## IMPORTANT NOTICE

**NOT FOR DISTRIBUTION INTO THE UNITED STATES, TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED BELOW) OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES**

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached Offering Circular included in this electronic distribution (**Offering Circular**). You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any amendments or supplements to the Offering Circular or other information as a result of such access.

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES AND THE GUARANTEE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (REGULATION S)), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.**

**YOU ARE NOT AUTHORISED TO, AND YOU MAY NOT, FORWARD OR DELIVER THE OFFERING CIRCULAR, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE THE OFFERING CIRCULAR IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, THE OFFERING CIRCULAR MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORISED AND PROHIBITED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

**IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED IN THE OFFERING CIRCULAR.**

**Confirmation of Your Representation:** You will only access the Offering Circular on the basis that you have confirmed to the Issuers, the Guarantors, the Arranger, the Dealers and the Agents (each term as defined in the Offering Circular) that (a) you and any customers you represent are non-U.S. persons eligible to purchase the securities outside the United States in an offshore transaction in reliance on Regulation S and that the electronic mail address that you gave the Issuers and to which this e-mail has been delivered is not located in the United States and (b) you consent to the delivery of the attached Offering Circular, any amendments or supplements to the Offering Circular and other information as a result of accessing the Offering Circular, by electronic transmission.

The Offering Circular has been made available to you in electronic form. You are reminded that documents transmitted in electronic form may be altered or changed during the process of transmission and consequently none of the Issuers, the Guarantors, the Arranger, the Dealers, the Agents nor any of their respective affiliates, directors, officers, employees, representatives, agents nor any person who controls an Obligor, the Arranger, a Dealer, an Agent or their respective affiliates accept any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version.

You are reminded that you have accessed the Offering Circular on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to deliver this Offering Circular, electronically or otherwise, to any other person.

**Actions That You May Not Take:** If you receive the Offering Circular by e-mail, you should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

The material relating to the offering does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any of the Dealer(s) or any affiliate of the Dealer(s) is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealer(s) or such affiliate on behalf of the Issuers in such jurisdiction.

**You are responsible for protecting against viruses and other destructive items.** Your use of any form of electronic distribution is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature

**OFFERING CIRCULAR DATED 4 APRIL 2023**



**CIMIC FINANCE (USA) PTY LTD**
*(ABN 76 132 500 684 incorporated with limited liability in Australia)*

**CIMIC FINANCE LIMITED**
*(ABN 43 002 323 373 incorporated with limited liability in Australia)*

# USD3,000,000,000 Guaranteed Medium Term Note Programme

unconditionally and irrevocably guaranteed by

**CIMIC GROUP LIMITED**
*(ABN 57 004 482 982 incorporated with limited liability in Australia)*

and certain other Subsidiary Guarantors

Under this USD3,000,000,000 Guaranteed Medium Term Note Programme (the **Programme**), established by CIMIC Finance (USA) Pty Ltd (ABN 76 132 500 684) (**CIMIC USA**) and CIMIC Finance Limited (ABN 43 002 323 373) (**CIMIC Finance**, each, an **Issuer**, and together, the **Issuers**), each Issuer may from time to time issue Notes (as defined below) denominated in any currency (subject to applicable laws) agreed between the relevant Issuer and the relevant Dealer or Dealers (as defined below).

Each Series of Notes shall have the benefit of the unconditional and (subject to release of any Guarantors (as defined below)) irrevocable, joint and several guarantees (the **Guarantees**) given by CIMIC Group Limited (ABN 57 004 482 982) (**CIMIC** or the **Parent Guarantor**) and certain other subsidiaries (the **Subsidiary Guarantors**). From time to time and in accordance with the terms of the Trust Deed (as defined below), and subject to the requirements set out in the terms and conditions of the Notes (the **Conditions**), a wholly owned subsidiary of the Parent Guarantor may be appointed as an additional guarantor (each such guarantor, an **Additional Guarantor**) or a Guarantor (other than the Parent Guarantor) may be released from its Guarantee and shall cease to be a Guarantor. The Parent Guarantor, the Subsidiary Guarantors, together with any Additional Guarantors but excluding any such released Guarantors, are referred to herein as the **Guarantors**.

The maximum aggregate nominal amount of Notes from time to time outstanding will not exceed USD3,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The relevant Issuer may, from time to time, issue Notes (other than the notes issued under the Australian Deed Poll (as defined below) (the **AMTNs**)) in bearer form (**Bearer Notes**) or registered form (**Registered Notes**) and such Notes shall be constituted by a trust deed dated 29 March 2021 between the Issuers, the Parent Guarantor, the Subsidiary Guarantors and The Bank of New York Mellon, London Branch (the **Trustee**) (as amended and/or supplemented and/or restated from time to time, the **Trust Deed**). CIMIC Finance may from time to time issue AMTNs which will be issued in registered form only and will be constituted by a deed poll dated 29 March 2021 executed by CIMIC Finance (as amended and/or supplemented and/or restated from time to time, the **Australian Deed Poll**). The Bearer Notes, Registered Notes and the AMTNs are collectively referred to herein as the **Notes**.

**See "**Risk Factors**" for a discussion of certain factors to be considered in connection with an investment in the Notes.**

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the **SGX-ST**) in connection with the Programme and application will be made for permission to deal in, and for quotation of, any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. Unlisted series of Notes may also be issued pursuant to the Programme and Notes may also be listed on stock exchanges other than the SGX-ST. There is no assurance that the application to the SGX-ST for the listing of the Notes of any Series will be approved. The approval in-principle from, admission to the Official List of, and listing of, any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuers, the Guarantors, the Programme or such Notes. The SGX-ST assumes no responsibility for the

correctness of any of the statements made, opinions expressed or reports contained in this Offering Circular. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined in "*Overview of the Programme*") of Notes will be set out in a pricing supplement (the **Pricing Supplement**) which, with respect to Notes to be listed on the SGX-ST, will be delivered to the SGX-ST before the listing of Notes of such Tranche.

Each Series (as defined in "*Overview of the Programme*") of Bearer Notes will be represented on issue by a temporary global note in bearer form (each, a **Temporary Global Note**) or a Permanent Global Note (as defined below), and will be sold in an "offshore transaction" within the meaning of Regulation S (**Regulation S**) under the United States Securities Act of 1933, as amended (the **Securities Act**). Interests in Temporary Global Notes generally will be exchangeable for interests in permanent global notes (each, a **Permanent Global Note** and, together with the Temporary Global Notes, the **Global Notes**), or if so stated in the relevant Pricing Supplement, definitive Notes, after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche, upon certification as to non-US beneficial ownership. Interests in Permanent Global Notes will be exchangeable for definitive Notes in whole but not in part as described under "*Form of the Notes*". Registered Notes (other than AMTNs) will initially be represented by a permanent registered global certificate (each, a **Global Certificate**) without interest coupons.

Global Notes and Global Certificates may be deposited on the issue date with a common depositary for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**). The provisions governing the exchange of interests in Global Notes and Global Certificates for other Global Notes or Global Certificates and definitive Notes are described in "*Form of the Notes*". The Notes and the Guarantees have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and the Notes may include Bearer Notes that are subject to United States tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to or for the account or benefit of U.S. persons (as defined in Regulation S). Bearer Notes may not be offered, sold or delivered within the United States or its possessions or to a United States person (as defined in the U.S. Internal Revenue Code of 1986, as amended (the **Code**)). AMTNs will be issued in registered uncertificated form and will take the form of entries on a register established and maintained by a registrar in the Commonwealth of Australia (**Australia**) and may be lodged with the clearing system (**Austraclear System**) operated by Austraclear Ltd (ABN 94 002 060 773) (**Austraclear**).

Notes issued under the Programme may be rated or unrated. Where applicable, such rating will be specified in the applicable Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. Credit ratings in respect of the Notes or the Issuers are for distribution to persons who are not a "retail" client within the meaning of section 761G of the Corporations Act (as defined below) and are also sophisticated investors, professional investors or other investors in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act and in all cases in such circumstances as may be permitted by applicable laws in any jurisdiction in which an investor may be located.

This Offering Circular is an advertisement and not a prospectus for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) or Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**) (the **UK Prospectus Regulation**).

**Arranger**

**SMBC Nikko**

**Dealers**

| | | | |
|---|---|---|---|
| **ANZ** | **Commonwealth Bank of Australia** | **Deutsche Bank** | **HSBC** |
| **IMI – Intesa Sanpaolo** | **MUFG** | **Natixis** | **RBC Capital Markets** |
| **SMBC Nikko** | **Société Générale Corporate & Investment Banking** | **Standard Chartered Bank** | **Westpac Banking Corporation** |

## IMPORTANT NOTICE

Each of the Issuers and the Parent Guarantor accept responsibility for the information contained in this Offering Circular. The Issuers and the Parent Guarantor, having made all reasonable enquiries, confirm that this Offering Circular contains or incorporates all information with respect to the Issuers, the Parent Guarantor, the Group (as defined below) and the Notes which is material in the context of the issuance and offering of Notes, that the information contained or incorporated in this Offering Circular is true and accurate in all material respects and is not misleading in any material respect, that the opinions and intentions expressed in this Offering Circular are honestly held and have been reached after considering all relevant circumstances and are based on reasonable assumptions and that there are no other facts the omission of which would make this Offering Circular or any of such information or the expression of any such opinions or intentions misleading in any material respect and which, in each case, is material in the context of the issuance and offering of the Notes.

The SGX-ST takes no responsibility for the contents of this Offering Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "*Overview of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuers (each, a **Dealer**, and together, the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

Subject as provided in the applicable Pricing Supplement, the only persons authorised to use this Offering Circular in connection with an offer of Notes are the persons named in the applicable Pricing Supplement as the relevant Dealers or managers. This Offering Circular and any other documents or materials in relation to the issue, offering or sale of the Notes have been prepared solely for the purpose of the initial sale by the relevant Dealers of the Notes from time to time to be issued pursuant to the Programme.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

No person is or has been authorised by the Issuers or the Guarantors to give any information or to make any representation not contained in or not consistent with this Offering Circular or other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, the Guarantors, the Arranger, the Dealers, the Trustee or any Agent (as defined below).

