

# Downer

## Annual General Meeting

### 4 November

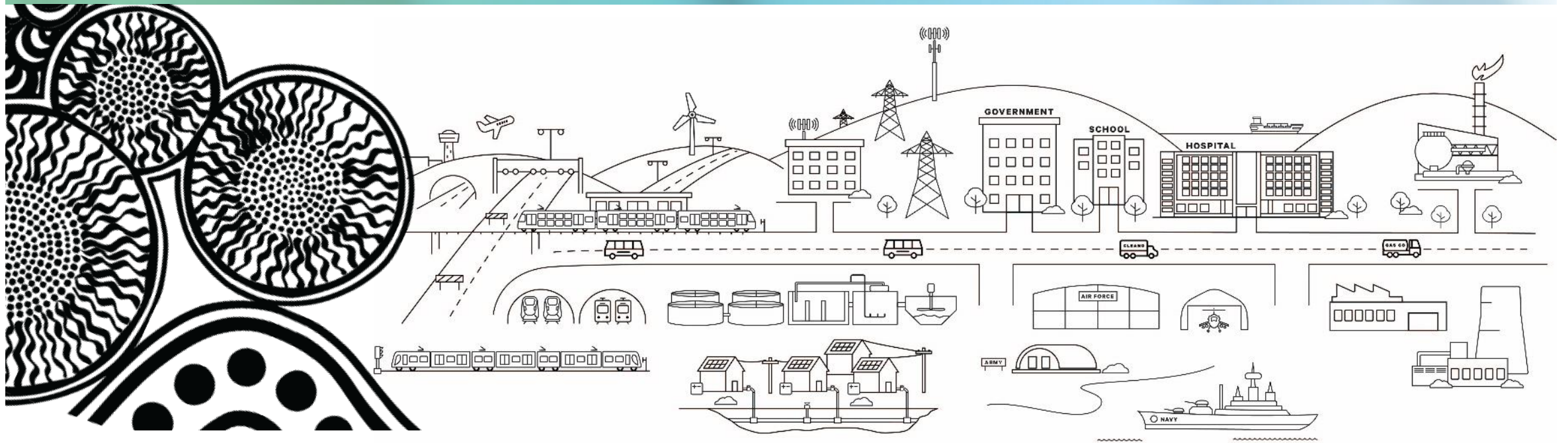
# 2021

**Downer**  
Relationships creating success



# Mark Chellew

## Chairman



# Housekeeping

## To vote

When open, the vote will be accessible by selecting the voting tab at the top of the screen



To vote simply select the direction in which you would like to cast your vote. The selected option will change colour

For  Against  Abstain

There is no submit or send button, your selection is automatically recorded. You can change your mind or cancel your vote any time before the poll is closed

123-456-789

HOME MESSAGING VOTING

Poll Open

You have voted on 0 of 2 items

**Resolution 1**

Select a choice.

For  Against  Abstain

CANCEL

**Question 2**

Select a choice.

Yes  No  Unsure

The screenshot shows a mobile application interface for voting. At the top, there's a dark header with the phone number '123-456-789' and three navigation tabs: 'HOME', 'MESSAGING', and 'VOTING'. Below the header, it says 'Poll Open' and 'You have voted on 0 of 2 items'. The first question is 'Resolution 1' with the instruction 'Select a choice.' and three radio button options: 'For', 'Against', and 'Abstain'. Below these is a 'CANCEL' button. The second question is 'Question 2' with the instruction 'Select a choice.' and three radio button options: 'Yes', 'No', and 'Unsure'. An orange arrow points from the 'CANCEL' button in the screenshot to the text in the third callout box.

