – no other organisation has all these capabilities in-house:
 - Rollingstock design, manufacturing and TLS capability
 - Infrastructure delivery and maintenance capability
 - Operational and maintenance capability
- Keolis Downer is Australia’s largest private provider of multi-modal transport solutions, Australia’s largest light rail operator, and a significant operator of buses.

<p>3,600 km network length</p> 	<p>100+ years experience</p>
<p>20+ sites depots & facilities operated</p> 	<p>1,100+ units fleet supported</p> 
<p>13.5+ million people serviced</p> 	<p>880+ million annual passenger journeys</p> 



Yarra Trams



Waratah trainsets



Cardiff Service Centre



High Capacity Metro Trains

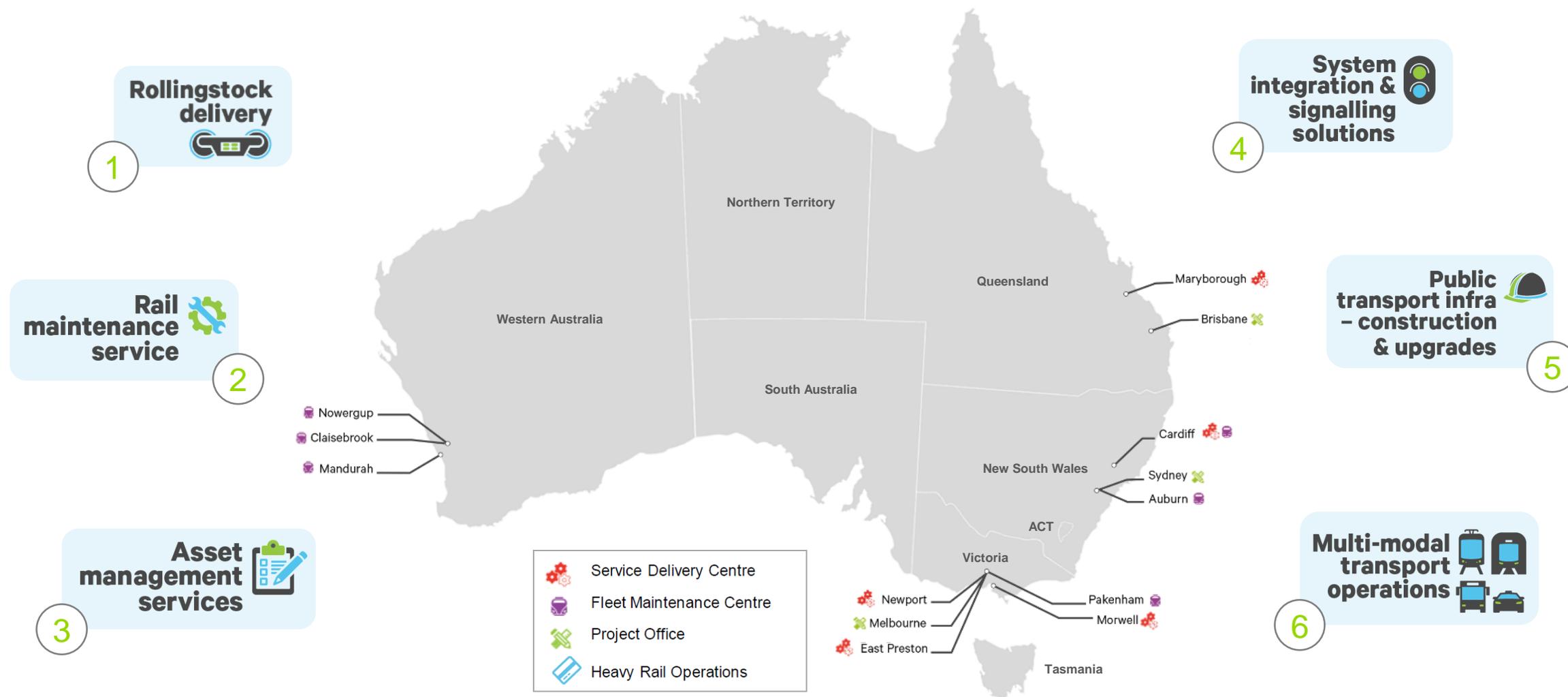


Maryborough Service Centre

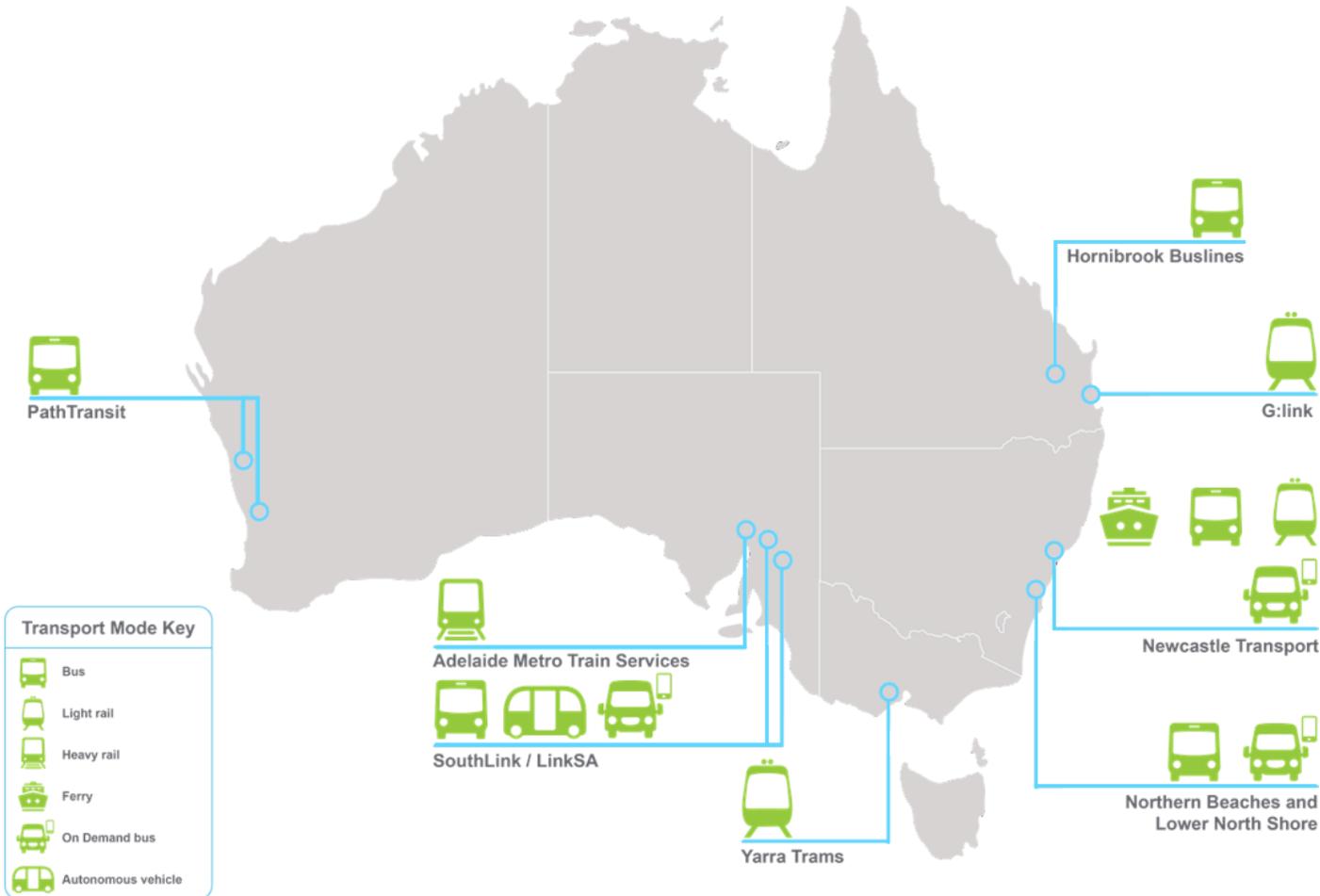


Gold Coast Light Rail

Our capabilities and strategic footprint



Keolis Downer – map of operations



#1 Australia's largest private multi-modal operator

25 sites
5 states

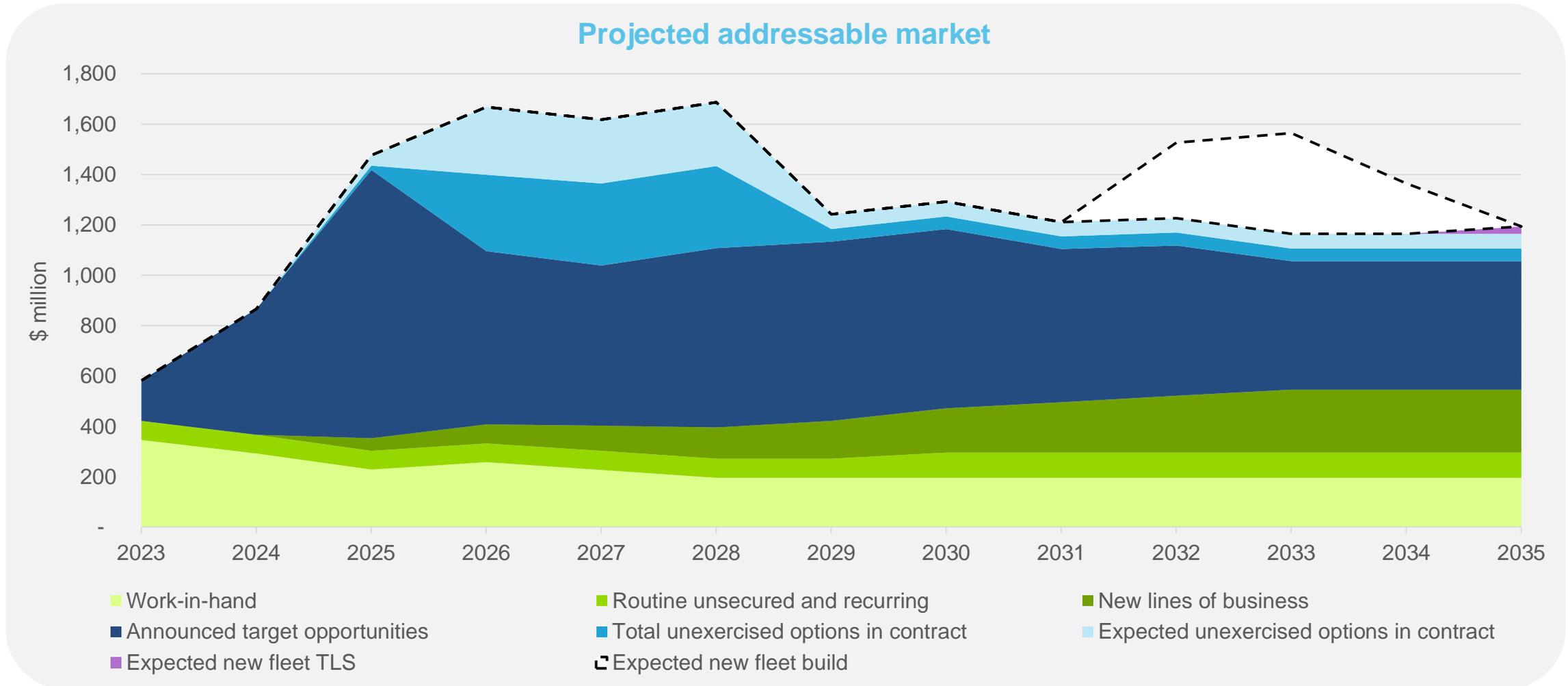
350 million annual passenger journeys

+5300 employees

+1,300 buses

+1,500 light rail vehicles

Work-in-hand and projected addressable market



Growth opportunities

