

Mr Menhinnitt: Good morning ladies and gentlemen. My name is Mark Menhinnitt and I am the Chairman of Downer EDI Limited. I'd like to begin by acknowledging the Traditional Owners of the land on which we meet today, the Gadigal people of the Eora nation and pay my respects to Elders past and present.

I would like to now officially open our Annual General Meeting for 2023. Based on the number of voting members in attendance, I declare a quorum for this meeting. Before I commence today's proceedings, I would like to draw your attention to the safety procedures for this venue. When notified of an emergency, which will be a beeping alarm through the speakers in this auditorium, please look for the Northside staff and follow their direction, exits are at the rear of the auditorium and entrance doors that you entered into the building from. Please make sure you do not use the lifts. Proceed to the designated external assembly area which is across the road next to the multi-storey car park as shown on the diagram on the screen. Do not re-enter the building until authorised.

I would now like to introduce my fellow Directors. On my far left is Teresa Handicott, then Nicole Hollows, Steve MacDonald, Sheridan Broadbent, Adelle Howse. Then next to Adelle is our Company Secretary, General Counsel, Robert Regan and to my immediate left is Peter Tompkins, our Chief Executive Officer. I would also like to introduce our Chief Financial Officer, Malcolm Ashcroft, who is in attendance today in the front row. I also note that Nigel Virgo, representing our auditors KPMG is here today and will be available to answer questions on the Auditor's Report later in the meeting.

Before beginning the formal business of the meeting, I would like to outline today's procedures and protocols. All resolutions will be decided by a poll which will open after the CEO's report. The meeting will consider the items of business outlined in the Notice of Meeting sent to all shareholders on 18 October 2023. There will be opportunities for shareholders to ask questions on the resolutions and questions will be confined to the formal business of the meeting. Only those persons holding a blue or yellow card are eligible to ask questions. Any undirected proxies in my favour as Chairman will be voted in favour of the relevant resolution.

Prior to the formal business of the meeting, I will present a brief report on behalf of the Board and then Peter Tompkins will give an update on the business. We'll now proceed with today's formal business. Given the Notice of Meeting has been sent to all registered members, I move that

the Notice of Meeting be taken as read. The minutes of the previous Annual General Meeting have been approved and signed in accordance with the *Corporations Act*. A copy is available for inspection should any member wish to do so.

We'll now move to the business of the meeting, which includes the resolutions to be put to the meeting. Prior to each resolution being discussed, the proxies that have been received on that item will be displayed on the screen. As I mentioned earlier, all resolutions will be decided by a poll. Item number 1 is to consider and receive the Financial Report, the Directors' Report and the Independent Auditor's Report for the year ended 30 June 2023. The Annual Report has been made available to shareholders and with it, the Notice of Meeting, which has been held by members in excess of the minimum period. The Annual Report is available on Downer's website; additional copies are available for those present today.

Before opening item number 1 for discussion, I'll present the Chairman's address and following that, I'll invite your Chief Executive Officer, Peter Tompkins, to provide an update on the Group's operations.

So, ladies and gentlemen, I would like to begin by acknowledging the significant challenges that Downer faced in FY23 and reiterate the commitment of the Board and the management team to transform the Company to deliver sustainable value for shareholders. As a Board, we are committed to working collaboratively with our CEO, Peter Tompkins, and his Executive Leadership Team to transform the Company. We are united on the imperative for cultural change and simplification of the business and are taking decisive action to improve contract performance, enhance Downer's risk management framework and drive operational excellence. Today, we will outline our progress in each of these areas.

Downer's Board of Directors has evolved significantly over the past 12 months. I was honoured to be appointed Chairman in March following the retirement of Mark Chellew and since taking the Chair, my focus has been ensuring appropriate governance structures are in place and driving risk management, accountability and performance across the Group. By way of personal background, I've been involved in project management, engineering and construction across infrastructure and property sectors for the past 35 years, here in Australia as well as overseas. My experience is very relevant to Downer and allows me to bring knowledge and skills in business strategy, governance and risk management, commercial

contracting and organisational development. I am committed to making Downer an outstanding trans-Tasman organisation that delivers for shareholders, employees, our clients and the broader community.

Following an orderly succession process involving both external and internal searches, Downer announced on 1 December last year that Grant Fenn would retire from the role of Chief Executive Officer in February 2023 and be immediately succeeded by Peter Tompkins. Peter presented the Board with a clear vision and a plan for the way forward, which the Board supports and has been actively implementing the plan whilst refreshing and energising his Executive team. With Mark Binns and Peter Watson retiring from the Board in January and September respectively, Downer has appointed two qualified and experienced Non-executive Directors this year, Steve MacDonald joining the Board in September and Sheridan Broadbent joining in October. Both Steven and Sheridan bring relevant skills and experience required to drive Downer forward, which I will detail later in the meeting in addressing their respective elections. I can say without hesitation that my fellow Directors are fully committed to delivering for shareholders and have the requisite diversity of skills, experience, and tenure that underpins this commitment. I am very happy with the contribution of all Directors and what they bring individually and collectively to the Board.