# Housekeeping

## To ask a written question

When the question function is available, the messaging tab will appear at the top of the screen



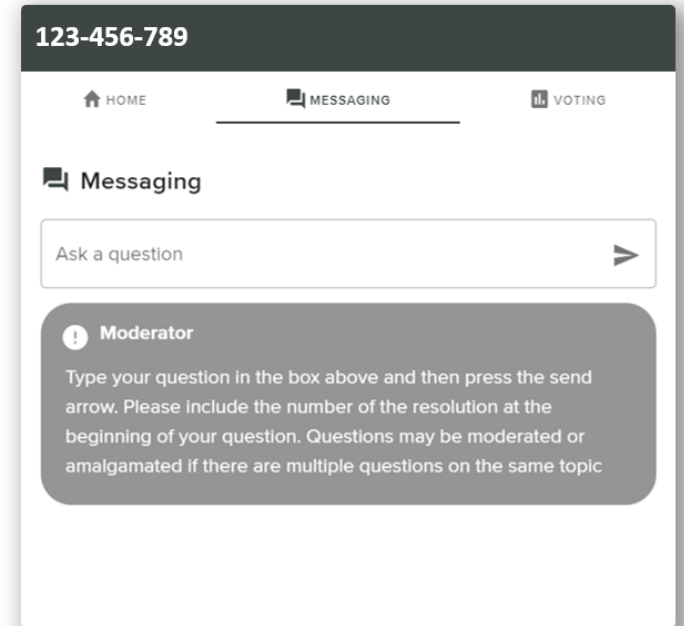
To submit a question, type your question in the "Ask a question" box and press the send arrow



Your question will be sent immediately for review



Received

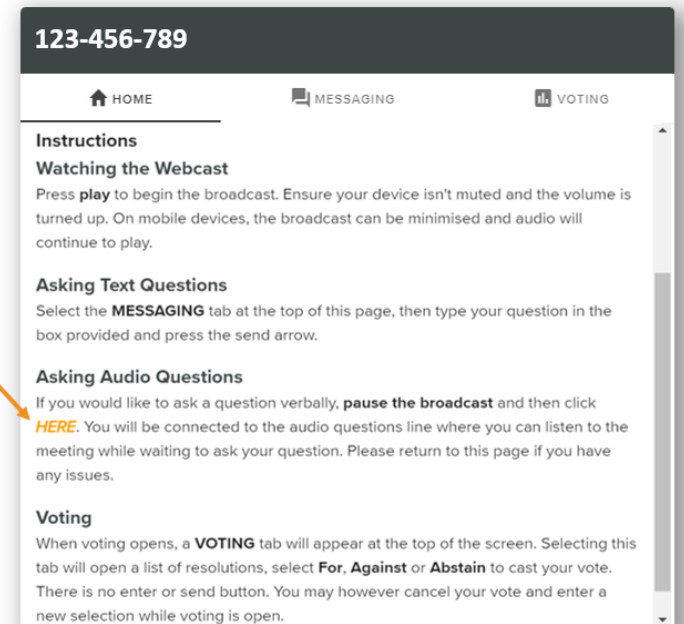


## To ask an audio question

When the audio questions line is available, a link will appear on the home tab titled **Asking Audio Questions**

If you would like to ask an audio question, **pause the meeting broadcast** and click on the link