Target opportunities – current capabilities

- Queensland Train Manufacturing Program – new car sets plus options, a new facility, 15-year maintenance term (option to 35 years)
- High Capacity Metro Trains – option sets
- Suburban Rail Loop – ‘line wide’ package including rail infrastructure, tunnel fit-out, signalling, rollingstock, maintenance facility and 15-year O&M
- V/Line – TLS contract for existing V/Line fleet
- Melbourne “MR5” heavy rail and light rail franchise
- Sydney Metro West
- Parramatta Light Rail Stage 2
- SGT option sets.

New lines of business

Zero Emissions Buses (ZEB) →

Energy and emissions-efficient fleet enhancements →

Integrating robotic inspection into through-life-support activities →

On-board energy storage →

Tri-brid locomotive (utilising three sources of energy – onboard energy storage system, overhead electrification where available, backup diesel generator) →

Digital, data, tech – Train DNA. →



Case study: Energy efficient fleet enhancements

Detail

- The HVAC unit is one of the hardest working components on Sydney Trains' modern fleets, consuming the most energy of any subsystem
- 136 A Sets / B Sets / M Sets 8-car trains on the Sydney network consume **~17,000 MWh per year** for HVAC.

Opportunities

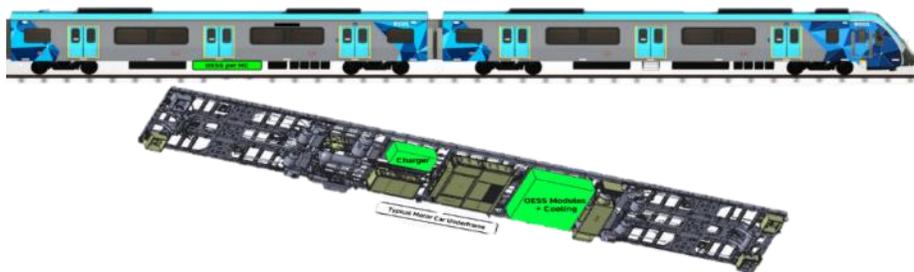
- Software optimisation through the Fleet Enhancement program
- Hardware improvements
 - HVAC Upgrade trial program on an operational train successfully demonstrated measured efficiency savings of 14 per cent
 - Applied to all A / B / M Sets train fleets leads to **savings of 26,500 tonnes of CO₂ per year** – the equivalent of taking more than 10,000 cars off the road



Onboard energy storage system – High Capacity Metro Trains

Downer proposal to augment the existing HCMT design with on-board energy storage

- Materially reduces Electromagnetic Interference risks associated with running proximate to sensitive receivers in the hospitals and university precinct in Melbourne, by only using overhead voltage to power the auxiliaries
- Downer concept is to repurpose existing spare space and weight on the underframe of the train to house energy storage modules
- Solution achieves outcome of minimal magnetic emissions in this sensitive hospital section, as well as reusing braking energy from other track sections to travel this section – saving energy and reducing operating costs.