Alongside these changes to the Board's composition, we have reviewed the remit of two of our four Board committees, with a view to strengthening oversight of governance and performance. The Tender Risk and Evaluation Committee has evolved into the Project Governance Committee, which I chair, with its responsibilities expanding, going beyond its original responsibilities for approving major tender submissions to a broader governance remit across the full project lifecycle from project selection, bidding and conversion through to project delivery.

The Remuneration Committee's remit has broadened also, and is now dedicating greater attention to leadership capability and depth, talent management and workplace culture. Accordingly, it has been reshaped into the People and Culture Committee, which Adelle Howse chairs. We have heard from our shareholders that you would like Downer's Directors to be more aligned to your own interests in the company by having 'skin in the game'. In response, the Board has reduced a minimum security holding policy for Non-executive Directors, effective from 1 July 2023. Under the policy, each Director is required to establish and maintain a minimum security holding equal to or greater than 100 percent of their

base annual fee. This requirement is to be met within four years of the commencement of this policy or from the date of a new Director's appointment.

At the 2022 Annual General Meeting, we incurred a first strike against our Remuneration Report. We have since engaged extensively with major shareholders and proxy advisors to understand the key concerns regarding our remuneration framework and its application. With support from external advisers, the Board conducted a robust review of Downer's remuneration framework and disclosures to address these concerns within the context of our strategy and operating environment. As a result of the review, the Board has enhanced the STI and LTI frameworks for FY24. Changes to the STI include increasing the financial measure to 70 percent of the overall scorecard and introducing a Portfolio and Performance measure within that, focused on net financial benefits derived from measurable transformation initiatives.

The Zero Harm measure covering Safety and Sustainability will have a 20 percent weighting and we have increased the weighting of the Employee Engagement measure from five percent to 10 percent. Changes to the LTI framework include the addition of a positive TSR gateway to the relative TSR component and the inclusion of a minimum EBITA percent margin gateway for the scorecard component of the LTI, which Peter will further outline in his address. In light of Downer's financial performance in FY23, no STI award was made. Further, as a consequence of prior year earnings re-statements, deferred STIs awards eligible for vesting were reduced proportionally in the case of the FY21 and not paid in the case of the FY22 award.

A few comments regarding sustainability and our commitment to the energy transition and the like. The energy transition will create significant growth opportunities for Downer. In Australia and New Zealand, we are market leaders in many of the sectors that will be central to mitigating the long-term impacts of climate change. We have a unique mix of capabilities, experience and industry partnerships to help our customers achieve their net zero carbon emissions commitments. We are also committed to ensuring our own operations are more sustainable and last November we released our first Climate Change Report which covers our decarbonisation journey to date, our pathway to net zero and the pivotal role that Downer can play in energy transition.

During the year, we also delivered the first projects under our Decarbonisation Fund, which is available to our Business Units to support initiatives that result in structural decarbonisation. We remain dedicated to implementing solutions that will help us meet our net zero commitments, which is to reduce Scope 1 and 2 greenhouse gas emissions by 50 percent and reduce Scope 3 emissions by 30 percent cent by 2032 and achieve net zero by 2050.

Ensuring the safety of our people is always our number one priority, particularly as some of the sectors in which we operate are regarded as high risk due to their inherent hazardous nature. In FY23, Downer's Total Recordable Injury Frequency Rate, or TRIFR, was below target at 2.68, however, our Lost Time Injury Frequency Rate, the LTI, exceeded our target of less than 0.9. While our performance remains superior to industry benchmarks, we are determined to improve.

Sadly, Downer recorded two workplace fatalities over the past 12 months. Kane Minion, an experienced employee in our Utilities business, died in December 2022 while undertaking meter reading duties on a property south of Brisbane and John Wilson, a long-term Downer employee in New Zealand, died in August 2022 following a motor vehicle event. We are determined to learn from these tragic incidents and do better. We have extended our deepest sympathies to the families, colleagues and friends of these two individuals and will continue to provide them with support.

A key pillar of our Zero Harm strategy is to support the mental health of our employees and communities through our accredited mental health first aid program. We are also proud to have continued our important partnerships with Beyond Blue and the New Zealand Mental Health Foundation to support Australians and New Zealanders when they need it most. We support other not-for-profit organisations through our workplace giving program, which was launched in 2022. To date, Downer and our employees have donated more than \$360,000 to the Australian Cancer Research Foundation, Greening Australia, TLC for Kids and The Salvation Army's family violence stream. This year, we also extended our partnerships with the Australian Numeracy and Literacy Foundation, The Stars Foundation and NRL Cowboys House to support young Indigenous Australians. In New Zealand, the Downer Donate program provided more than \$200,000 to worthwhile charities that were selected by our people. We are proud of these programs and partnerships, which are making a real difference in the communities in which we operate.