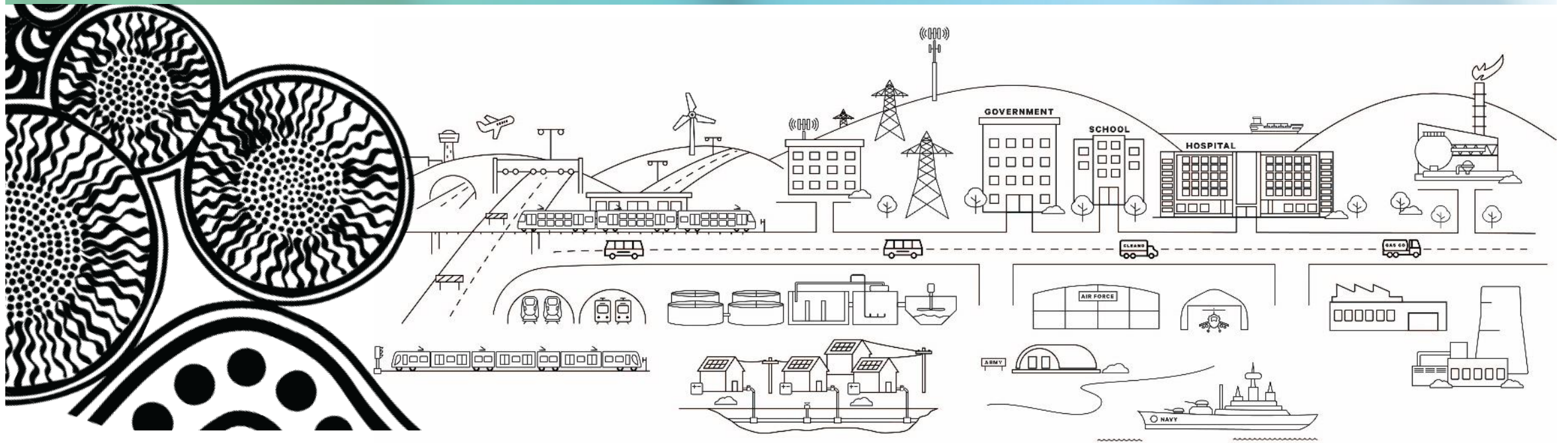
You will be prompted to enter your name and the topic of your question before being placed in the audio questions queue





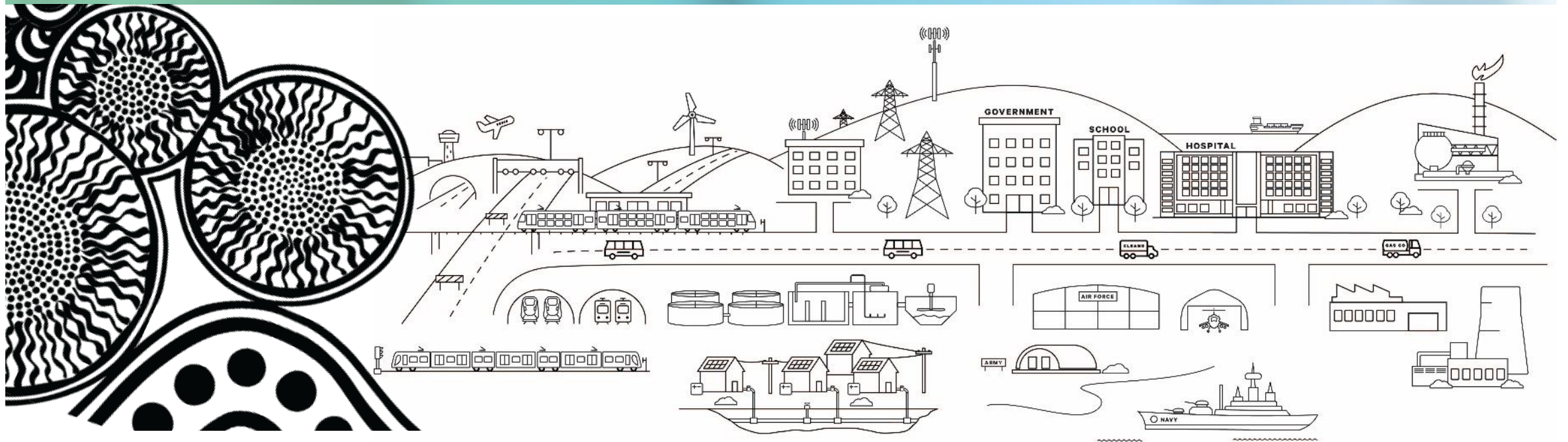
# Mark Chellew

## Chairman



# Grant Fenn

## Managing Director and Chief Executive Officer



# Financial Year 2021 - Delivering on priorities

## Deliver strong FY21 earnings and cash result

- ✓ High underlying cash conversion of 101%
- ✓ Increased dividend payout ratio (21cps full year)
- Underlying EBITA margin improvement (+0.7bps)