- Total annual energy saved (18 Trains Per Hour): **12.34GWh**
- 18TPH - assumed annual cost saved **\$1.1m**
- 18 TPH - assumed annual CO₂ saved: **13,200 tonnes**

Case study: Zero Emissions Buses

Project

Sydney Bus Region 8

Customer

Transport for NSW

Project scope

- Supply, operation and maintenance of 125 electric buses (replacing diesel buses over the contract life)
- Design, construct and installation of charging infrastructure at depots, supported by grid connection and behind-the-meter solar, Battery Energy Storage Systems (BESS) and gensets.

Key outcomes

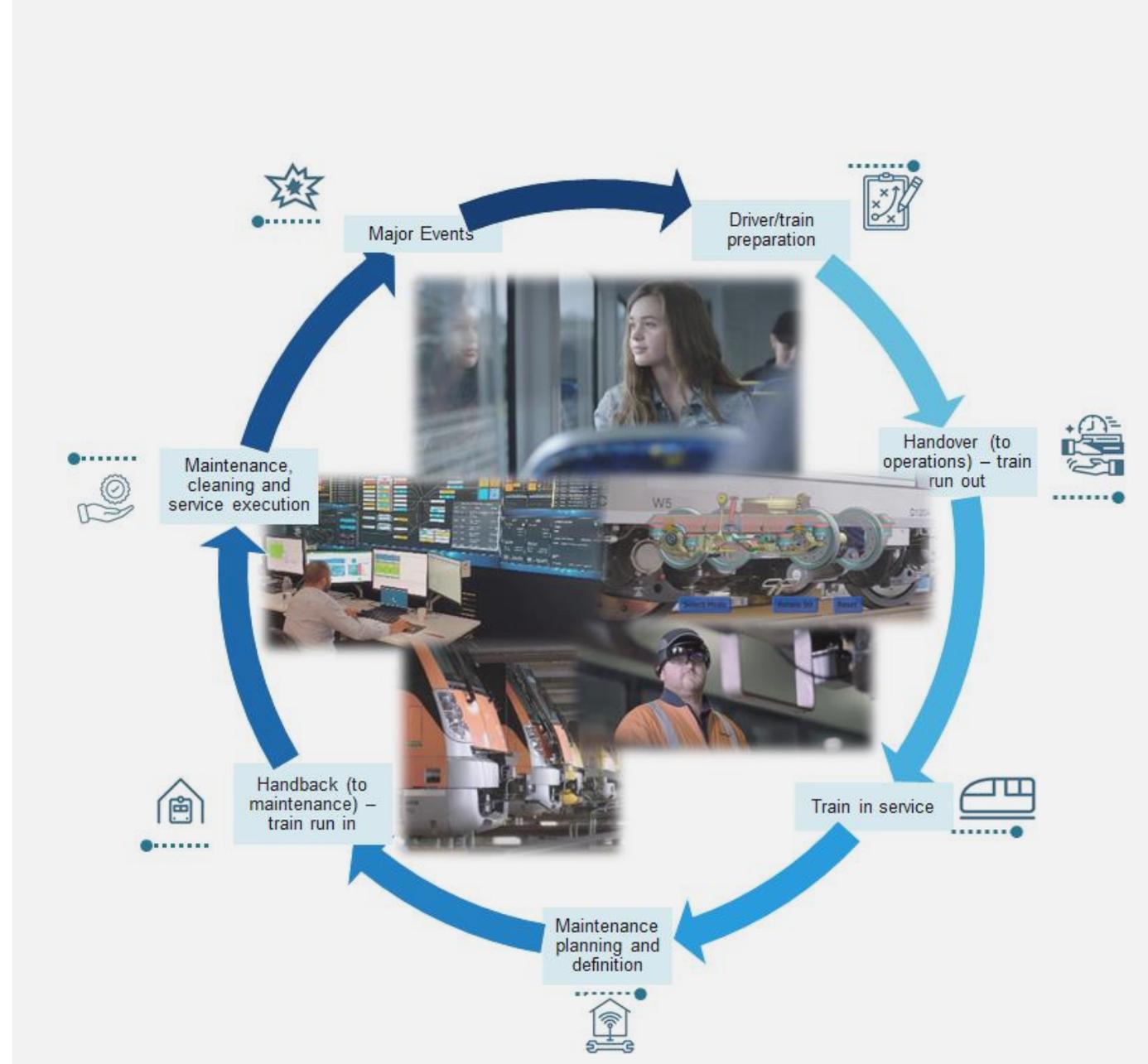
- Electrification of public transport networks to support net zero energy initiatives – CO₂ emissions will reduce by 237,500 tonnes over the life of the buses.