I will now spend some time discussing the Independent Commission Against Corruption, or ICAC, public inquiry into the conduct of employees of Inner West Council, Transport for NSW and others including some Downer employees and, in particular, the actions Downer has taken since the hearing commenced on 20 March this year. I want to start by saying that Downer does not tolerate any dishonest or corrupt conduct. We expect all our people to uphold the values and behaviours set out in our Standards of Business Conduct. It is important to note that those individuals who Counsel Assisting referred to in his opening statement as facing specific allegations are no longer employed by Downer. The behaviour of these individuals is incredibly disappointing. They do not represent the integrity of our organisation.

While I cannot provide any further update on the ICAC public inquiry itself as it is still ongoing, I can outline some of the important steps that Downer has taken to strengthen our internal processes and systems since the inquiry commenced. We engaged independent probity and procurement experts to review Downer's procurement control environment, with a focus on corruption prevention and detection. That review is now complete. The primary finding was that the relevant procurement control environment was largely sound. Downer's integrated management system, The Downer Standard, which houses documents, policies and standards that make up Downer's risk framework, were also found to have generally comprehensive procurement controls supported by well-considered policies and procedures promoting business integrity and supported by training.

The review also identified opportunities for enhancing the procurement control environment to better manage probity and corruption risk and we are reviewing those opportunities and implementing further changes to strengthen our controls. We have implemented an oversight mechanism to evaluate and address opportunities and enhancements to our probity and procurement environment, and we're in the process of rolling out a single system to govern vendor prequalification and procurement. We have established a working group to implement actions and a steering committee, comprising Peter's Executive Leadership Team, to oversee the implementation of these actions. The establishment of the People and Culture Committee, which I spoke about earlier, will also place greater emphasis on ethical conduct, as will the newly created Executive position of Chief Risk Officer.

In parallel to these reviews and changes, Downer is carrying out a further external review to evaluate how our enhanced control environment compares to the Australian Fraud and Corruption Control Standard and whether any additional strengthening or modifications can further enhance our framework. Downer has also reviewed our complaints process to ensure that the avenues for reporting are appropriate and fit for purpose. We are continuing to make improvements in our control environment and are being guided by independent experts on those changes required to strengthen our processes and systems.

In closing, while FY23 was undoubtedly a challenging year, I want to reiterate my steadfast belief in Downer, our management team and our people. Downer is an iconic trans-Tasman organisation with a proud history and a bright future. There is much work to do to lift performance across the spectrum and reduce volatility, however, we do have strong foundations, trusted long-term customer relationships, good exposure to sectors with tailwinds and an inevitable pipeline of work. I would like to thank Peter and his Executive team and our people for their efforts over the past 12 months. I would also like to thank our shareholders for your support this year.

I will now hand over to Peter before I return to run through the resolutions that will be put to the meeting. Thank you.

Mr Tompkins: Thank you, Chairman and good morning ladies and gentlemen. On 27 February of this year, I took over as Chief Executive Officer and it was also the day that we delivered our half year results for FY23. At the time, I committed to implementing strategies to improve performance to realise better value for our shareholders and as I stand here before you today, I am pleased with the progress that we are making.

For the full year, underlying NPATA was \$174.2 million, which was in line with our revised guidance. Our cashflow performance improved after a very poor first half, with underlying cash conversion of 110% in the second half and a conversion of 65 percent overall for the year. The Group remains in a strong financial position with net debt to EBITDA of 2.0x and in August the Board declared a final unfranked dividend of \$0.08 per share.

Now, while the past 12 months has thrown up a range of challenges for Downer that have highlighted the need for us to implement urgent change, I remain highly confident in the potential of our business. Downer is

favourably exposed to economic and social trends that drive demand for our work including decarbonisation, national security and the push by governments to prioritise local industry, and population growth. Since taking over as CEO, I have worked closely with our Chairman, our Board and our ELT to prioritise the operational and cultural enhancements necessary to improve our business. Our focus is on selecting the right projects, improving underlying contract performance and driving a culture of accountability through the organisation.

Back in February, I also announced a cost-out target of at least \$100 million, and that we were targeting an average EBITA margin of 4.5 percent in FY25. The program aims to position the Company for long-term success, by focusing on three key focus areas. Firstly, by resetting our operating model and moving to an integrated Australian and New Zealand business so that we are sector-led to enable better customer solutions and reduce our cost base. Secondly, that we would simplify our portfolio to create a business with a narrower focus on core markets. Finally, that we would improve bid and delivery margins and enhance our focus on risk management.