## Urban Services Portfolio

- ✓ Total proceeds of sales at 30 June 2021 of \$628m<sup>1</sup> with \$510m<sup>2</sup> received in FY21
- ✓ Refinement of corporate structure and cost base
- Progressing divestment of Open Cut East



Complete



In progress

## Capital Management

- ✓ Reset optimal capital structure at Net Debt / EBITDA of 2.0-2.5x (Gearing 19%)
- ✓ \$400m share buy-back commenced

## Sustainability

- ✓ Signatory to the SBTi, committed to Net Zero by 2050 in line with the 1.5C business ambition pathway
- ✓ S&P CSA Global ranked Downer in the top 15 per cent for our industry sector

## Implementation of The Downer Standard

- ✓ Quality systems and IP capture
- Common processes / single certification

<sup>1</sup> Includes proceeds from Laundries and Mining Divestments (Downer Blasting Services, Open Cut West, RTL joint venture, Snowden, Underground, Otraco and various equipment sales).

<sup>2</sup> Excludes \$39m deferred payments in relation to Open Cut West as at 30 June 2021 and \$79m from Otraco sale which is expected to complete before December 2021.

# Sustainability Achievements

- ✓ S&P Global Sustainability Yearbook Member and Industry Mover in 2021.
- ✓ Establishment of \$1.4bn syndicated sustainability linked loan facility

## Environment

- ✓ Signatory to the Science Based Target Initiative (SBTi), committed to Net Zero by 2050 in line with the 1.5C business ambition pathway.
- ✓ Increased the percentage of recycled materials in Asphalt products
- ✓ Signed up to the CDP Supply Chain program

## Social

- ✓ Above Industry Benchmarks for safety performance LTIFR<sup>1</sup> 0.99 & TRIFR<sup>2</sup> 2.60
- ✓ Increased number of Indigenous procurement supplier agreements
- ✓ Increased Māori engagement through supplier and development programs such as Amotai and Māori Leadership programs (Te Ara Whanake)
- ✓ Maintained Gold Accreditation in Mental Health First Aid and Partnership with Beyond Blue

## Governance

- ✓ Established The Downer Standard, achieved centralised third-party accreditation to the ISO 45001 (Safety), ISO 9001 (Quality) and ISO 14001 (Environment)
- ✓ Downer published its inaugural Modern Slavery Statement.



<sup>1</sup> Lost-time injury frequency rate  
<sup>2</sup> Total recordable injury frequency rate



# Sustainability opportunities

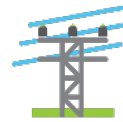
- Group**
- Sustainability linked finance
  - Support Mental Health in Downer and the community
  - Provide staff with opportunity for workplace giving
  - Support indigenous education and cultural awareness
  - Support diversity within Downer and the community

## Transport



- Further investment in recovery and re-purposing materials for road building and maintenance (Reconomy, Repurpose It, Reconophalt)
- New infrastructure to support alternate fuel vehicles (EV charging)
- Development of smart road and rail solutions
- Construction of more climate resilient infrastructure
- Lower emissions trains and locomotives, zero emissions buses, automated and digitised transport systems
- Energy reduction modifications on existing transport fleets

## Utilities



- Network upgrades to support higher renewable capacity (e.g. transmission lines, substations and associated connections)
- Design, construction and maintenance of renewable electricity generation (e.g. solar and wind farms)
- Microgrids and energy storage systems
- Energy efficient wastewater treatment facilities (e.g. biosolids gasification technology)
- Smart meter technology upgrades