Keolis Downer has also partnered with the Queensland Department of Transport and Main Roads to roll out the State's largest fleet of electric buses operating from the region's first all-electric bus depot that uses 100 per cent renewable energy.

RTS to capitalise on digital D&A capability

- RTS operates in an internationally competitive environment, dominated by large international OEMs with significant capital devoted to R&D and standard platforms (rollingstock).
- Over a development period of more than 10 years, Downer has taken a base industry standard asset management tool (typically used for static assets) and, in conjunction with deep industry experience, developed an industry application that:
 - Is uniquely tailored to suit mobile assets and the particular requirements of the rail and transit system sectors
 - Is comprised of multiple unique modules tailored to the unique industry needs of operators, maintainers and asset owners
 - Provides a custom integration layer to connect all of the modules, set-borne data feeds, customer data feeds (e.g. timetables and advertising), and external data feeds.





Steve Killeen
New Zealand

Strong connections to the land



Business profile

- Aligned with Group activities
- Well positioned to tackle growth opportunities
- Well diversified across Transport, Utilities and Facilities
- Largest integrated infrastructure provider, and increasingly involved in renewable energy and water improvement.



Transport

- Build, maintain and operate transport assets in New Zealand and Pacific Islands
- Product development and manufacturing.

REVENUE  **\$1.4 billion**
 **3,400 people**



Utilities

- Build, maintain and operate utilities assets and networks.

REVENUE  **\$0.6 billion**
 **2,200 people**



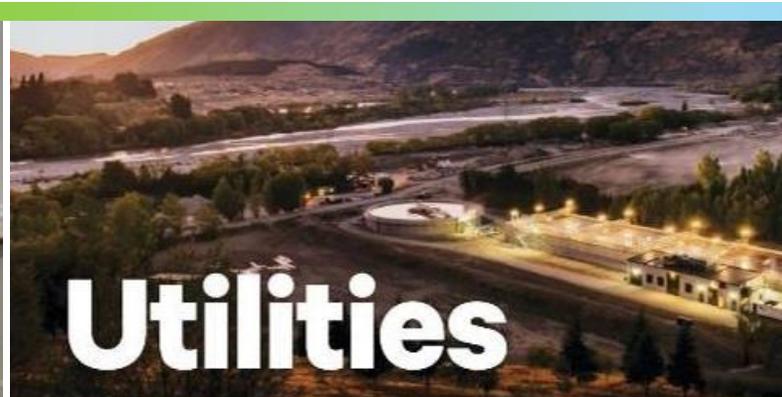
Facilities

- Build, maintain and operate buildings and facilities
- Catering, cleaning and hospitality services.