The 4.5 percent management target has been set to incentivise and measure our progress as we execute our plans in the above areas. I remain convinced that we can make considerable improvement in the margin performance from historical levels. The 4.5 percent margin target is now incorporated into our revised Long Term Incentive programs, with a management scorecard and a margin hurdle requiring an average EBITA margin of 4.5 percent across FY25 and FY26 and, importantly, with a minimum threshold average full year margin of 4.2 percent at least for all of FY25.

An important change linked to our transformation has been the update of our Purpose, Promise and Pillars to support our focus on connecting people, culture and performance. Our Purpose has been updated to reflect a higher ambition, as you saw in our commencement video, and emphasising the vital role that we play in society. With sustainability at the forefront of how organisations build strategy, allocate capital and contribute to achieving a net zero carbon economy, it was really important for us to articulate our ambition in a way that resonates more meaningfully, particularly with our staff. In a nutshell, we enable communities to thrive. This is our new Purpose – and it is our reason for doing what we do every day. I believe there are very few companies that can directly connect the services they deliver to a Purpose such as ours and, for Downer, ‘enabling

communities to thrive' is a true reflection of our role now and future opportunities.

We have continued to invest in our people, rolling out initiatives to improve our employee experience and reinforce our reputation as an employer of choice in a very tight and highly contested labour market. Pleasingly, the work we are doing to enhance our employee experience was acknowledged in August when Downer was named an Employer of Choice at the Australian Business Awards for the second consecutive year. Our Chairman spoke about our commitment to Zero Harm and the two workplace fatalities in our business this year. I also acknowledge the passing of our two colleagues and I assure our stakeholders that Zero Harm is the single most important value and above all else.

Now looking at our business segments and key highlights. In Rail & Transit Systems, it had a solid year with the multi-billion-dollar QTMP program awarded, which was a key highlight. In Road Services in Australia and New Zealand, they were both materially impacted by weather conditions in the first half, but as weather and operating conditions improved, the Roads business in Australia performed in line with forecast and delivered strong volumes on catch-up maintenance and repairs. In New Zealand, we signed an agreement for the East Coast Recovery Alliance, which is forecast to be a three-year program to rebuild critical infrastructure following the aftermath of Cyclone Gabrielle.

Utilities had a very tough year and we are in a rebuilding phase. Utilities is an important part of our portfolio and will play a key role in helping customers with their energy transition and I am confident that with the significant changes we have already made, that we will turn the business around. In Facilities, our portfolio of health and education PPPs is performing strongly and all across our Facilities business we continue to achieve strong win rates and build our work-in-hand. Finally, in Industrial & Energy, it is building a strong pipeline of work in the power sector across Australia, securing contract extensions and new work with key customers supporting them in the energy transition and decarbonisation.

Now, to an update on our business improvement. We are progressing well against our \$100 million cost-out target and, as said previously, we're prioritising the delivery of this target by the end of the 2024 financial year. Further opportunities exist and we have commenced planning for the next phase. On 1 July we implemented our new operating model, creating five trans-Tasman Business Units, focused on transport, facilities and utilities.

This new structure allows us to scale the capability we have across both geographies and to provide a much higher level of visibility into the performance of the business. We've also completed a culture diagnostic of the strengths and weaknesses and have set a performance-orientated target culture that reinforces our customer-centricity and technical capability, and we are focusing on the leadership capability across our business and have a number of programs to support the development of our leaders.

Importantly, we have continued simplify our portfolio. On 20 June we announced the completion of the Australian Transport Projects business sale. The remaining \$20 million of the \$212 million proceeds have now been collected following final customer consents being obtained. Earlier in the month, we also announced the sale of Repurpose It, of which Downer owns 45 percent. We acquired our interest in Repurpose It for \$8.5 million in 2019 and we expect to receive post-tax cash proceeds of approximately \$85 million. This represents a very strong return on our initial investment. This is a great example of a portfolio decision to realise value for shareholders and further strengthen an already robust balance sheet, and this should position us with more options for capital management as we progress in our transformation.

We will continue to action the divestment and close down of small, low-margin businesses with risk-and-reward profiles that don't make sense, an example being the divestment of our HVAC construction business that was completed in August. We have also made several changes to enhance our risk management framework and capabilities. We are being more selective about our projects and prioritising bidding for work that delivers improved margins with customers who value our technical capability and where we have the capacity to deliver.

We have also created the new Executive position of Chief Risk Officer, with Ashley Mason now in this key role. He is responsible for Downer's enterprise risk management framework and associated functions including The Downer Standard, Internal Audit, our Project Management Office and the Tenders & Contracts Committee. Ashley brings considerable experience to Downer, having held numerous roles at tier one organisations in risk. His role in driving the Quarterly Business Review process so that we get project level reviews of performance is now established. So, as you can see, we are well underway. However, I do want to be very clear in emphasising that we are at the start of our transformation journey to drive higher performance and unlock our

potential. It will take time, but I am absolutely certain we are on the right track.