## Facilities



- Asset Services
  - End-to-end hydrogen associated infrastructure
  - Maintenance, shutdowns upgrades of existing power generation assets
  - Carbon capture and underground storage
- Facilities
  - Smart integrated building management systems (rooftop solar, sensor technology)
  - Predictive maintenance solutions
  - Energy efficiency solutions

# Financial Year 2022 - Update

## Core Trading Update (July – Sept)

- Core<sup>3</sup> EBITA in line with prior year
- Strong Transport performance
- Covid shutdown impact on NZ, Facilities & Utilities

## Urban Services Portfolio

- Total proceeds of sales to date of \$778m<sup>1</sup> with \$537m<sup>2</sup> received
- Divestment of Corporate, Industrial and Education hospitality business
- Divestment of Open Cut East

## Capital Management

- Refinanced \$1.4bn Sustainability Linked Loan
- \$400m share buy-back (\$90m purchased to date)

## Sustainability Opportunities

- Improvement in ratings following exit from Mining
- Customer demand for decarbonisation solutions

## Growth

- Roads – Bolt on
- Decarbonisation economy – Net Zero 2050

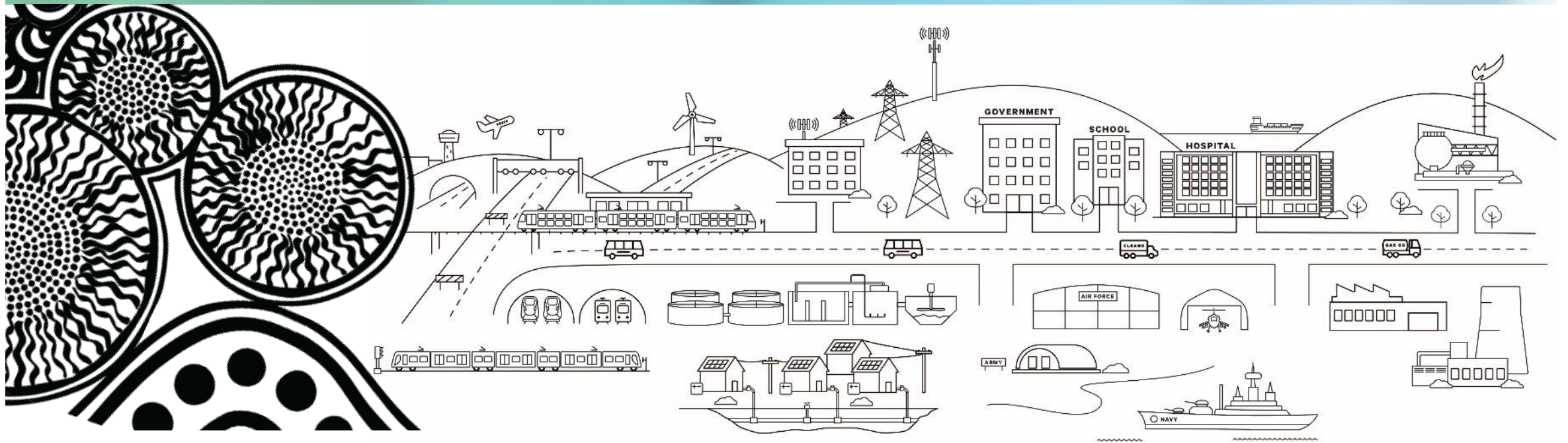
<sup>1</sup> Includes proceeds from Laundries and Mining Divestments (Downer Blasting Services, Open Cut West, RTL joint venture, Snowden, Underground, Otraco and various equipment sales).

<sup>2</sup> Excludes deferred payments in relation to Open Cut West and proceeds from the sale of Open Cut East and Otraco which are expected to complete before December 2021.

<sup>3</sup> Core includes Transport, Utilities and Facilities.