REVENUE  **\$1.0 billion**
 **4,200 people**

Revenue
\$3 billion

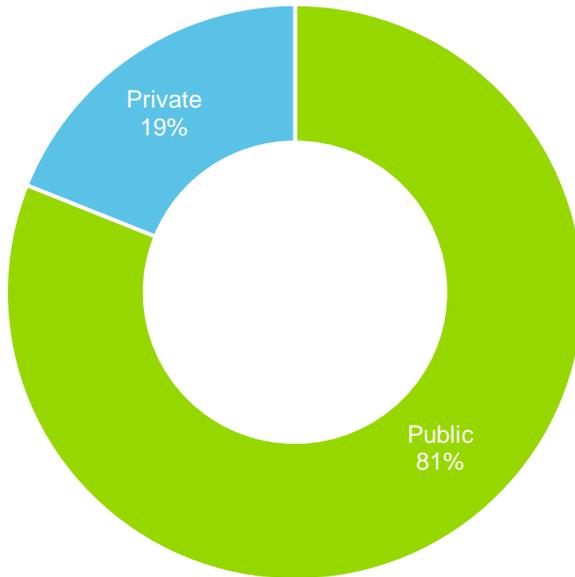
10,000 
People



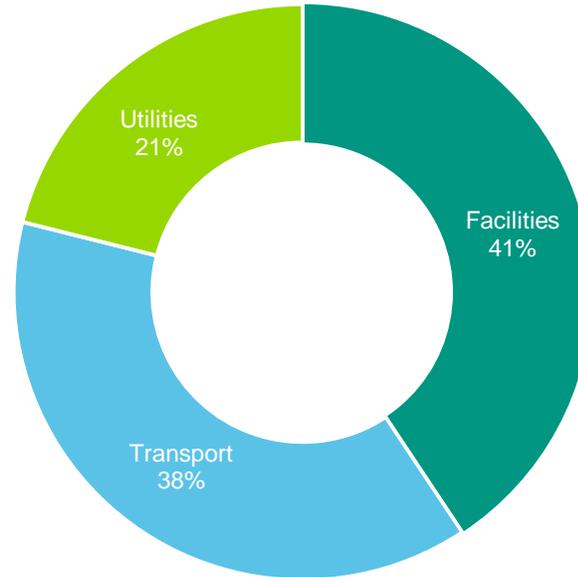
Strength in the New Zealand market

\$6.0bn work-in-hand

Work-in-hand – Public v Private



Work-in-hand – Segment



Low greenhouse gas emissions and climate resilience in New Zealand

Climate Change Government Policy

- 2019 Climate Change Response (Zero Carbon) Amendment Act with 2050 emissions reduction targets
- **Emissions Reduction Plan** due for release in May 2022. Will set out emissions reductions across every sector of the NZ economy
- Draft **National Adaptation Plan** due for consultation release in April/May 2022. Will outline the top priority climate risks facing NZ and how NZ communities will need to adjust.

New Zealand's net emissions are projected to decrease from 54.4 Mt CO₂-e in 2020 to 35.0 Mt CO₂-e in 2050 – a 35.6 per cent reduction on 2020 levels by 2050.



Accelerating the decarbonisation of our fleet and plant

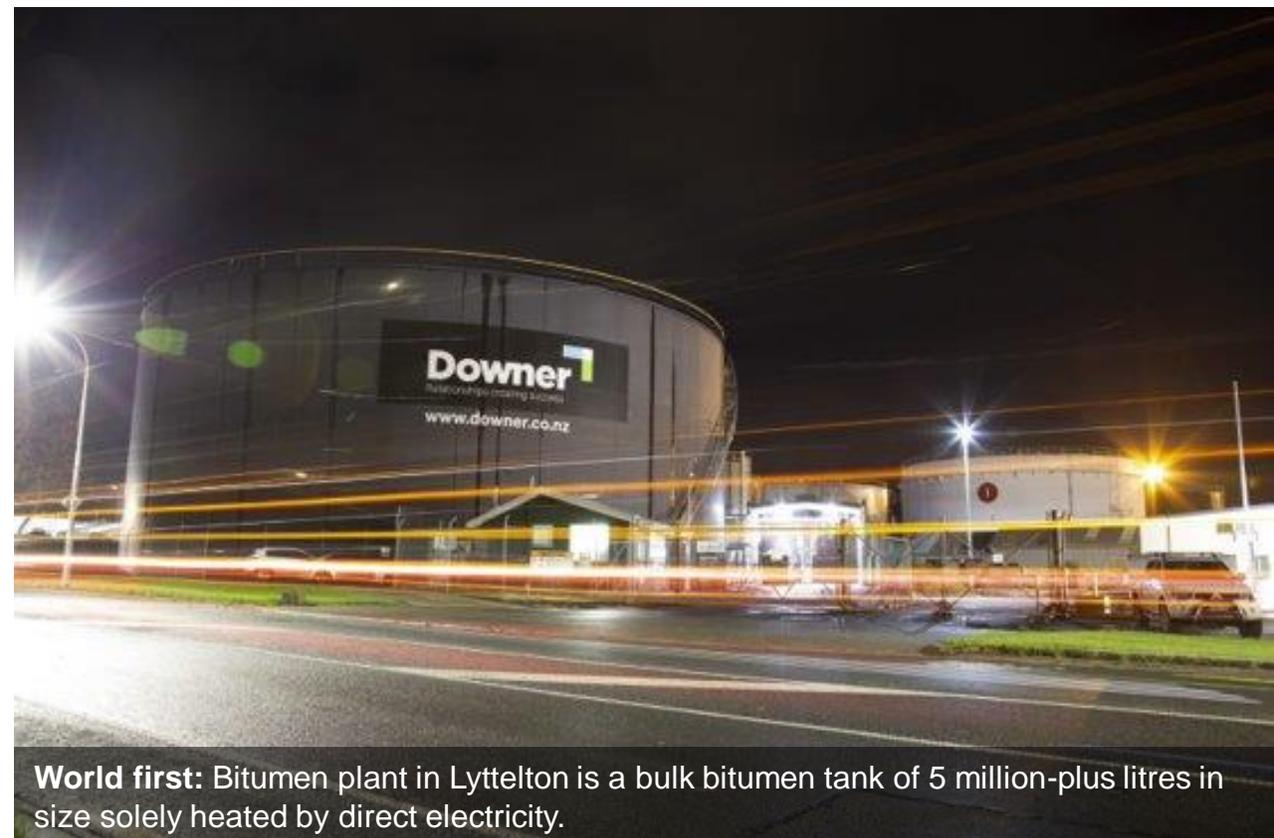
Initiatives are targeted at shifting energy sources as technology allows, along with use of fuel-efficient systems.

Fleet replacement and optimisation

- EV and hybrid options now available for every vehicle category
- Transitioned 50 vehicles to full electric and 35 to hybrid in 2022
- Transitioning to Euro 6 engine technology for hybrid trucks
- Transitioning 26 Hinos trucks to hybrid in 2023
- Implementing Fleet Saver initiative with Eroad.