None of the Arranger, the Dealers, the Trustee or the Agents have separately verified the information contained in this Offering Circular. To the fullest extent permitted by law, none of the Arranger, the Dealers, the Trustee or the Agents accepts any responsibility or liability for the contents or completeness of this Offering Circular or for the information incorporated by reference into this Offering Circular, or for any other information given or statement made or purported to be made by the Arranger, the Dealers, the Trustee or the Agents or on any of their behalf in connection with the Issuers, the Guarantors or the issue and offering of the Notes. Each Dealer, the Arranger, the Trustee and each Agent accordingly disclaim all and any liability whether arising in tort, contract or otherwise which it might otherwise

have in respect of this Offering Circular, such information incorporated by reference or any such statement.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation; or (ii) should be considered as a recommendation by the Issuers, the Guarantors, the Arranger, the Trustee, any Agent or any of the Dealers that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Any recipient of this Offering Circular contemplating purchasing any Notes should determine for itself the relevance of the information contained in this Offering Circular and should make its own independent investigation of the relevant Issuer's, the Parent Guarantor's and each Subsidiary Guarantor's financial condition and affairs, and its own appraisal of their creditworthiness. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuers, the Guarantors, any of the Arranger, the Dealers, the Trustee or any Agent to any recipient of this Offering Circular to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor any sale made in connection herewith, under any circumstances, create any implication that there has been no change in the affairs of the Issuers, the Guarantors and the Group (as defined below) since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuers and the Guarantors since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. None of the Arranger, the Dealers, the Trustee or the Agents undertake to review the financial condition or affairs of the Issuers and the Guarantors during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arranger, the Dealers, the Trustee or any Agent.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to the general public to buy any Notes in any jurisdiction and particularly to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of the Issuers, the Guarantors, the Arranger, the Dealers, the Trustee or the Agents represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken or shall be taken by the Issuers, the Guarantors, the Arranger, the Dealers, the Trustee or the Agents which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations of such jurisdictions. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in Australia, the United States, the European Economic Area, the United Kingdom, Italy, Japan, Hong Kong and Singapore see "*Subscription and Sale*".

From time to time, in the ordinary course of business, certain of the Dealers, the Arranger and their respective affiliates have provided advisory and investment banking services, and entered into other commercial transactions with the Issuers, the Guarantors and their respective affiliates, including commercial banking services, for which customary compensation has been received. It is expected that

the Dealers, the Arranger and their respective affiliates will continue to provide such services to, and enter into such transactions with, the Issuers, the Guarantors and their respective affiliates in the future.

The Dealers or certain of their respective affiliates may purchase the Notes and be allocated Notes for asset management and/or proprietary purposes and not with a view to distribution.

None of the Issuers, the Guarantors, the Arranger, the Dealers, the Trustee or the Agents makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

SMBC Nikko Capital Markets Limited is incorporated in the United Kingdom and is authorised and regulated in the United Kingdom by the FCA. SMBC Nikko Capital Markets Limited does not hold an Australian Financial Services Licence and, in providing the services in relation to this transaction, it relies on various exemptions contained in the Corporations Laws. SMBC Nikko Capital Markets Limited hereby notifies all relevant persons that all services contemplated under this Offering Circular are provided to each Issuer by SMBC Nikko Capital Markets Limited from outside of Australia.

Copies of each Pricing Supplement will be available from the relevant Issuer's or the Parent Guarantor's registered office and the specified office of the relevant Paying Agent (as defined in the Conditions) set out at the end of this Offering Circular.

## CORPORATIONS ACT 2001 OF THE COMMONWEALTH OF AUSTRALIA

This Offering Circular has not been, and will not be, and no prospectus or other disclosure document in relation to the Programme or the Notes has been or will be, lodged with the Australian Securities and Investments Commission (**ASIC**) or any other regulatory authority in Australia and this Offering Circular is not, and does not purport to be, a document containing disclosure to investors for the purposes of Part 6D.2 or Part 7.9 of the Corporations Act 2001 of the Commonwealth of Australia (the **Corporations Act**). It is not intended to be used in connection with any offer for which such disclosure is required and does not contain all the information that would be required by those provisions if they applied. It is not to be provided to any person who is a "retail client" as defined in section 761G of the Corporations Act. This Offering Circular is not, and under no circumstances is to be construed as, an advertisement or public offering of any Notes in Australia. None of the Issuers or the Parent Guarantor is licensed to provide financial product advice in respect of the Notes or the Guarantees. Cooling-off rights do not apply to the acquisition of the Notes.

## NO SALES TO OFFSHORE ASSOCIATES

Under present Australian law, interest paid on the Notes by the Issuers will not be subject to Australian interest withholding tax if the Notes are issued in accordance with certain prescribed conditions set out in section 128F of the *Income Tax Assessment Act 1936* (Cth). One of these conditions is that each Issuer must not know, or have reasonable grounds to suspect, that a Note, or an interest in a Note, was being, or would later be, acquired directly or indirectly by an Offshore Associate (as defined under *"Taxation—Australian Taxation Summary"*) of that Issuer, other than in the capacity of a dealer, manager, or underwriter in relation to the placement of the relevant Notes, or a clearing house, custodian, funds manager or responsible entity of a registered scheme. Accordingly, **the Notes must not be acquired by an Offshore Associate of either Issuer**. For these purposes, an Offshore Associate of an Issuer is defined broadly and may include, but is not limited to, any entity that is under common control with the Issuer. Any investor who believes that it may be affiliated with or related to any of the above-mentioned entities or who otherwise believes it may be an Offshore Associate of an Issuer, should make appropriate enquiries before investing in any Notes. For more details, please refer to the "*Australian Taxation*" section.

## NO REGISTRATION UNDER THE US SECURITIES ACT

The Notes and the Guarantees have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States. Subject to certain exceptions, the Notes may not be offered, sold or, in the case of Bearer Notes, delivered within the United States or to or for the account or benefit of U.S. persons (as defined in Regulation S). Bearer Notes are subject to U.S. tax law requirements and may not at any time be offered, sold or delivered within the United States or its possessions or to a United States person (as defined in the Code), except in certain transactions permitted by U.S. Treasury Regulations. For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Circular, see "*Subscription and Sale*".

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Offering Circular or confirmed the accuracy or determined the adequacy of the information contained in this Offering Circular. Any representation to the contrary is unlawful.

## U.S. RESTRICTIONS ON BEARER NOTES

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the regulations promulgated thereunder.

## MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Pricing Supplement in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, **MiFID II**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under the EU Delegated Directive 2017/593, as amended (the **MiFID Product Governance Rules**), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules. The Issuers make no representation or warranty as to any manufacturer's or distributor's compliance with the MiFID Product Governance Rules.

## UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

The Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes in the United Kingdom (the **UK**) and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules. The Issuers make no representation or warranty as to any manufacturer's or distributor's compliance with the UK MiFIR Product Governance Rules.

## PROHIBITION OF SALES TO EEA RETAIL INVESTORS

If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the **EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

## PROHIBITION OF SALES TO UK RETAIL INVESTORS

If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the **FSMA**) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

## SINGAPORE SFA PRODUCT CLASSIFICATION

In connection with Section 309B(1) of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuers have determined, and hereby notify all relevant persons as defined in Section 309A(1) of the SFA that, unless otherwise stated in the applicable Pricing Supplement, all Notes are classified as "prescribed capital markets products" (as defined in the CMP Regulations 2018) and "Excluded Investment Products" (as defined in Monetary Authority of Singapore Notice SFA 04-N12: Notice on the Sale of Investment Products and Monetary Authority of Singapore Notice FAA-N16: Notice on Recommendations on Investment Products).

## IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

Prospective investors should be aware that certain intermediaries in the context of certain offerings of Notes pursuant to this Programme (each such offering, a **CMI Offering**), including certain Dealers,

may be "capital market intermediaries" (**CMIs**) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the **SFC Code**). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" (**OCs**) for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of an Issuer, the Guarantors, a CMI or its group companies would be considered under the SFC Code as having an association (Association) with the relevant Issuer, the Guarantors, the CMI or the relevant group company. Prospective investors associated with an Issuer, the Guarantors, or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the relevant Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate (where applicable) will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors prior to the launch of an offering. If a prospective investor is an asset management arm affiliated with any Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any Dealer, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealers and/or any other third parties as may be required by the SFC Code, including to the Issuers, the Guarantors, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such

information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

## PRESENTATION OF FINANCIAL INFORMATION

CIMIC prepares its consolidated financial statements in Australian dollars in accordance with the Corporations Act, Australian Accounting Standards (**AAS**) and also in compliance with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board.

Unless otherwise indicated and in particular as described in more detail in the sections headed "*Selected Financial Information*" and "*Risk Factors – Risks related to the pro forma financial information*", audited consolidated financial information of CIMIC included in this Offering Circular is in relation to the financial years ended 31 December 2022 (**FY22**), 31 December 2021 (**FY21**) and 31 December 2020 (**FY20**). The consolidated financial information for these financial years have been derived from the consolidated financial statements for the years ended 31 December 2022 and 31 December 2021 as audited by Deloitte Touche Tohmatsu, in accordance with Australian Auditing Standards (the **AUAS**).

## INFORMATION ON WEBSITES

Further information on the Group may be found at https://www.cimic.com.au/. Access to such website is subject to the terms and conditions governing the same.

The above website and any other websites referenced in this Offering Circular are intended as guides as to where other public information relating to the Group may be obtained free of charge. Unless stated otherwise in the Offering Circular, information appearing in such websites does not form part of this Offering Circular or any relevant Pricing Supplement and none of the Issuers, the Guarantors, the Arranger or the Dealers accept any responsibility whatsoever that any information, if available, is accurate and/or up-to-date. Such information, if available, should not form the basis of any investment by an investor to purchase or deal in the Notes.

