

Annual General Meeting

Downer Group

Downer 



22 November 2023



Mark Menhinnitt

Chairman's address



Peter Tompkins
CEO's report

Reset operating model and cost base – Targeting >\$100m cost out

- \$100m cost out remains on track by end of FY24
- Commenced planning for next phase of cost out program
- Trans-Tasman operating model in place since 1 July, and running to plan
- Culture reset – new Purpose embedded and linked to brand strategy

Continue to simplify current portfolio

- Divestment of Australian Transport Projects – completed
- Divestment of Repurpose It announced – cash proceeds of ~\$85m
- Full potential strategy plans underway

Operational excellence and risk management

- Refreshed ELT team – 50% of ELT are in new roles since February 2023
- Deep dive Quarterly Business Review process implemented
- Board Project Governance Committee now running monthly
- Remuneration strategy – incentives aligned to target margins and cost out program



Improvement in October YTD EBITA¹ versus prior period

1H24 impacted by run-off of low margin contracts and timing of Utilities recovery

Targeting EBITA margin % improvement in FY24 towards management target of >4.5% in FY25

Integrated Australia and NZ operating model giving better visibility on risk management and contract performance

Work-in-hand and customer feedback remains strong

Utilities

- Confident on returning to profitability in FY24
- Power maintenance contract – reset and recovery on track
- Water projects – commercial negotiations ongoing

Transport

- QTMP mobilising well
- Stable weather supporting higher productivity
- Lower spending by Transport Agencies in VIC and SA

Facilities

- EMOS contract extended for 12 months
- Portfolio performing in line with expectations

1. Normalised for Australian Transport Projects divestment





Robert Regan

Poll procedure

Financial Report, Directors' Report and Independent Auditor's Report

Item 1

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.

If you do have a question, please raise your hand and we will bring a microphone to you.





Item 2A – Steven MacDonald

“That Steven MacDonald who was appointed as an Independent Non-executive Director of the Company, effective 1 September 2023, 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 item are displayed on the screen.

Item	For	Against	Abstain	Open – useable
Item 2A Election of Steven MacDonald				
Voted (No. shares)	554,559,477	271,976	69,503	631,912
% of voted shares	99.84	0.05	n/a	0.11
% of all shares	82.58	0.04	0.01	0.09



Item 2B – Sheridan Broadbent

“That Sheridan Broadbent who was appointed as an Independent Non-executive Director of the Company, effective 2 October 2023, 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 item are displayed on the screen.

Item	For	Against	Abstain	Open – useable
Item 2B Election of Sheridan Broadbent				
Voted (No. shares)	554,577,577	298,893	58,836	597,562
% of voted shares	99.84	0.05	n/a	0.11
% of all shares	82.58	0.04	0.01	0.09

Item 3

“That the Remuneration Report for the year ended 30 June 2023 be adopted.”

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

Item	For	Against	Abstain	Open – useable
Voted (No. shares)	507,885,833	46,901,198	166,089	579,748
% of voted shares	91.45	8.44	n/a	0.11
% of all shares	75.63	6.98	0.02	0.09



Item 4A – Approval for 2023

“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 2023 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.

Item 4A Approval of Managing Director’s LTI for 2023	Item	For	Against	Abstain	Open – useable
	Voted (No. shares)	550,131,851	4,724,238	107,212	569,567
	% of voted shares	99.04	0.85	n/a	0.11
	% of all shares	81.92	0.70	0.02	0.08

Item 4B – Approval for 2024

“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 2024 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.

Item 4B Approval of Managing Director’s LTI for 2024	Item	For	Against	Abstain	Open – useable
	Voted (No. shares)	550,173,033	4,657,871	131,095	570,869
	% of voted shares	99.05	0.84	n/a	0.11
	% of all shares	81.92	0.69	0.02	0.09

Polls





SKANDON
Downer

Downer