Decarbonisation of bitumen plants

- Electrification of tank heating across our bitumen production sites to replace diesel and gas heated systems
- Once fully implemented, we will save 2,200 tonnes of CO₂ per year



World first: Bitumen plant in Lyttelton is a bulk bitumen tank of 5 million-plus litres in size solely heated by direct electricity.

Towards carbon zero energy supply

By 2025, our electricity supply will be certified carbon zero energy.

- Downer will take up an allocation of limited availability certified carbon zero energy when our electricity supply contracts expire next year
- Our electricity supply will be certified to be fully renewable.



Large player in the renewable energy sector

Hydro power generation

Intake Gate project is part of the Tekapo hydro station, which is protected from possible surges that could ensue from a 7+ earthquake. It is contributing to the Tekapo Power Scheme that produces 190MW of 100 per cent renewable electricity.



Wind farm

Downer is building the northern section of the Turitea Wind Farm. The entire project will generate enough energy to power approximately 375,000 electric vehicles per year, and will contribute a further two per cent renewable energy to the national grid.



Case study: Low carbon solution for the largest NZ infrastructure project

Scope

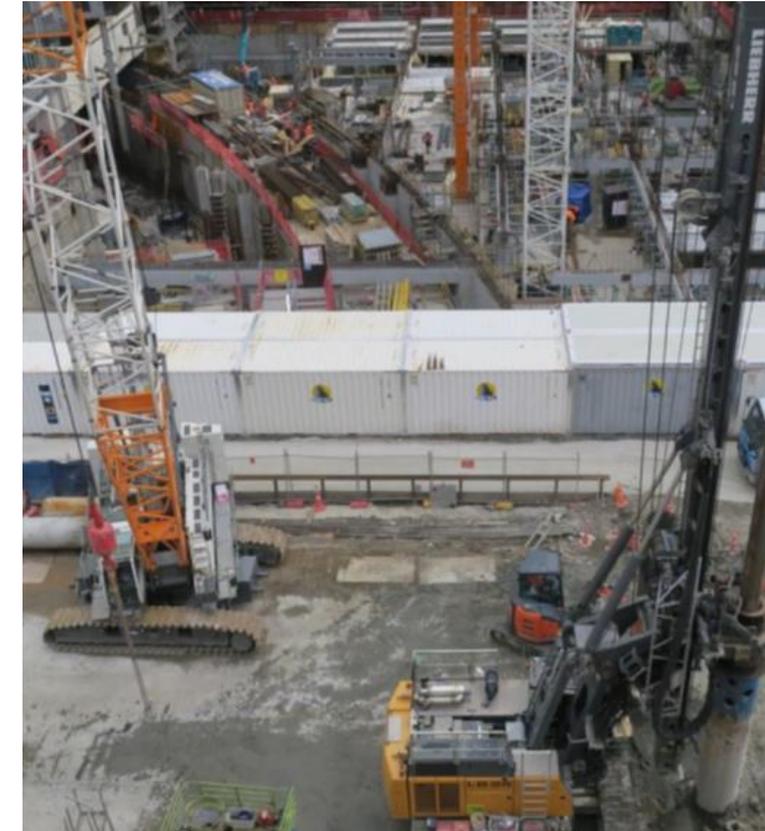
- To help achieve City Rail Link 1 ISC rating goals by using recycled crushed concrete for two parts of the project build.

Approach

- Green Vision partnered with Allied Concrete Ltd to supply 10Mpa strength concrete that would be suitable to use as flowable fill in a non-structural concrete application
- This enabled reductions in material and transport carbon footprint emissions.

Key outcomes

- Use of Green Vision recycled crushed concrete resulted in a carbon saving of approximately **55 per cent** (transport and material)
- Cost of the product was similar to finite resource aggregate. Provided flexible supply solutions.



Case study: Adaptive reuse for the University of Auckland

Scope

- Complete refurbishment and seismic upgrade of the existing structural frame with a new building façade and thermal envelope, building services and complete interior refit.

Approach

- Reuse as much of the old shell as possible instead of demolishing the existing building
- Introduce a new timber structure and new structural timber floors.

Key outcomes

- The upfront carbon emissions for B201 are estimated to be equivalent to around 250kg CO₂e/m² or a **40-60 per cent** reduction on standard new build
- New build estimated at between 400-700kg CO₂e/m² depending on the type of building and construction methodology used.



The **B201 redevelopment** is a major refurbishment project consisting of the **adaptive re-use** and **50-year extension of life** for the University of Auckland's B201 Building for Education and Social Work. **6 Green Star** rating by the NZ Green Building Council.

New Zealand market shape

A **solid presence** in each of our market sectors and an **addressable market** that has continuity into future years.