## CERTAIN DEFINITIONS

All references in this Offering Circular to **U.S. dollars, US$** and **USD** refer to the lawful currency of the United States of America, all references to **sterling** or **£** are to the lawful currency of the United Kingdom of Great Britain and Northern Ireland, all references to **Australian dollars**, **A$** and **$** refer to the lawful currency of the Commonwealth of Australia, all references to **C$** and **CAD** refer to Canadian dollars, all references to **NZ$** refers to New Zealand dollars, all references to **PHP** refers to Philippine pesos, all references to **S$** refers to Singapore dollars, all references to **HK$** refers to Hong Kong dollars, all references to **INR** are to Indian Rupee, all references to **£** are to pounds sterling and all references to **euro** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

All references in this document to **Group** refer to the Issuers, the Parent Guarantor, and all of their respective subsidiaries, on a consolidated basis.

All references in this Offering Circular to **%** or **per cent** refer to per cent.

Rounding adjustments have been made in calculating some of the financial information included in this Offering Circular. As a result, numerical figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

## FORWARD-LOOKING STATEMENTS

This Offering Circular contains forward-looking statements including, without limitation, words and expressions such as "expect", "believe", "plan", "intend", "estimate", "project", "anticipate", "may", "will", "would", "could" or similar words or statements, in particular, in the section entitled "*Description of the CIMIC Group*" in this Offering Circular in relation to (including but not limited to) future events, the Issuers, the Guarantors, each of their subsidiaries for the time being, the Group's prospects, its expected financial condition, its business strategies, the future developments of the Group's operations and industry and the future development of the general domestic, regional and global economy.

These statements are based on assumptions regarding the Group's present and future business strategy and the environment in which it expects to operate in the future. These matters and the Group's future results could differ materially from those expressed or implied by these forward-looking statements and, although these forward-looking statements reflect its current view of future events, they are not a guarantee of future performance or other matters. These risks, uncertainties and factors may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors are set out in further detail in the section entitled "*Risk Factors*" and elsewhere in this Offering Circular.

Should one or more of these or other risks or uncertainties materialise, or should any underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. Prospective investors should therefore not place undue reliance on any of these forward-looking statements.

In this Offering Circular, statements of, or references to, intentions of the Issuers or the Parent Guarantor or those of any of the directors of any of them are made as at the date of this Offering Circular. Any such intentions may change in light of future developments.

Each of the Issuers, the Parent Guarantor, the Arranger and the Dealers expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in any Issuer's or the Parent Guarantor's expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any such statement was based or any change in the intentions of the Issuers, the Parent Guarantor or any of their respective subsidiaries or directors.

## AUSTRALIAN EXCHANGE CONTROL RESTRICTIONS

The Autonomous Sanctions Regulations 2011 made under the Autonomous Sanctions Act 2011 (Cth) of Australia (**Sanctions Regulations**), Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) of Australia, Charter of the United Nations (Dealing with Assets) Regulations 2008 made under the Charter of the United Nations Act 1945 (Cth) and other Australian legislation and regulations control the import and export of capital and remittance of payments involving non-residents of Australia. CIMIC is not restricted from receiving funds into or transferring funds from Australia to the credit of non-residents of Australia, but in certain cases CIMIC is required to:

(i) withhold Australian taxes;

(ii) lodge a report of the details of a transaction; or

(iii) obtain approval under federal legislation or regulations from Australian federal ministers, the Australian Department of Foreign Affairs and Trade or other regulatory authorities if a transaction involves payments to, or transactions or dealings with, certain proscribed or listed persons or entities, or otherwise involves a proscribed connection with certain countries

(including, for example, Sanctions Regulations, regulations dealing with terrorism and regulations concerning dealings with certain former governments).

The foregoing summary is based upon exchange control laws and regulations in effect on the date of this Offering Circular and does not take into account possible changes in such laws, regulations and interpretations.

## CERTAIN FINANCIAL AND ACCOUNTING MEASURES

In addition to the financial information presented in accordance with IFRS contained in this Offering Circular, other accounting measures have been included in this Offering Circular.

These include:

- **Work in hand** which represents the Australian dollar value of contracts which have "remaining performance obligations" as such term is defined in Australian Accounting Standard AASB 15 "Revenue from Contracts with Customers". See also "*Description of the CIMIC Group – Operating and Financial Overview – Work in hand*" for further details;

- **EBITDA** which in respect of any period, is defined as "Profit after tax for the period, less Depreciation and amortisation, less Net finance/costs, less Income tax expense"; and

- **Adjusted underlying profit** for FY20 reflects pro-forma adjustments to show the impact of the Thiess Transaction (as further defined and described in this Offering Circular), and is adjusted for the impact of other one-off items which impacted the Group in FY20. Refer to Section 1 and Appendix A of the *Selected Financial Information* section.

These measures, however, have limitations as analytical tools and should not be considered in isolation or as a substitute for revenue, net income, operating income, cash flows from operating activities or any other measure of financial performance or position presented in accordance with IFRS or as a measure of a company's profitability, liquidity or financial position.

CIMIC believes that these measures provide useful supplemental measures to examine the underlying performance of its business, and CIMIC management considers these metrics in measuring CIMIC's operating performance. In addition, CIMIC believes that these measures provide useful supplemental measures to examine the underlying financial position of its business, and CIMIC management considers these metrics in measuring CIMIC's financial position.

Such measures, as presented by CIMIC may not be comparable to similar measures presented by other companies. In addition, CIMIC believes that measures may be used by investors, analysts and rating agencies in measuring the ability of issuers to meet debt service obligations.

## INDUSTRY DATA

Unless otherwise indicated, all sources for industry data and statistics are estimates or forecasts contained in or derived from internal or industry sources believed by CIMIC to be reliable. Such data has not been independently verified, and each of CIMIC, the Arranger, the Dealers, the Agents and the Trustee make no representation as to the accuracy or completeness of such data or any assumptions relied upon therein.

Industry data used throughout this Offering Circular was obtained from independent experts, independent industry publications and other publicly-available information.

Industry data and statistics are inherently predictive and are not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including that (i) the markets are defined differently, (ii) the underlying information was gathered by different methods and (iii) different assumptions were applied in compiling the data. Market statistics included in this Offering Circular should be viewed with caution, and no representation or warranty is given by any person as for their accuracy.

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## STABILISATION

In connection with the issue of any tranche of notes (other than the AMTNs or in circumstances where such action could reasonably be expected to affect the price of Notes or other securities traded in Australia or on a financial market (as defined in the Corporations Act) operated in Australia), the Dealer or Dealers (if any) named as the stabilisation manager(s) (or persons acting on behalf of any stabilisation manager(s)) in the applicable Pricing Supplement may, outside Australia and on financial markets operated outside Australia, over-allot notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant stabilisation manager(s) (or persons acting on behalf of any stabilisation manager(s)) in accordance with all applicable laws and rules.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be incorporated in, and form part of, this Offering Circular:

(a) the audited consolidated annual financial statements of the Group for each of the last two financial years (for the financial years ended 31 December 2021 and 31 December 2022) (together with the notes thereto and any audit or review reports prepared in connection therewith) (the **Group Financial Statements**);

(b) the most recently published audited consolidated annual financial statements of the Group and, if published later, the most recently published unaudited consolidated interim financial statements of the Group (in each case, together with the notes thereto and any audit or review reports prepared in connection therewith);

(c) all announcements by the Group after the date hereof published on the website of the SGX-ST;

(d) all supplements (other than any Pricing Supplement) or amendments to this Offering Circular issued by CIMIC from time to time; and

(e) all documents issued by CIMIC and specified in a supplement or amendment to this Offering Circular as being incorporated by reference in this Offering Circular,

save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Copies of documents incorporated by reference in this Offering Circular can be obtained from the registered office of each of the Issuers, the Parent Guarantor, the website of the SGX-ST at http://www.sgx.com and from the specified office of the Issuing and Paying Agent set out at the end of this Offering Circular.

## OVERVIEW OF THE PROGRAMME

***The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. The Issuers, the Parent Guarantor and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event a new Offering Circular or a supplement to the Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.***

Words and expressions defined in "*Form of the Notes*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this Overview.

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| **Issuers**: | CIMIC Finance (USA) Pty Ltd (ABN 76 132 500 684)<br><br>CIMIC Finance Limited (ABN 43 002 323 373) |
| **Parent Guarantor:** | CIMIC Group Limited (ABN 57 004 482 982) |
| **Subsidiary Guarantors:** | CIMIC Finance (USA) Pty Ltd (ABN 76 132 500 684) (except where it is specified as the Issuer of a Series of Notes in the applicable Pricing Supplement)<br><br>CIMIC Finance Limited (ABN 43 002 323 373) (except where it is specified as the Issuer of a Series of Notes in the applicable Pricing Supplement)<br><br>CPB Contractors Pty Limited (ABN 98 000 893 667)<br><br>Leighton Contractors (Asia) Limited<br>禮頓建築(亞洲)有限公司<br><br>Leighton Properties (Vic) Pty Ltd (ABN 83 086 206 813)<br><br>CIMIC Admin Services Pty Limited (ABN 99 086 383 977)<br><br>Leighton Properties Pty Limited (ABN 41 009 765 379)<br><br>Leighton Properties (Brisbane) Pty Limited (ABN 83 009 871 603)<br><br>Leighton Holdings Infrastructure Nominees Pty Ltd (ABN 63 123 608 462) both in its personal capacity and in its capacity as Responsible Entity for the Leighton Holdings Infrastructure Trust ABN 61 147 411 821<br><br>Leighton Holdings Infrastructure Pty Ltd (ABN 51 123 608 408)<br><br>Leighton Contractors Infrastructure Pty Ltd (ABN 47 124 180 623) |