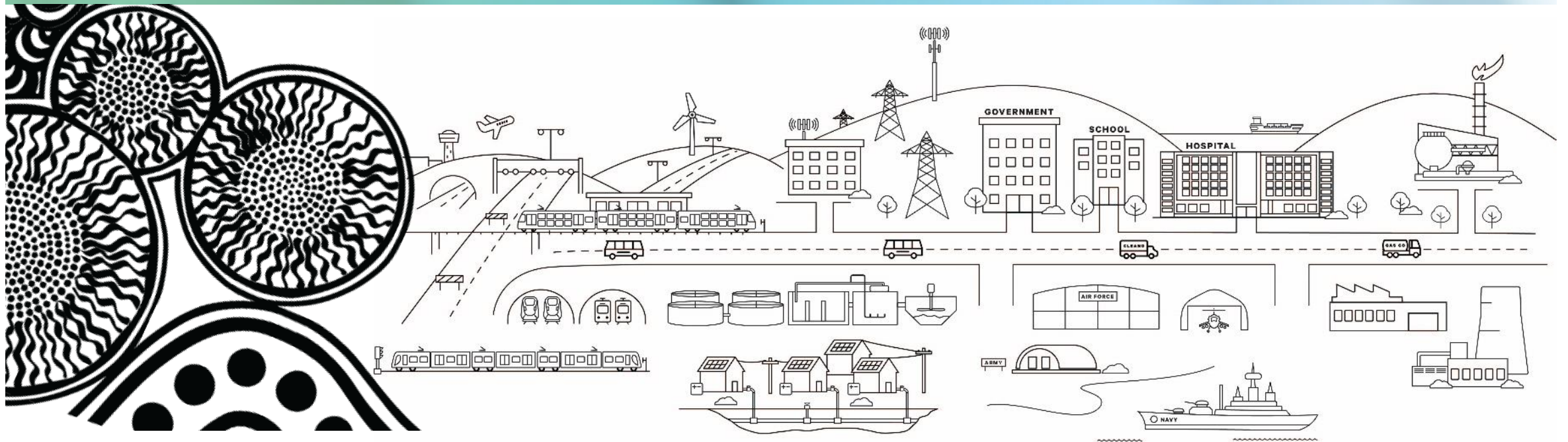
# Mark Chellew

## Chairman



# Robert Regan

## Company Secretary





# **Item 1: Financial Report, Directors' Report and Independent Auditor's Report**

The Financial Report, Directors' Report and the Independent Auditor's Report are now open for discussion.

There is no requirement for shareholders to approve these reports. Accordingly, item number one is for discussion only and there will not be a vote on this item.

I remind you that only shareholders of the company or their duly appointed representatives or proxies are permitted to ask questions.

## Item 2a: Election of Mark Chellew

“That Mr Mark Chellew, who was appointed as an Independent Non-executive Director of the Company, effective 1 September 2021 in accordance with rule 3.3 of the Company’s Constitution and being eligible, is elected as a Non-executive Director of Downer.”

Proxies received in relation to this motion are displayed on the screen.

	<b>Voted</b>	<b>%</b>	<b>% of all shares</b>
For	525,449,401	96.94	76.16
Against	15,861,573	2.93	2.30
Abstain	283,807	n/a	0.04
Open – Useable	722,082	0.13	0.10

## Item 2b: Re-election of Philip Garling

“That Mr Philip Garling, who was appointed as an Independent Non-executive Director of the Company on 24 November 2011 and in accordance with Rule 3.6 of the Company’s Constitution and being eligible, offers himself for re-election, is elected as a Non-executive Director of Downer.”

Proxies received in relation to this motion are displayed on the screen.

	<b>Voted</b>	<b>%</b>	<b>% of all shares</b>
For	536,939,053	99.06	77.83
Against	4,378,970	0.81	0.63
Abstain	262,133	n/a	0.04
Open – Useable	736,707	0.13	0.11

## Item 2c: Re-election of Nicole Hollows

“That Ms Nicole Hollows, who was appointed as an Independent Non-executive Director of the Company on 19 June 2018 and in accordance with Rule 3.6 of the Company’s Constitution and being eligible, offers herself for re-election, is elected as a Non-executive Director of Downer.”