Existing **high quality customer base** with **growth potential** available in each market.

Notable is the **connection** to areas linked to a number of the **United Nations Sustainable Development Goals** such as Iwi relationships, renewable energy and water reforms.

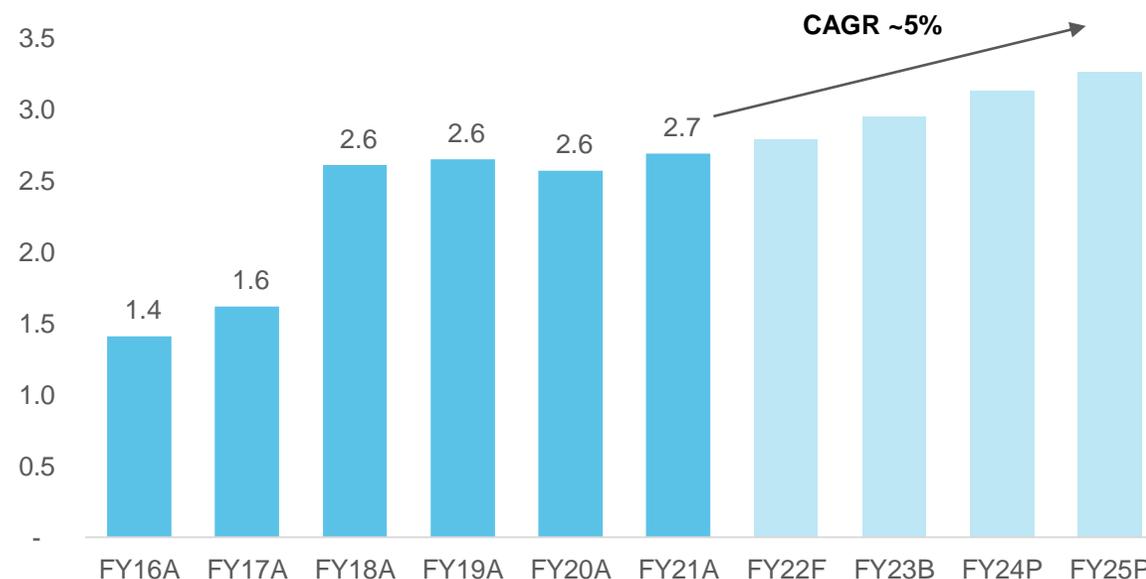
Work stream	Addressable market*	Key customers	
New Zealand	\$27.1 billion		
Transport	\$9.9 billion	Existing Waka Kotahi Local Authorities KiwiRail	Growth Fonterra MFAT World Bank Ports
Utilities	\$4.4 billion	Existing Chorus Powerco Transpower Local Authorities	Growth 2 Degrees Power Generators Water Service Entities
Facilities	\$12.7 billion	Existing Central Government Auckland Airport Tertiary Education	Growth Iwi Local Authorities Fonterra Central Government

* Addressable market is average p/a, 2021-2026. Internal Downer estimates, based on data sourced from various public documents

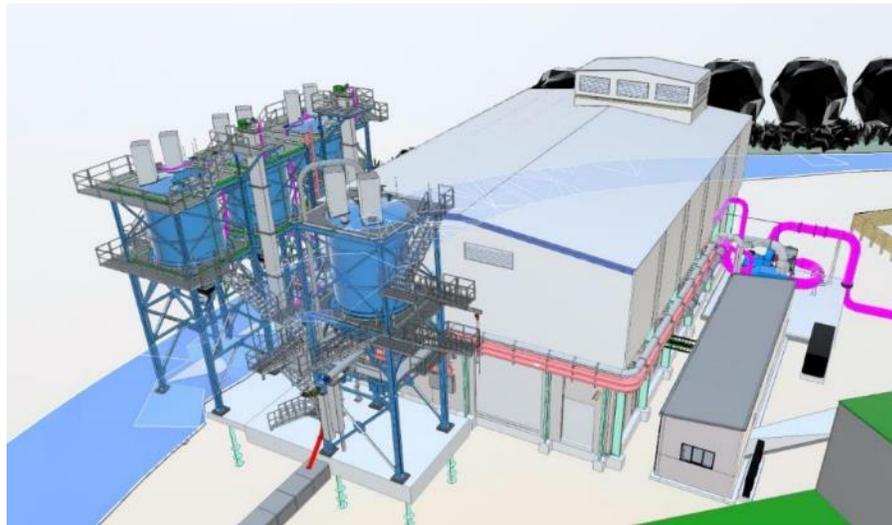
Outlook

- Strongly positioned for success in FY23 and beyond
- Considering the next steps of our growth in New Zealand
- Capitalising on changing and favourable market conditions
- Carbon reduction at the centre of future infrastructure projects
- Capturing growth ahead of market.

Revenue Trend (NZ\$ bn)



What the future looks like



Q&A