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| | BCJHG Nominees Pty Ltd (ABN 72 123 866 973) both in its personal capacity and in its capacity as Responsible Entity for the BCJHG Trust<br><br>Legacy JHI Pty Ltd (ABN 74 123 866 982)<br><br>Thiess Infrastructure Nominees Pty Ltd (ABN 68 123 866 955) both in its personal capacity and in its capacity as Responsible Entity for the Thiess Infrastructure Trust<br><br>Thiess Infrastructure Pty Ltd (ABN 70 123 866 964)<br><br>CIMIC Residential Investments Pty Ltd (ABN 97 124 839 069)<br><br>CIMIC Group Investments Pty Limited (ABN 74 126 876 953)<br><br>Leighton Offshore Pte Ltd<br><br>Sedgman Pty Limited (ABN 86 088 471 667)<br><br>UGL Pty Limited (ABN 85 009 180 287)<br><br>CIMIC Group Investments No.3 Pty Limited (ABN 79 653 589 649)<br><br>Pacific Partnerships Pty Ltd (ACN 601 328 741)<br><br>UGL Rail Services Pty Limited (ACN 000 003 136)<br><br>UGL Engineering Pty Limited (ACN 096 365 972) |
| **Additional Guarantors:** | Additional guarantors may be added pursuant to the Conditions. See Condition 3 (*Guarantee and Status*) for further details. |
| **Risk Factors**: | There are certain factors that may affect the Issuers' and the Guarantors' ability to fulfil their obligations in respect of Notes issued under the Programme and the Guarantees. These are set out under "*Risk Factors*". In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under "*Risk Factors*" and include the fact that the Notes may not be a suitable investment for all intended investors, certain risks relating to the structure of particular Series of Notes and certain market risks. |
| **Description**: | Guaranteed Medium Term Note Programme |
| **Arranger**: | SMBC Nikko Capital Markets Limited |

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| **Dealers**: | Australia and New Zealand Banking Group Limited, Commonwealth Bank of Australia, Deutsche Bank AG, London Branch, HSBC Bank plc, Intesa Sanpaolo S.p.A., MUFG Securities Asia Limited, Natixis, RBC Europe Limited, SMBC Nikko Capital Markets Limited, Société Générale, Standard Chartered Bank, Westpac Banking Corporation and any other Dealers appointed in accordance with the Programme Agreement.<br><br>The Issuers and the Parent Guarantor may from time to time terminate the appointment of any Dealer under the Programme or appoint additional Dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to "Dealers" are to the above-named Dealers and all persons appointed as a Dealer in respect of one or more Tranches or the whole Programme (in each case, whose appointment has not been terminated). |
| **Issuing and Paying Agent and Calculation Agent**: | The Bank of New York Mellon, London Branch (in the case of Notes other than AMTNs). |
| **Australian Paying Agent**: | BTA Institutional Services Australia Ltd (in the case of AMTNs). |
| **Registrar**: | The Bank of New York Mellon SA/NV, Luxembourg Branch (in the case of Notes other than AMTNs). |
| **Australian Registrar**: | BTA Institutional Services Australia Ltd (in the case of AMTNs). |
| **Transfer Agent**: | The Bank of New York Mellon, London Branch. |
| **Trustee**: | The Bank of New York Mellon, London Branch. |
| **Programme Size**: | Up to USD3,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuers may increase the amount of the Programme in accordance with the terms of the Programme Agreement. |
| **Distribution/Method of Issue**: | Notes may be distributed either by way of private placement or on a syndicated or non-syndicated basis.<br><br>The Notes will be issued in series (each, a **Series**) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of the Series. Each Series may be issued in tranches (each, a **Tranche**) on the same or different issue date. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the |

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| | issue date, issue price, first payment of interest, the date from which interest starts to accrue and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the applicable Pricing Supplement. |
| **Currencies**: | Subject to any applicable legal or regulatory restrictions, any currency agreed between the Issuers, the Parent Guarantor and the relevant Dealer(s). |
| **Maturities**: | Such maturities as may be agreed between the relevant Issuer, the Parent Guarantor and the relevant Dealer(s) and indicated in the applicable Pricing Supplement, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency (as defined in Condition 5.9 (*Definitions*)).<br><br>Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see "*Subscription and Sale*". |
| **Issue Price**: | The Notes may be issued on a fully-paid basis and at an issue price which may be at par or at a discount to, or premium over, par. |
| **Form of Notes**: | The Notes other than the AMTNs may be issued in bearer form and/or registered form and the AMTNs will be issued in registered and uncertificated form only, each as described in "*Form of the Notes*". Registered Notes will not be exchangeable for Bearer Notes or AMTNs. Bearer Notes will not be exchangeable for Registered Notes or AMTNs. AMTNs will not be exchangeable for Bearer Notes or Registered Notes.<br><br>CIMIC Finance may only issue AMTNs under the Programme.<br><br>Any Issuer may agree with one or more relevant Dealers that Notes may be issued in a form not contemplated by this Offering Circular, as described in the applicable Pricing Supplement. In addition, in the case of such Notes intended to be listed on the SGX-ST (or admitted to trading or quotation on or by another stock exchange, listing authority or quotation system) and if required by the SGX-ST (or the relevant other stock exchange, listing authority or quotation system), a supplementary Offering Circular will be made |

available which will also describe the effect of the agreement reached in relation to such Notes.

**Clearing Systems**: Clearstream, Luxembourg and Euroclear, and in relation to any Tranche of Notes (other than a Tranche of AMTNs), such other clearing system as may be agreed between the relevant Issuer, the Parent Guarantor, the Trustee, the relevant Paying Agent and the relevant Dealer(s).

Each Series of AMTNs will (unless otherwise specified in the applicable Pricing Supplement) be registered in the name of Austraclear Ltd and entered in the Austraclear System.

**Initial Delivery of Notes**: On or before the issue date for each Tranche (other than a Tranche of AMTNs), the Global Note representing Bearer Notes and/or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear or Clearstream, Luxembourg. Global Notes and/or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the relevant Issuer, the Trustee, the relevant Paying Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a nominee of a common depositary for such clearing systems. AMTNs that are to be lodged in the Austraclear System will be registered in the name of Austraclear Ltd.

**Fixed Rate Notes**: Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer, the Parent Guarantor and the relevant Dealer(s) and specified in the applicable Pricing Supplement.

**Floating Rate Notes**: Floating Rate Notes will bear interest at a rate determined:

(a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. (**ISDA**), and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or

(b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or

(c) on such other basis as may be agreed between the relevant Issuer, the Parent Guarantor and the

relevant Dealer(s) and specified in the applicable Pricing Supplement.

The margin (if any) relating to such floating rate will be agreed between the relevant Issuer, the Parent Guarantor and the relevant Dealer(s) for each Series of Floating Rate Notes and will be specified in the applicable Pricing Supplement.

**Other provisions in relation to Floating Rate Notes**: Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer, the Parent Guarantor and the relevant Dealer(s), will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the relevant Issuer, the Parent Guarantor and the relevant Dealer(s).

**Zero Coupon Notes**: Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

**Redemption**: The applicable Pricing Supplement will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders upon giving notice to the Noteholders or the relevant Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the relevant Issuer, the Parent Guarantor and the relevant Dealer(s). The terms of any such redemption, including notice periods, any relevant conditions to be satisfied and the relevant redemption dates and prices will be indicated in the applicable Pricing Supplement.

Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see "*Maturities*" above.

**Denomination of Notes**: The Notes will be issued in such denominations as may be agreed between the relevant Issuer, the Parent Guarantor and the relevant Dealer and specified in the applicable Pricing Supplement save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

AMTNs will be issued in a single denomination as specified in the applicable Pricing Supplement save that for AMTNs issued in, or into, Australia:

(a) the aggregate consideration payable to CIMIC Finance by each offeree is at least A$500,000 (or the equivalent in any other currency and disregarding any moneys lent by the Issuer or its associates to the purchaser) or the issuance results from an offer or invitation of those Notes which otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act; or

(b) the issuance is not made to a "retail client" for the purposes of Section 761G of the Corporations Act; or

(c) the issuance complies with all other applicable laws; and

(d) the issuance does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

**Taxation**: All payments in respect of the Notes will, subject to certain conditions and exceptions be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction as provided in Condition 8 (*Taxation*). In the event that any such deduction is made, the relevant Issuer or, as the case may be, a Guarantor will, save in certain limited circumstances provided in Condition 8 (*Taxation*), be required to pay additional amounts to cover the amounts so deducted.

**Negative Pledge**: The terms of the Notes will contain a negative pledge provision as further described in Condition 4 (*Negative Pledge*).

**Cross Default**: The terms of the Notes will contain a cross default provision as further described in Condition 10 (*Events of Default*).

**Status of the Notes**: The Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the relevant Issuer and will rank *pari passu* among themselves and (save for certain obligations preferred by law) at least equally with all other unsecured and unsubordinated obligations of the relevant Issuer, from time to time outstanding, as set out in Condition 3 (*Guarantee and Status*).

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| **Status of the Guarantees:** | The Notes will be unconditionally and irrevocably guaranteed by the Guarantors under the Trust Deed. The payment obligations of the Guarantors under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4 (*Negative Pledge*), at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of each Guarantor. |
| **Rating**: | Notes issued under the Programme may be rated or unrated. Where an issue of a certain Series of Notes is rated, where applicable, such rating will be specified in the applicable Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.<br><br>Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Offering Circular and anyone who receives this Offering Circular must not distribute it to any person who is not entitled to receive it. |
| **Listing and Admission to Trading**: | Approval in-principle has been received from the SGX-ST in connection with the Programme and application will be made for permission to deal in, and quotation of, any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. If such application is approved, such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST.<br><br>There is no assurance that the application to the SGX-ST will be approved. The approval in-principle from, admission to the Official List of, and listing and quotation of, any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuers, the Guarantors, the Programme or such Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes listed on the SGX-ST will be traded on the SGX-ST in a board lot size of at least S$200,000 (or its equivalent in other currencies).<br><br>Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed |

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| | between the relevant Issuer, the Parent Guarantor and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.<br><br>The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets. |
| **Use of Proceeds**: | The net proceeds from the issue of Notes will be applied by the relevant Issuer for general corporate purposes (including repayment of any indebtedness outstanding from time to time), or as may be specified in the applicable Pricing Supplement. |
| **Governing Law**: | The Notes (other than the AMTNs) and the Trust Deed and any non-contractual obligations arising out of or in connection with the Notes (other than non-contractual obligations arising out of or in connection with the AMTNs) and the Trust Deed will be governed by, and construed in accordance with, English law.<br><br>The AMTNs and the Australian Deed Poll will be governed by, and construed in accordance with, the laws of New South Wales, Australia. |
| **Selling Restrictions**: | Subject to the general restriction that the Notes are not an offer to the public, there are restrictions on the offer, sale and transfer of the Notes in Australia, the United States, European Economic Area, the United Kingdom, Italy, Japan, Hong Kong and Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see "*Subscription and Sale*".<br><br>Each of the Issuers and the Parent Guarantor is Category 2 for the purposes of Regulation S under the Securities Act, as amended. Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the **Code**)) (**TEFRA D**) unless (i) the relevant Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (**TEFRA C**) or (ii) the Notes are issued other than in compliance with TEFRA D or TEFRA C but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 (**TEFRA**), which circumstances will be referred to in the relevant Pricing Supplement as a transaction to which TEFRA is not applicable. |

# RISK FACTORS

*Each of the Issuers and the Guarantors believes that the following factors may affect their ability to fulfil their obligations under Notes issued under the Programme, or the Guarantee thereof, which may in turn result in investors losing the value of their investment. Most of these factors are contingencies which may or may not occur and none of the Issuers nor the Guarantors is in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which the Issuers and Guarantors believe to be material for the purpose of assessing the market risks associated with the Notes issued under the Programme are also described below.*

*Each of the Issuers and the Guarantors believes that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme, but the inability of the Issuers or the Guarantors to pay interest, principal or other amounts on or in connection with the Notes or the Guarantee thereof may occur for other reasons as a result of the occurrence of events outside the Issuers' and the Guarantors' control which may not have been considered significant risks by the Issuers and the Guarantors based on information currently available to them or which they may not currently anticipate. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuers and the Guarantors may not be aware of all relevant factors. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision.*

*Please refer to "Description of the CIMIC Group" for definitions of capitalised terms used but not otherwise defined in this section.*

## RISK FACTORS IN RELATION TO THE THE GROUP

### Risks Related to the Group's Business and Market Environment

***The Group's business is sensitive to changes in the macroeconomic environment and cyclical fluctuations in the markets in which it operates. Adverse developments in the global economic environment and disruptions in financial markets, could have an adverse impact on the Group's business, financial condition and results of operations.***

The Group has extensive international operations, with a presence in significant markets globally, including Australia, New Zealand, Papua New Guinea, Hong Kong, Singapore, Indonesia, the Philippines, Mongolia, India, Canada, the United States of America (the **USA**) and Chile.

The Group's business performance is closely linked to the macroeconomic trends and economic cycles in the countries, regions and cities in which it operates, in particular the local gross domestic product of such markets. Seasonality of the business on an annual basis means that cash collection/revenue recognition has typically been weighted towards the second half of the year.

Economic downturns or cyclical fluctuations globally or in one or more individually significant markets can have a distinct impact on general prosperity and public spending which in turn can considerably decrease demand for the services offered by the Group.

Most recently, tight labour markets, inflation, the rise in central bank rates to combat inflation and the full-scale invasion by Russian forces of Ukraine on 24 February 2022 (the **Russia-Ukraine War**) continue to impact the global economy. The spread of the SARS-CoV-2 / COVID-19 (**COVID-19**) pandemic in China dampened growth in 2022, and continues to be a risk for the global economy. The construction industry is cyclical by nature and largely dependent on investments undertaken in both the public and private sectors. These investments, which normally increase in times of economic growth

and decrease during a recession, are particularly sensitive to interest rates, general economic conditions and other factors outside the Group's control.

Continuing disruptions or instability in the global economy and in the global markets may, therefore, have a material adverse effect on the Group's business, cash flows, financial condition and results of operations as they may constrain public and private investment in infrastructure and the volume of construction activity.

Moreover, the state of the current relationship between China and the USA and separately between China and Australia, may have a negative impact on the economies of the Asia-Pacific region, which may result in cuts in public investment spending. This could affect long-term growth prospects and impair the Group's future development in the Asia-Pacific region. In addition, the rise of populist parties and/or increasingly protectionist measures by governments, notably tariff policy measures, in several countries within the Asia-Pacific region may negatively affect the global economy which could adversely affect the Group's operations and sales, and in particular its ability to be awarded any major contracts.

In addition, Thiess Group Holdings Pty Ltd (**Thiess**), a contract mining business which the Group holds 50% of issued shares in, is driven by the global demand for commodities. The long-term increase in global demand for commodities over the recent past has resulted in sustained growth in the Group's contract mining business. There is no assurance that the demand for, or prices of, commodities will continue to increase or remain at current levels. However, any potential sustained decline in demand and/or prices for metallurgical and thermal coal, as well as other commodities, could have an impact on profits in the Thiess business.

***The Group's business may be adversely affected by a reduction of public spending on infrastructure projects.***

The Group is influenced by the economic and fiscal policies concerning public investment and spending on infrastructure and in public-private partnerships (**PPPs**) in the markets in which it operates. Government spending finances a significant portion of infrastructure development. The deterioration of sovereign creditworthiness and budgetary austerity measures can negatively affect the Group's activities in affected countries. Government spending on infrastructure projects is driven by political factors, which may cause governments to invest in infrastructure projects as a counter-cyclical measure, in order to stimulate the general economy as well as the levels of public budgets. Furthermore, specific political programmes may influence public spending on infrastructure projects, such as focused efforts to improve infrastructure in certain regions or to develop or upgrade certain roads and/or rail lines.

Any of these risks could have material adverse effects on the Group's business, financial condition, cash flow and results of operations.

***The Group's international business operations are subject to changes in the political and legal environment which are beyond its control and other risks which could adversely affect the Group's operating results.***

The Group generates a portion of its operating revenues from outside of Australia, New Zealand and Papua New Guinea (**PNG**) and in other international markets including Hong Kong, India, the Philippines, Indonesia and Singapore. The revenues from, market value of, and dividends payable by, subsidiaries within the Group and therefore the Group's operations are subject to legal, regulatory, social, political and economic risks inherent in international business operations. Owing to its business activities and significant international presence, the Group is exposed to various political and legal risks in the countries in which it operates which are beyond its control and often difficult to anticipate.

The risks associated with the Group's international operations may include:

- changes in government policies and regulation as well as local regulatory requirements, in particular in the areas of tax laws and climate protection;
- fluctuations in local economic growth;
- embargoes, foreign exchange controls, restrictions on dividend payments or currency exchange rate fluctuations;
- acts of war, terrorism, international hostilities and outbreaks of diseases;
- availability of qualified staff;
- alleged or actual violations of applicable anti-bribery, anti-corruption and competition laws in the jurisdictions in which the Group is doing business;
- government-mandated austerity programmes limiting spending;
- difficulty in establishing, staffing and managing local operations;
- complex tax and cash management issues;
- political and economic instability and inflation, recession or interest rate fluctuations;
- social conflicts; and
- devaluation, depreciation or excessive valuation of local currencies.

All of the aforementioned factors may be of particular relevance in the case of projects lasting several years. In addition, the Group must comply with an increasing degree of statutory and regulatory complexity in the markets in which it operates. These include enhanced environmental protection measures such as reducing emission levels and achieving greater energy efficiency. For example, growing concerns about climate change may result in the imposition of additional environmental regulations and the Group's clients could be affected by any such legislation, international protocols or treaties, regulation or restrictions on emissions. Such measures can drive up operating costs in the Group's projects, including enhanced costs to ensure compliance with increasingly onerous regulatory regimes.

Although the Group continuously monitors national and international regulatory initiatives, as well as any potential resulting changes, the Group is exposed to these risks in all of its foreign operations. Such exposure could be material to its business, could lead to material business disruptions and could have a material adverse effect on the Group's financial condition and results of operations, particularly in emerging markets where the political and legal environment is less stable. The realisation of any of these risks could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***The business of the Group is significantly influenced by the costs associated with large-scale infrastructure projects.***

In addition to variable costs, such as construction material costs and labour costs, major infrastructure groups tend to incur considerable costs relating to their construction equipment. Compared to small-scale projects, large-scale infrastructure projects enable infrastructure groups to be more efficient in terms of their variable costs and cover larger amounts of their fixed costs. In addition, large-scale

infrastructure projects are characterised by a high degree of capacity utilisation of construction equipment and a high return on investments in research and development. They generally also involve longer time-frames, thus reducing the exposure to cyclical factors to which a construction company is exposed.

Large-scale infrastructure projects in turn heavily depend on the political and/or macroeconomic climate and the amount of public spending on programmes to stimulate the construction sector in individual countries. Large corporate groups and governments have regularly awarded large-scale infrastructure project contracts to companies within the Group. The success of the Group's business operations will therefore be significantly influenced by large-scale infrastructure projects and the extent to which national and state governments (in Australia and/or globally) and other public authorities spend money on stimulus packages. A decline in public spending on economic stimulus packages and any decline in the award of large-scale infrastructure project contracts to companies within the Group could have a material adverse effect on the Group's business, cash-flows, financial condition and results of operations.

The Group may be unable to win critical large-scale projects bids for a variety of reasons. These may include the intensity of competition in the market, the availability of resources to adequately tender for a project or the ability to demonstrate that the Group can deliver the project on time and within budget If the Group does not obtain mandates to work on a sufficient number of large-scale projects, this could have a material adverse effect on its business prospects, cash flows, results of operations and financial condition of the Group.

***Calculation, pricing and execution risks in particular in connection with large-scale projects and/or PPP projects could impair the Group's business.***

Construction contracts in general can vary between lump sum (or fixed) price, guaranteed maximum price, cost-plus-fee and unit price (that is cost-reimbursable) contracts and some contracts can involve more than one of these pricing elements. In the construction industry major projects are generally awarded after an open tender process. In these tenders the contract price is usually set as a lump sum price on the date a bid is awarded and not usually altered subsequently. Lump sum contracts entail more risk to the Group as it must determine both the quantities of work to be performed and the costs associated with executing the work. The majority of the Group's construction project contracts contain lump sum prices or completion dates which can often be enforced by the client through contractual penalties clauses (such as the imposition of liquidated damages).