Lastly, turning to the trading update. Our EBITA for the period of July to October is up on the prior corresponding period after taking into account our divestments. However, as we said in August, the first half of FY24 will be affected by the run-off of the loss-making and low-margin contracts and the Utilities recovery will be ongoing. As a result of this, and the phasing of our cost-out program benefits, we are expecting a lower first half earnings split than our historical average. Labour availability and workforce gaps remain challenging, but we are navigating these issues better than we were 12 months ago.

Importantly, we are also targeting EBITA margin improvement in FY24 and beyond. In FY23 our EBITA margin was 2.6 percent and we are focused on making improvement against our management target margin of 4.5 percent. Our work-in-hand, as reported in June, was above \$36 billion and on a like-for-like basis, has grown from FY22 as a result of winning the QTMP project. We have continued to grow our work-in-hand during the first half and our addressable markets continue to have strong growth potential in the medium term.

With a lot of focus on Downer at the moment, it is more important than ever to ensure we maintain the confidence of our key customers. That is why we undertook an independent NPS survey of our top customers and their support continues to be positive. Now, on the operational front, in Utilities we have signed the second commercial reset of our power maintenance contract and are on track to return this contract to at least breakeven in the second half of this financial year. We are progressing commercial discussions on our water projects and I am increasingly confident in the Utilities segment and that it will return to profitability in FY24.

In Transport, QTMP is mobilising well and, as I mentioned earlier, as weather conditions stabilise we are experiencing a higher level of productivity across most parts of the business, but this has been partially offset by spending by transport agencies, particularly in Victoria and South Australia and we have experienced this in the 4.5 months of this financial year. Facilities continues to perform in line with expectations and they've had two good wins in Defence over the past two months, including the extension of our EMOS contract for a further 12-month period.

Ladies and gentlemen, it has been a challenging year for Downer, but as you can see, we are taking responsibility for our performance and implementing change. Finally, I would like to give my thanks to our 32,000 staff and many more thousand delivery partners who are tireless in their dedication in enabling communities to thrive. Thank you.

Mr Menhinnitt: Thank you, Peter. We'll now open the polls. I invite the Company Secretary, Robert Regan, to advise the poll procedure.

Robert Regan: Richard Powell of Computershare Investor Services has been appointed Returning Officer for this meeting and I am satisfied as to Computershare's independence. If there is any person at the meeting who believes they're entitled to vote but has not yet registered, would you please raise your hand for assistance. Every member present in person or by representative, attorney or proxy who holds a blue admission card is entitled to one vote for each share held. The resolutions on what you are required to vote by poll are item 2A, 2B, 3, 4A and 4B as set out in the Notice of Meeting.

I wish to advise shareholders that the resolutions for items 2A, 2B, 3, 4A and 4B are ordinary resolutions and that a simple majority of the votes cast is required for them to be carried. Item 5, the spill resolution, is a contingent ordinary resolution, and is to be put to this meeting only if at least 25 percent of the votes cast on item 3 are against the adoption of the Remuneration Report. Thank you, Chairman.

Mr Menhinnitt: Thank you, Robert. 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 1 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. If you do have a question, please raise your hand and we will bring the microphone to you. While we are doing that, we did have a question received from a shareholder online which I will cover now ahead of any other questions. The question was: 'How much of Downer's business deals with the decarbonisation of energy and does the Company have intentions to increase their level of exposure to the electrification of society?' I think we've probably covered it reasonably in the address, but I will reiterate our response to that.

First of all, thank you for the question. Downer is highly levered to the transition to a net zero economy. The net zero emissions future will require adjustments to almost all urban infrastructure which is the space in which we operate. But particularly power generation and power storage, power transmission, distribution, building energy management and transportation. Downer has market-leading positions in all those sectors. So, the energy transition represents a large growth opportunity for Downer, with capabilities across our portfolio in high demand. We're already seeing this happen, and are working with many of our customers to support their net zero commitments.

We hold a market-leading position in the design and construction of power transmission distribution networks in Australia, which will be central to this energy transition. Our Industrial & Energy business is also highly levered to the transition at the forefront of future energy and decarbonisation solutions delivering services and capability to help our customers in the industrial and power sectors to decarbonise their operations. So just a few examples. Across all of our Business Units, there are growth opportunities to support our customers. With our suite of technical skills, we are in a prime position to grow our business in what will be a massive energy transformation effort.

So, thank you for that online question. We'll now go to any other question from the floor.

Natasha Lee: Thank you, Mr Chairman, Natasha Lee, shareholder. Firstly, the issue about the overstatement of the post-tax income which affected your results, was, not wanting to go over spilt milk, just need reassurance about what sort of processes Downer has implemented to avoid that sort of situation in the future. Also, maybe a question for the auditor, whilst I understand auditors are there to do a reasonable check, why didn't the auditor pick it up earlier and have they changed their processes to be a bit more vigilant in that area.