Proxies received in relation to this motion are displayed on the screen.

	<b>Voted</b>	<b>%</b>	<b>% of all shares</b>
For	536,058,427	98.89	77.70
Against	5,292,306	0.98	0.77
Abstain	254,438	n/a	0.04
Open – Useable	711,692	0.13	0.10



# Item 3: Adoption of Remuneration Report

“That the Remuneration Report for the year ended 30 June 2021 be adopted.”

Proxies received in relation to this item are displayed on the screen.

	<b>Voted</b>	<b>%</b>	<b>% of all shares</b>
For	525,240,429	97.08	76.13
Against	15,119,,430	2.79	2.19
Abstain	1,238,719	n/a	0.18
Open – Useable	697,185	0.13	0.10

## Item 4: Approval of Managing Director's LTI

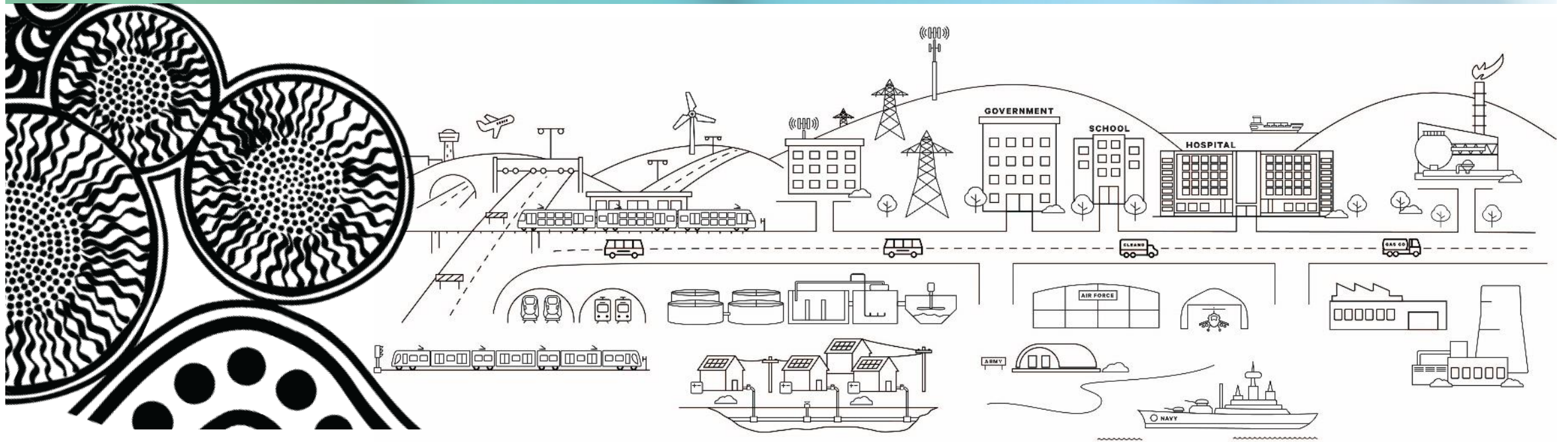
“That approval is given to the grant of performance rights pursuant to the Company’s LTI Plan and the acquisition of shares on vesting by issue or by transfer as the Managing Director’s long-term incentive for 2022 on the basis described in the Explanatory Memorandum to this Notice of Meeting.”

Proxies received in relation to this item are displayed on the screen.

	<b>Voted</b>	<b>%</b>	<b>% of all shares</b>
For	537,648,774	99.20	77.93
Against	3,637,436	0.68	0.53
Abstain	356,278	n/a	0.05
Open – Useable	674,375	0.12	0.10

# Mark Chellew

## Chairman



**Polls**





# Downer

## Annual General Meeting

### 4 November

# 2021

**Downer**  
Relationships creating success