Prices and contractual completion dates are based on a number of assumptions which include, in particular, material prices (such as concrete, steel or fuel), the cost and availability of labour, equipment, local weather and geological conditions, the timely performance of suppliers and subcontractors or other third parties, and/or unanticipated technical problems. Often the time required to obtain regulatory approvals or permits also needs to be taken into account in the calculation of the tender price. In the recent past the Group has experienced some delays in the construction phase of certain projects because governmental permits were not granted within the anticipated timeframe.

If any of the aforementioned assumptions prove to be incorrect or if the Group is unable to monitor and control any of these factors successfully during the course of a project, the Group may not be in a position to complete a project in time and/or within cost estimates. In particular, this may occur in connection with large-scale infrastructure projects where the Group carries the risk of bearing any cost overruns.

Furthermore, PPP contracts generally have a very long term (for example, concessions for toll highway projects typically have a term of 20 to 30 years and concessions for public facilities such as schools, typically have a term of 15 to 30 years). These PPP contracts require the Group to assume future business development risk (in light of possible changes in the legal and regulatory environment during

the lifetime of contracts) and the risk that the costs of operation and maintenance expenditures escalate to levels beyond any budgeted amounts. Additionally, large-scale infrastructure projects involve significant risks as a result of the Group's large commitments and long-term assumptions.

In addition, in most projects that the Group undertakes a significant portion of the total work and services to be delivered by the Group may be subcontracted. As the Group remains responsible for the successful completion of any subcontractors' work towards its contractual counterparties, it may be subject to significant losses or liabilities if subcontractors fail to perform under their relevant contract with the Group or should the subcontractor become insolvent.

The realisation of any of these risks could have a material adverse effect on the Group's business, reputation, cash flows, financial condition and results of operations.

***The Group's business and operations, and that of the Group's clients and suppliers, have been and may continue to be materially adversely affected by global events including the COVID-19 pandemic, or other similar outbreaks, the Russia-Ukraine War or other global conflicts .***

The outbreak of COVID-19 commenced in late 2019 and was declared a pandemic by the World Health Organisation on 11 March 2020. The spread of COVID-19 and the measures taken in response to the pandemic caused significant disruption across many geographies and markets, and resulted in significant economic damage, interrupted business activities and supply chains, high levels of unemployment, border closures and travel restrictions, and volatile financial, commodity and other markets. While many countries' focus on controlling the viral spread of COVID-19 has now transitioned to strategies for managing an endemic disease, there are still many risks associated with the COVID-19 pandemic as illustrated by a resurgence in China during 2022 which weighed on global economic activity.

In response to the COVID-19 pandemic, national and local governments in the countries in which the Group operates, implemented significant restrictions on movement and activity to slow or stop its spread. Some of these measures and recommendations affected and continue to affect the Group's businesses directly, while others have had, and are expected to continue to have, an indirect effect.

The Group's business may continue to be affected by, among others, any resurgence in the COVID-19 pandemic within the Group's operating countries or globally, lock-downs, changes in the severity of the disease, the duration and scope of the COVID-19 pandemic, governmental, business and individuals' actions that have been and continue to be taken in response to the COVID-19 pandemic, availability and cost to access capital markets, the Group's ability to pursue, diligence, finance and integrate acquisitions and disruptions or restrictions on its employees' ability to travel and to work, including as a result of their health and wellbeing.

There can also be no assurance that the Group's plans, or the Group's clients' and suppliers' plans, to address existing and potential disruptions in its respective operations will partially or completely mitigate future possible adverse impacts related to the COVID-19 pandemic. The outbreak of other communicable diseases and adverse public health developments in the future could also adversely affect the Group's business operations, the business operations of its clients and suppliers, and regional and global political, economic and social conditions generally.

The Russia-Ukraine War has triggered a costly humanitarian crisis and amplified economic forces already shaping the global recovery from the COVID-19 pandemic. There is also a risk that the Russia-Ukraine War could escalate further and cause tighter global financing conditions.

An escalation of the Russia-Ukraine War remains a major cause of uncertainty and vulnerability to the global economy as Russia is a major energy exporter and Ukraine is a major agricultural exporter. Higher-than-expected oil, gas, and food prices from the Russia-Ukraine War, among other factors, could

again raise headline inflation and pass through into underlying inflation. Furthermore, the Russia-Ukraine War and the related international sanctions risk further fragmentation of the global economy, restricting the movement of people and goods. Such developments could cause further increases in volatility in broader markets and central bank rates. There has already been a rise in central bank rates to manage inflation, especially in advanced economies. Financial markets could also re-price in response to adverse economic news and data (including inflation), while further geopolitical fragmentation could hamper economic progress.

***The profitability of investments in transport and social infrastructure concession projects may be compromised if the opportunities and risks are inaccurately assessed or the financial performance of a concession project is incorrectly forecast.***

The concession or operating period of many projects delivered by the Group, or in which the Group holds a stake, often extends over several decades. Where companies of the Group enter into long-term or large-scale concession agreements, business planning and the underlying assumptions are critically important to the profitability of such transactions and the investment decision. Deviation between the actual profitability of a project and the original planning assumptions may result in lower than expected income from a project. For road concession projects, these planning assumptions often include forecast traffic volumes.

The profitability of Group projects may deviate from the initial plan due to economic circumstances or market trends such as a significant change in freight volumes, variances in patronage or deviations to traffic projections, or due to the particular circumstances of an individual project. Such case-specific circumstances could include weaker local economic growth, restrictions on government permits for a project, the construction of alternative competing transport options, delays in providing or failure to provide key feeder roads or rail lines, delays in the construction phase, possible rejection of or challenges to tolls by road users, lower patronage volumes than expected, the absence of facilities or buildings to charge tolls, higher maintenance costs over the concession term, as well as cost overruns caused by requested changes or a poorer initial condition than originally assumed in expansion or renovation projects that are not fully refundable under the terms of the relevant agreement. Projects can involve venturing into activities in which the Group has limited experience, and such projects are especially challenging with respect to technical execution, calculation of associated costs and assessments of risks, which could result in potential losses or write-downs. Project delays may even result in penalties or termination of agreements. If the costs of implementing a project are underestimated, the income from a project is overestimated or if other problems arise during the execution phase of the project or during the concession period that result in actual costs exceeding or actual income falling below expected sums, this could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

While the Group seeks to identify and transfer project risks through limited recourse structures, joint venture agreements and back-to-back agreements to third parties (such as the construction companies appointed, or the concession grantor), there can be no assurance that it may be possible to transfer individual project risks to third parties. In particular, solvency and credit risks of the construction company, political risks, market or purchaser risks relating to traffic volumes or patronage and the level of toll or user charges and delay risks, if the reasons for the delay fall outside the sphere of influence of the construction companies, may be applicable. With respect to road projects, as the tolls to be collected by the concession company are normally linked to regulatory restrictions and/or a contractually agreed price index, the concession company's ability to make up for lower income by raising tolls or changing the services provided is limited.

The Group partners with investors in concession projects and obtains a large part of its financing for these projects from external sources. The financing agreements contain extensive provisions regarding the observance of financial covenants and the implementation of certain actions and rules of conduct. The loans are also generally comprehensively collateralised. In addition, concession agreements and

agreements with the public sector in the context of privatisations require compliance with financial covenants, key performance indicators and milestones to be reached. Government start-up funding and subsidies (such as in the case of certain road projects) and other public development funding is subject to requirements and conditions which generally must be complied with for a period of several years. Failing to comply with these obligations may have a negative effect on the project companies and thus indirectly on the Group.

The realisation of any of these risks could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***The Group operates in a competitive industry and may not be able to compete successfully.***

In certain markets the infrastructure construction industry is highly competitive with comparatively low margins. An increasing number of competitors and sustained pricing pressure in the markets in which the Group operates could impair the Group's ability to maintain or increase its market share. Several markets in the infrastructure construction industry are characterised by low barriers to entry which could further intensify competition if new entrants came to the market.

In periods of high demand for construction services, the number of competitors in any market is likely to increase which could place downward pressure on margins. In the case of an economic downturn, the Group's markets may be subject to overcapacity which would be likely to put further pressure on margins. In the concession business, increasing competition in the market for privatisation may reduce the chances of winning projects or could increase pressure on prices and margins.

Further, the Group might, in certain cases, be under pressure with respect to negotiating its contractual terms (such as more restrictive warranties). In some countries, increased competition has led to market consolidation and the creation of international infrastructure groups. This has attracted large international competitors which have entered these markets in recent years. Based on their economies of scale, such groups may pursue aggressive pricing policies which could make it difficult for the Group to win contracts and remain profitable in certain markets. Any of these factors could have a material adverse effect on the Group's business, cash-flows, financial condition and results of operations.

***Pacific Partnerships' increasing investment into renewables energy projects increases the risks associated with electricity transmission and distribution.***

The Group's increasing investment in energy projects necessitates their connection to the public distribution grid and the electrical transmission grid for the sale of the electricity generated. The success of building projects in specific locations is reliant on the Group's capability to establish connections to these grids. These factors encompass the extent of transmission infrastructure construction, local transmission infrastructure reliability and presence, and others. The Group cannot guarantee securing adequate grid connections for its energy projects within the anticipated timeframes and expenses. Additionally, the Group may encounter obstacles such as a lack of available grid capacity, congestion, grid manager limitations, overproduction by connected facilities, or excessive fluctuations in electricity market prices, all of which could negatively impact its business, financial condition, and results of operations.