Mr Menhinnitt: Thank you for your question. I think it goes without saying we are all very disappointed in what happened. There was a very detailed review done, it wasn't a systemic issue across the business, it was a particular point in one particular contract that was renewed back in 2019. The ASX announcement that went out on 27 February covers that in some detail. It also talks to what are the things that we are doing or have done subsequent to that to make sure that it doesn't happen again. I would state that the accounting policies that Downer has are completely appropriate.

What this was, the misapplication of an accounting policy in one small part of the business. So that was in place, what we have done subsequently is to, on any material contract that the organisation secures, is for the Tender Contracts Committee, which is a key risk management governance part of the business, is to review those contracts and sign off on the adoption of the accounting policy that sits within The Downer Standard. Then subsequent to that, within six months of that internal audit, we'll do a review to make sure that that is actually in place. So, there wasn't a failure of the policies that the organisation holds, it was the application of the policy.

Ms Lee: I think that cyberthreats are a topical major issue. Whilst you talk about your simplification and integration of the businesses, in terms of IT platform, does each of the business pillars use or have a separate IT platform, so that a mishap in one area, say from a third-party provider, doesn't spread a virus across the whole system?

Mr Menhinnitt: I'll pass to Peter to answer that in detail, but I'll say from the outset that the Company has a very solid cybersecurity framework that aligns to the Essential Eight standard. So, a lot of focus and effort goes into protecting our environment against cyberthreats. The organisation isn't on one singular platform, there are a couple of different enterprise systems in the organisation that all have that same framework applied to it. But I'll pass to Peter to provide any more colour on that.

Mr Tompkins: Yes, look I think it is important. We have invested in the central IT platform to reinforce our cyber risk defences and robustness. I think the key part of this as well, as we've seen in a number of examples, is the way in which you have linkages into clients and third-party systems, so making sure that whilst we have a central IT platform, that all the connection points within the business and within the business specific applications have that same level of rigour and that our people have that extra training, given cyber risk is increasing.

Mr Menhinnitt: Thanks Peter.

Ms Lee: Now, the management buyout of the Australian mechanical and electrical commercial projects, what sort of processes were involved in determining, effectively, the market value? I suppose, from previous experience with things like management buyouts, it is difficult and there's asymmetric information, but how did you test to ensure that you actually were getting an appropriate price for the buyout of that entity?

Mr Menhinnitt: That's a very good question. It was one that obviously the Board noodled over for some period of time to make sure we were happy that that was the best pathway. We looked at a number of different options, including testing the market to see if there was a participant that would take that business. So obviously management buyouts do raise the question are we getting full value for that business. So, we looked at all the different options available over a long period of time and ultimately decided that was actually in the best interests of the Company. But Peter could say a few more words to that, but we are very satisfied that the outcome, the trial risk, et cetera, was the best outcome for the organisation that we could achieve.

Mr Tompkins: What I would add to that is it was a loss-making business for a considerable period of time and at least three or four years ago we determined that that business operated in areas which weren't consistent with our risk appetite. The piece of work was done to determine there actually wasn't a buyer for the entire business, so progressively we exited that part of the market and ultimately there was a management buyout by the remaining part of the business and reinforcing Mark's, the Chairman's point, around valuation and diligence going through to signing and completing that transaction.

Ms Lee: Thanks. Just a couple of comments actually. In regard to your Annual Report, at least the online version, someone with my somewhat poor eyesight found it very difficult to read the light blue and green headings and it seemed to be a grey text. I would much prefer it and I think some of the – probably the older members of the community-----

Mr Menhinnitt: Me too.

Ms Lee: -----would prefer a black text. So, something to bear in mind for next year's report and not have light colours, like have bold colours, you're a bold company, so why not be bold.

Mr Menhinnitt: I share your pain on that, so it's noted and we will take that on board, thank you.

Ms Lee: Well, as I said, I've got many companies in my portfolio and after reading them, I think that is contributing to my eyesight problems. And I heard you made a donation to the Australian Cancer Research Foundation. I am a long-term supporter of that, so I congratulate you on that.

Mr Menhinnitt: Thank you.

Ms Lee: Thank you very much.

Mr Menhinnitt: Thank you. Any other questions from the floor? As there are no further questions then, I'll move to item number 2A, which is the election of Steve MacDonald. Steve MacDonald was appointed by the Board during the year as an Independent Non-exec Director. Steven is retiring in the accordance with the constitution of the Company and being eligible, Steven is standing for election. I now invite Steven to address shareholders.

Mr MacDonald: Thanks Mark. I'd like to provide you with an overview of my background. I'm a civil engineer and have spent the bulk of a 40-year career involved in the contracting markets, both in the construction and on the asset services side. I've worked extensively in the Australian and New Zealand markets, as well as overseas, with the last 10 years of my career predominantly in power, infrastructure, and the utilities markets. I bring to the Board operational, commercial and strategic skills in a contracting market. In addition to contracting experience, I also bring to the Board some of the insights of an asset owner, having been the CEO of an infrastructure fund and more recently as a director of electricity network owner, Ausgrid, and as the current Chair of renewable energy company, Intera. I did do my due diligence before joining the Downer Board, and I'm excited by the Downer transformation plan and the elevated focus on risk management and governance. There are challenges ahead, however, I believe Downer is well placed and has the focus and drive to be successful. I look forward to working with my fellow Board members and management to deliver on plans to improve Downer and achieve the performance goals that have been outlined today and in doing so, providing reward to the faith shown by our shareholders.

Thanks Mark.

Mr Menhinnitt: Thank you, Steven. The proxies received in relation to this motion are displayed on the screen. The other Directors, including me, unanimously recommend that shareholders vote in favour of this resolution. There is now an opportunity for discussion of this resolution. Are there any questions?

Ms Lee: Thank you Chairman, not specifically a question for Steven, I think that it is good that there has been some Board renewal overall and it's good to see

the female representation on the Board increase. I would make the comment that having achieved a significant female representation, that the Board do remain mindful of other forms of diversity so that the Board does reflect, or better reflect, the broader makeup of the community in which you serve. So that's the only comment, that you take that on board.

Mr Menhinnitt: Great, thank you, we'll take that on board. Are there any other questions? Thank you very much, ladies and gentlemen and congratulations, Steven. In the short time that Steven's been on the Board, I absolutely value his contribution, his experience and knowledge. It's been a great journey so far.

I'll now move to item 2B, which is the election of Sheridan Broadbent. Sheridan Broadbent was appointed by the Board during the year as an Independent Non-executive Director. Sheridan is retiring in accordance with the constitution of the Company and being eligible, Sheridan is standing for election. I now invite Sheridan to address shareholders.

Ms Broadbent: Thanks Mark. Tēnā koutou katoa, ko Sheridan Broadbent, toku ingoa. So good afternoon everybody, my name is Sheridan Broadbent. Look, it's a real privilege to be here before you today in support of my election as a Director on the Board of Downer. Before I give a summary of my credentials for the role, I'd just like to reinforce my personal commitment to robust governance, engaged oversight, strong management of risk and upside, and a growth in innovation mindset.

I'm a professional director and board adviser based in Auckland, New Zealand. Presently I serve as an independent director of NZX listed organisations Spark New Zealand and of Manawa Energy and I am a long-standing Deputy Chair of the New Zealand Business Leaders' Health and Safety Forum. I'm a chartered director in New Zealand, with the New Zealand Institute of Directors and a graduate member of the Australian Institute of Company Directors. I was also an inaugural member of the New Zealand Government's seven-member Cyber Security Advisory Committee. I proudly whakapapa to the Ngāti Maru Hauraki iwi in New Zealand.

My executive background in Australia and New Zealand over the past 25 years has been telco, energy and infrastructure, working in a variety of senior and executive roles for organisations such as Ericsson, what was then called Telecom New Zealand, Genesis Energy and as CEO of Counties Power, which was one of the New Zealand electricity distributors.

Over 15 years ago I led Downer EDI Engineering in New Zealand, when there was such a business, and I was also over here, the EGM of telecommunications for Downer Group. Previous governance roles include my recent role as Chair of Kordia Group and director of large organisations in New Zealand and major customers of Downer's, Waka Kotahi New Zealand Transport Authority and Transpower.

I have worked with, for and around Downer Group for much of my senior career in a variety of roles, such as employee, competitor, JV partner, and industry collaborator. This mighty organisation is an important one and nowhere more so than in New Zealand actually, where Arnold Downer founded Downer & Co in 1933. That company's first job being the construction of the surge chamber which forms part of the Waipori power scheme in the South Island. For the infrastructure nerds here, it's worth Googling that scheme to take a look at the kind of nation-building infrastructure that this Company has its heritage in. So we've been in renewables a long time at Downer. When we talk about 'Enabling communities to thrive', that has been in the DNA of this organisation since then. So, Downer is an organisation I admire and one that matters enormously to its customers and I know that because, like Steven, I did quite a bit of due diligence before joining the Board. It also matters to its people and to the economy of New Zealand and Australia and has an important role in the South Pacific Islands.

Given my breadth of experience across the infrastructure, energy and telco value chain, my background in digital and my executive experience leading large organisations, I feel I bring strong capability, strategic and operational skills to Downer, to the boardroom, and a perspective and lived experience that augments the many talents of the existing team.