**Risks Related to the Group's Business Operations**

***Failure to meet contractual deadlines or quality requirements may negatively affect the Group's business.***

Construction projects in general and civil engineering projects in particular are highly schedule-driven. Failure to meet contractual deadlines could result in additional costs such as penalties and damages, that may reduce the Group's projected profit margins and result in the termination of a contract. Delays

may occur for a number of reasons including as a result of strikes, design issues, poor weather conditions, unanticipated technical problems, delays in the commencement of construction work or other events over which the Group has little or no control. Strict liability may apply to the Group regardless of whether the Group is at fault or not. Moreover, the Group is typically subject to contractual penalties for any non-performance or defective performance of its contractual obligations. Contractual clauses often stipulate the payment of lump-sum damages which may not be able to be passed on to subcontractors and suppliers (either in whole or in part). As the Group is often contractually required to render services in advance of any payment, it may be difficult for the Group to challenge successfully any claims and objections to the project's principal. As a result, failure to meet contractual deadlines or quality requirements could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***The Group faces warranty, liability and related reputational risks.***

Products and services provided by the Group may be defective. This may cause substantial damage to personal property, personal injury or give rise to warranty claims and may result in customers asserting claims for damages, product liability claims or contractual warranty claims. Certain defects may only be detected after a substantial period of time which may impair the Group's ability to take recourse against suppliers or subcontractors. Damage to personal property or personal injury incurred in connection with the Group's projects could also materially impair the Group's reputation. Furthermore, the Group may become liable for guarantees issued in connection with certain projects. Unless the Group has taken out insurance in a sufficient amount to protect itself against these risks, this could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***The Group may not be able to recover on claims against customers, subcontractors or suppliers for payment; the nature of the construction business exposes the Group to potential contract disputes and liability claims.***

The Group's failure to collect its invoices on time, or at all, may lead to losses and constraints on its financial liquidity. Customers, subcontractors or other counterparties of the Group may fail to comply with their payment and other obligations vis-à-vis the Group when due. Additionally, due to an increasing number of large-scale infrastructure projects, the Group may incur significant losses even if only one or very few counterparties fail to comply with their payment and other obligations vis-à-vis the Group in connection with such large-scale infrastructure projects.

The Group may face difficulties in claiming for additional services and costs, which have not been covered by the original order but are performed for various reasons, including the specific events and circumstances of a project, instructions or changes by the principal, or assumptions of the original arrangement proving incorrect (such as unforeseen variations in ground conditions). While the Group reviews risks and risk assumptions on a case-by-case basis as a principle of the Group's risk management policies, due to the competitive environment and the contracting standards in the markets in which it operates the Group may be forced to assume certain contractual risks that, if realised, could have a materially adverse impact on the cash flow and profitability of the relevant undertakings.

While the Group regularly monitors any potential impairments of its claims against third parties, there can be no assurance that this will protect the Group against all counterparty risks. This could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

In order to enforce its claims, the Group is required from time to time to file lawsuits against, or initiate arbitration with, its defaulting customers. Since most of the claims against its customers become payable after completion of the project, the Group is sometimes unable to enforce its claims through refusal of performance on its part. In addition, in certain instances the Group may elect not to pursue the assertion

of claims against key customers to avoid jeopardising the Group's business relations with such key customers with a view to tendering for future projects. Moreover, it may prove to be difficult for the Group to succeed in lawsuits filed for the recovery of claims, in particular against public sector clients. The ability of the Group to enforce its claims against public sector clients may be impacted by any economic deterioration of sovereign debtors. If any of these receivable collection issues continue, or even deteriorate, this could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

In addition, the Group may be subject to a variety of contract disputes and liability claims including as described in "*Description of the CIMIC Group – Investigations, Disputes and Litigation*". Customers and other third parties may make claims against the Group for damages, contractual penalties or other remedies with respect to the Group's projects or other matters. These claims may be subject to costly and lengthy arbitration or litigation proceedings, and it is often difficult to predict the outcome of such proceedings or when such claims will be fully resolved. Any liability not covered by the Group's insurance, or in excess of insurance limits, could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***The Group may not be able to implement its strategy successfully or its strategy may be inadequate; the Group faces risks in connection with the expansion of its business operations and risks associated with the acquisition or divestments of other businesses.***

In recent years, the Group has adopted a strategy of focusing on its core businesses of infrastructure construction, PPPs (including concession projects), contract mining, engineering and related services, including strengthening its capabilities in services closely related to the infrastructure construction industry, such as end-to-end outsourced engineering, asset management, and maintenance services. In addition, the Group has focused on streamlining its operations by divesting activities that it no longer considers part of its core business, while continuing to strengthen its core business through select strategic acquisitions. As an international group active in the aforementioned businesses, the Group will continue to regularly consider opportunities to expand its business operations through organic growth and acquisitions or to divest certain businesses. The expansion of business operations and the development of new markets is associated with certain risks, in particular that the expected growth rates and economic development of new businesses lag behind targets which may lead to a potential partial or complete loss of the capital employed. Successful integration of newly acquired businesses will depend on the convergence of businesses, capability of staff and different corporate cultures, the harmonisation of IT systems and the establishment of joint processes for the integrated Group.

Furthermore, the Group may lack available funds to finance acquisitions. Synergies from acquisitions may prove less than originally expected and the costs for integration into the Group may be higher than expected. Acquisition candidates may have liabilities or adverse operating issues, which the Group may fail to discover prior to the acquisition. Further, acquisition targets may either not be available or the Group may fail to complete acquisitions successfully.

If the Group is unable or limited in its ability to pursue its strategy as a result of these or other factors, or if its strategy turns out to be unsuccessful, this could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***The Group is subject to procurement risk.***

The Group has to manage procurement to ensure that capable and reliable operating partners – both subcontractors and suppliers – are selected. This also includes the necessity to monitor the market carefully and ensure close contact with clients, subcontractors, suppliers and institutions, in order to be able to identify changes in the procurement market and to respond to such changes. Currently, the Group is facing some scarcity in the availability of certain trade subcontractors. Some services that the Group purchases externally can only be provided by a limited number of business partners. Although the Group

maintains an overview of its partners' capabilities, both technical and commercial, this could expose the Group to the risk of dependency on a limited number of subcontractors or suppliers. If such business partners of the Group are unable to deliver services and/or equipment, or are unable to do so in the required quality or in a reasonable period, the Group's ability to meet its contractual obligations for certain projects may be impaired and the Group may face penalty payments.

If the Group fails to respond to changes in the procurement market or should any other of the aforementioned risks materialise, this could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group may be adversely affected by raw material and energy shortages or price fluctuations.***

The Group is exposed to changes in the prices of its key raw materials (such as steel, cement and aggregates) and energy (such as diesel and electricity), as well as prices for project-related services sourced from third parties. The Group takes prices of raw materials, energy and project-related services into consideration in the bidding process and strives to pass on price fluctuations of input materials to the customer or lock in fixed price supply contracts with those suppliers. The price risk associated with raw materials is not always able to be hedged by the Group and the Group may not be able to pass on increased raw material and energy costs to its customers or subcontractors. Therefore, increases in the prices of raw materials and other input materials and services can have an impact on the Group's costs and the financial performance of a project.

The availability of resources can also be an issue for procurement and delivery of a project. In certain locations, the Group may face a scarcity of basic materials such as gravel and sand. The shortage may result in supply bottlenecks which can consequently delay projects as well as increase the prices of available materials.

The realisation of any of these risks could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***Non-compliance with regulations on public procurement may adversely affect the Group's business.***

In its infrastructure construction business (including for concession projects), the Group maintains relationships with public sector entities domestically and internationally, such as local municipalities, and state and national governments and government entities. Contracts with such customers are usually awarded based on publicly tendered procurement processes which are designed to foster competition among potential contractors. Likewise, many large-scale construction projects run by private clients are awarded using similar tendered processes. Public sector entities are typically required to award contracts based on the criteria of being lowest cost or most economically advantageous to the client. It is possible that the Group submits a tender or tenders that are less economically advantageous than tenders submitted by its competitors or do not conform to the tender specifications.

While the Group operates and enforces policies to ensure compliance with regulations on public procurement and to avoid anti-competitive behaviour and undue influence on individuals responsible for awarding construction contracts and concessions, non-compliance with applicable rules by individuals cannot be excluded entirely. In addition, other offences not immediately related to public procurement procedures may also lead to the Group being excluded from current or future tenders. In such cases of non-compliance, the Group's business could be severely affected by exclusion from current and future public and private procurement processes or by other regulatory actions. Any such actions could materially adversely affect the Group's business, cash flows, financial condition and results of operations.

***The Group is dependent on the efficient and uninterrupted operation of its IT systems.***

The organisation and control of the Group's business operations is dependent on efficient and uninterrupted information technology (**IT**) systems. IT systems are sensitive to power failures, computer viruses, cyber-attacks, interruptions, fires and similar events as well as to unauthorised use. Interruptions or breakdowns of IT systems cannot be ruled out and could lead to delays or disruptions of the Group's business operations. The Group is subject to data protection laws and regulations in the jurisdictions in which it operates its business. Such laws and regulations result in the need to deploy hardware and software protected from unauthorised access by persons outside or within the Group.

The subsidiaries in the Group's divisions operate their own information and communication systems. The Group's IT security policy is continuously refined with the support of experts and verified by audits both in Australia and internationally.

However, the Group cannot guarantee that anticipated or recognised malfunctions or failures can be avoided by appropriate preventive security measures in every case or assure that the Group's IT systems might not be the target of cyber-attacks and that requirements on data security, confidentiality and availability might not be impaired. Furthermore, any such IT systems malfunctions, security breaches or other failure to comply with data protection laws, regulations and standards could expose the Group to litigation, governmental enforcement proceedings and fines and penalties.

Should one or more of these risks materialise this could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***The Group is exposed to various information technology, cyber security and data risks.***

The Group's business uses a number of information technology systems, including information technology infrastructure such as servers, storage, databases and telecommunications infrastructure, as well as software applications and control and processing systems. The Group relies heavily on computer and technology systems for functions such as site operations and coordination, planning and procurement activities.

While the Group has security measures and technology in place to protect its company and its clients' proprietary and/or classified information, such systems may fail, or be subject to disruption as a result of external threats or system errors, which may have an adverse effect on its operations and profitability. The Group's systems could also be subject to data integrity issues or suffer security breaches. Unauthorised access to, or breach or failure of, its digital infrastructure due to cyber-attacks, email phishing, negligence, human error or other third party actions, could disrupt its operations and result in the loss or misuse of data or sensitive information. Any cyber-attack or other unauthorised breach of its systems, particularly through targeted 'phishing' attempts, computer viruses, malicious code, ransomware or other system disruptions could result in significant disruption in operations at one or more of its project sites, affecting activities on site and potentially its ability to service its customers. Loss or misuse of data may expose the Group to litigation, claims, fines and penalties.