As a long-serving steering group member of the Business Leaders' Health and Safety Forum, I give you commitment that Zero Harm is my most important priority. So, I'm grateful for your support today and I give you my commitment to strive always to sustain high performance and strong and mutually successful relationships with our shareholders, our customers, the communities in which we operate, and our hardworking people across the region. So koira reira atu. Thank you very much.

Mr Menhinnitt: Thank you, Sheridan. Proxies received in relation to this motion are displayed on the screen. The other Directors, including me, unanimously recommend that shareholders vote in favour of this resolution. There is now an opportunity for discussion on this resolution. Are there any

questions? No questions? Congratulations, Sheridan, and thank you for your commitment to the organisation. I think, as a Board and for shareholders, we're very fortunate to have two incredibly high calibre experienced and committed Directors joining the balance of the Board, which is equally committed. So congratulations and welcome.

So I'll now move to item 3. The meeting now needs to consider item 3, the adoption of the Remuneration Report for the year ended June 2023. The proxies in relation to this item are displayed on the screen. Item 5, the spill resolution, is to be put to this meeting only if at least 25 percent of the votes cast on item 3 are against the adoption of the Remuneration Report. As can be seen from the proxies displayed on the screen, this requirement has not been met and item 5 will not be put to this meeting. On behalf of your Board, I thank you for your support.

The Remuneration Report is now open for discussion, if there are any questions on that. We did receive two questions online which I'll answer with the one answer. I'll go through those first while we wait for anyone to ask a question from the floor. These are just as they come. 'When is the Company going to deliver value to shareholders by reducing the remuneration and remuneration packages paid to the Board and Senior Executives? It is time to give pay rises to all employees, not just Senior Executives'. Further, 'Why does the Board and Remuneration Committee insist on benchmarking the salaries of the KMP personnel? They're already well paid for their services and other employees and shareholders do not receive either a bonus or share allocations'.

So, I thank you for the questions, two separate questions but the one response. Downer, as you'd appreciate, operates in very competitive markets. We have a robust remuneration framework that ensures Executive remuneration is fair, competitive with the external market, and contains a substantial part that is contingent on performance and alignment to shareholder outcomes. Benchmarking is used to confirm the remuneration levels are appropriate and ensures the Company has the best people in place to support our immense runway for growth. Similarly, for Directors, remuneration is set to attract and retain directors with experience, knowledge, skills and judgment to steward the Company.

Are there any other questions in relation to the Remuneration Report?

Ms Lee:

Thank you, Mr Chairman. Look I'm generally happy with the Remuneration Report. My only concern or issue is that the Long Term Incentive horizon

seems to be three years. Most companies are moving towards a four-year horizon. Will the Board take that on notice to improve? I know that it makes it harder for you guys to get your bonuses and you haven't been paying out in previous years, but it's basically reflecting best practice across the board.

Mr Menhinnitt: I thank you for your question. It is something that we will be considering. Just an immediate response to that, I think there has been a shift in the market to four years, a lot of that coming within the ASX 50, driven by the bank regulations. Downer has a three-year performance period, a four-year plan, so there's a one-year lock that exists beyond that, so it is four years before it's received, with a three-year performance period. But I take your comment. It's something that as we go through our framework, we will consider, but it needs to be considered with respect to the markets we operate in and the company we are, and where some of that movement is coming, obviously as I said, out of the banking sector. But thank you for your comment.

Ms Lee: No, that's fine. Thank you.

Mr Menhinnitt: Any other questions with regard to the Remuneration Report? Thank you very much, ladies and gentlemen.

We now move to item 4A which is the approval of Managing Director's Long Term Incentive for 2023. The details of the Long Term Incentive plan is set out in detail in the Notice of Meeting. Proxies received in relation to this motion are displayed on the screen. There is now an opportunity for discussion of this resolution. Are there any questions? No? Thank you very much, ladies and gentlemen.

Item 4B, approval of the Managing Director's Long Term Incentive for 2024. The meeting now needs to consider item 4B. The details of the Long Term Incentive plan are set out in detail in the Notice of Meeting. Proxies received in relation to this motion are displayed on the screen. There's now an opportunity for discussion of this resolution. Are there any questions? No questions? Thank you very much, ladies and gentlemen. Now that all items have been discussed, we will allow a short time to lodge your votes before closing the polls. Computershare representatives will now walk around the room to collect your voting card. Would you please indicate by raising your hand if you require more time to complete and lodge your voting card.

As all papers have been collected, I declare the poll closed – no, it's still open, my apologies. I jumped the gun there, so my apologies for that. As all papers have been collected, I declare the poll closed. The counting of the results will take a little while, so I propose to close the meeting and announce the results of the poll to the ASX this afternoon. Is there any other business that can lawfully be brought forward?

Ladies and gentlemen, there being no further business, the meeting is now concluded, Thank you very much for your attendance. I now invite you to join the Directors and Executive team for light refreshments. Thank you.