In addition, new laws and regulations governing data privacy and unauthorised disclosure of confidential information, such as the General Data Protection Regulation in Europe or the Privacy Act 1988 (Cth) and state data protection legislation in Australia, pose increasingly complex compliance challenges and potentially elevate costs, and any failure to comply with these laws and regulations could result in penalties and legal liability.

In addition to the risks noted above, certain systems are operated or maintained by third parties, such as Microsoft, Oracle, and JD Edwards whom the Group does not control, and a failure of these third parties to effectively or efficiently perform the contracted services may cause disruption to its operations, cause reputational damage, or both. Any matters affecting the Group's information technology or

communications systems could have a material adverse effect on its business, operations, brand, and reputation and, as a result, its financial condition.

***The Group is dependent on being able to hire and retain a qualified management team and skilled employees.***

The Group's performance depends significantly on the performance of the members of its management team. The Group's management team has significant experience in operating its businesses and has made important contributions to the Group's growth and success. The ability of the Group to grow revenues and profits depends significantly on the Group's success in attracting and retaining highly skilled employees, particularly in the case of large-scale projects. Competition for such employees is intense, which may result in an increase in labour costs. Failure to hire and retain a qualified, capable management team and skilled employees could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***The Group is not insured against all risks and its insurance may be insufficient to cover losses.***

The Group generally believes that both the insurance coverage of the Group, including the maximum coverage and the exclusions and limitations of liability, and the general terms and conditions applicable to the Group's insurance contracts are customary and appropriate for the industry in which the Group operates. However, the Group can give no assurance that it will not incur any damage or face any claims exceeding the relevant insurance coverage. The scope of the Group's insurance coverage is subject to a cost benefit analysis unless it is maintained to satisfy the requirements under certain regulations and contracts. Often no insurance coverage exists for damages and delays arising in connection with the execution of construction work, including insurance solutions for transportation infrastructure projects as well as social and urban infrastructure projects to protect against risks before and during the construction phase and in the operating phase. If insurance covers are not partly or not fully available or applicable or the Group does not have insurance coverage in respect of particular risks, any losses or claims would have to be covered out of its own funds. Any losses not covered under the terms of the Group's insurance policies could have a material adverse effect on the Group's results of operations and financial condition.

***The Group may not be able to realise future sales recognised in its work in hand fully.***

The Group includes a new contract in its work in hand when it has sufficient certainty that it will be awarded the project and typically this is only when an order has become legally binding or there is a binding commitment. The Group typically makes estimates on the value of the contract and the estimated duration to completion when recording new orders, particularly with respect to contracts with cost reimbursable pricing elements. However, the sales projected in the work in hand may not be realised or, if realised, may not result in profits.

If a client cancels a construction project, the Group may be reimbursed for certain costs but typically has no contractual right to receive the full sales reflected in its work in hand for that project. These events could have a material adverse effect on the Group's business, cash-flows, financial condition and results of operations.

***The Group's power purchase agreements entail potential risks that could negatively impact its business, financial condition, and operational results.***

The Group's long-term power purchase agreements (**PPAs**) with various parties may subject the Group to certain risks that could have impacts on its business, financial status, and operations. If the PPA counterparties fail to fulfill their contractual obligations, it could adversely affect the Group's financial condition. In addition, the counterparties have the right to terminate the PPAs, subject to penalties, under specific circumstances such as significant delays or the failure to achieve the agreed-upon energy

volumes. The cancellation of major PPAs, could harm the Group's business, financial condition, and results of operations.

***The Group's production of electricity through renewable resources is reliant on favourable weather conditions.***

The generation of electricity through renewable resources is heavily influenced by weather patterns. The success of the Group's energy projects relies on natural elements such as wind intensity or speed, rainfall, and solar irradiation, which are beyond the Group's control. Despite forecasting based on historical meteorological data, these resources can fluctuate considerably over time. In the event of unfavourable weather conditions, particularly over an extended period, it could negatively impact the profitability of the affected projects, resulting in significant adverse effects on the Group's business, financial status, and operational outcomes.

***Changes in accounting principles could adversely affect the Group's financial condition.***

Changes in accounting principles or standards could have an impact on the Group's consolidated financial statements. Also changes in accounting requirements, or the application and interpretation thereof, may entail uncertainty related to the Group's accounting, financial reporting and internal controls and could also affect the Group's financial condition, results of operations and cash flows. The realisation of any of these risks could adversely affect the Group's revenues, results of operations and/or financial condition.

**Risks Related to the Group's Environment, Social and Governance (ESG)**

**Environmental Risks**

As an international construction, mining and minerals processing and services group, environmental and sustainability risks arise in relation to both the physical impacts of climate change and the transition to a low carbon economy and may materially and adversely affect the Group's business, including:

- increased costs for mitigation, offsets or financial compensatory actions or obligations, including taxes and royalties;
- restricted access to capital, bonding and guarantees, insurance or an inability to attract or retain clients, industry partners and employees;
- adverse impacts to the environment, communities, human rights and social wellbeing, which could affect the Group's relationships with and be viewed negatively by the community and other stakeholders and damage the Group's reputation;
- opposition to new projects or the Group's entry to new jurisdictions by communities, including through legal or social action, or other loss of business opportunities; and
- the Group may be subject to or impacted by climate-related litigation (including class actions), associated costs and reputational damage.

***Negative perceptions of the environmental impact of the Group's activities may result in reputational damage and limit access to resources.***

The Group's emissions footprint could lead to a negative perception and reduced appeal among external stakeholders such as customers, investors and financiers (for example, some financial institutions and other institutional investors have declared an intention to exit certain commodities that are seen to be associated with climate change, such as thermal coal). There is a risk that greater difficulty or cost in

raising funds to finance the development of certain projects or the Group generally due to shifts in investment positions that the financial sector or investors with exposure to the energy sector may adopt, such as new initiatives to contribute to climate targets, either voluntarily or as a result of regulations.

***A move to a low carbon economy may cause increased costs and lower revenues for parts of the Group's operations.***

There is a risk that changes in energy end-uses that lead to an accelerated reduction in demand for coal and other fossil fuels will negatively impact the Group's business, if mining and processing of these minerals is decreased more quickly than Thiess and Sedgman Pty Ltd (**Sedgman**) are able to transition their businesses towards resources that are essential to a decarbonised future and renewable energy technologies.

There is also a risk that climate change, and regulatory and market reactions to climate change, will increase the Group's costs. This may occur in various ways, including costs of insurance on the Group's assets, costs of implementing technology to decrease the climate impact of the Group's activities and costs arising from late adoption of new practices/processes/technologies for energy production (including renewable energies), distribution and storage, which ultimately prevail in the market or premature adoption of early or immature technologies, which ultimately fail to be adopted in the market. If the Group is unable to successfully mitigate the risks related to climate change, including the adaption of its business to the changing energy environment, this could have an adverse impact on the business, financial position and results of operations of the Group.

***The Group's profits could be reduced by additional costs resulting from existing or future environmental, health and safety regulations.***

The Group may incur additional costs that could reduce profits due to current and future environmental, health, and safety regulations. These regulations include laws that govern the handling, storage and disposal of hazardous materials, as well as laws related to discharges to air and water, remediation of contamination associated with the release of hazardous substances and human health and safety. The Group's projects involve the handling of highly regulated materials, which could subject the Group to legal liabilities if improperly handled or disposed of. Although the Group does not usually own assets, there is a responsibility for complying with environmental licenses held by customers, and in some cases, the Group hold the licenses. The Group has integrated environmental and climate change considerations into our risk and strategy processes and regularly assess climate-related risks and opportunities. However, it is difficult to predict the full impact of judicial, legislative, or regulatory developments related to health, safety, and environmental protection regulations in all jurisdictions where the Group operates. Compliance costs, remediation requirements, and legal claims related to personal injury, property damage or natural resource damage resulting from exposure to hazardous materials could be substantial and may not be covered by insurance, potentially impacting the Group's profits and future operations.

***The Group is subject to various laws and regulations relating to the protection of the environment, health and public safety. Environmental incidents or events may put the Group's employees and the community at risk.***

The Group is exposed to a variety of regulatory frameworks to reduce emissions and protect the environment, health and public safety, some of which may be under revision. These frameworks can affect the business activities of the Group. There is a risk that the introduction of laws, regulations or policies affecting the Group's operations or future investments arising either from the obligation to adopt measures to mitigate climate change or otherwise related to the environment, including regulations on carbon pricing, renewable energy, road transport vehicles, stricter emission limits and/or altering the generation mix (being a combination of primary energy sources used in a geographical area), including through taxes. The Group has incurred, and will continue to incur, significant costs in

complying with these laws and regulations. In addition, a failure to comply with any such law or regulation could result in the issuance of fines and penalties, suspension or revocation of licences or permits to conduct business or the imposition of other sanctions, or litigation and reputational harm. Furthermore, such laws may impose strict liability in the event of damage to natural resources or threats to public safety and health. Strict liability may mean that the Group is held liable for environmental damage regardless of whether it has acted negligently, or that it owes fines whether or not damage exists or is proven. The relevant authorities may impose fines or sanctions or may revoke and refuse to grant authorisations and permits because of a breach by the Group of applicable regulations. All of the above could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

Further, the Group works within, or adjacent to, sensitive environments. An environmental incident, even a minor environmental incident, or unplanned event may occur that has a lasting negative impact on the environment, the wildlife or the communities in which the Group works. Any such incidents or events could have a negative impact on profitable project execution and the Group's reputation, which could materially adversely affect the Group's business, cash flows, financial condition and results of operations.

The Group must comply with an increasing number and greater complexity of the regulatory requirements in the markets it serves, including environmental protection measures such as emission levels targets and energy efficiency demands. Significant carbon emissions are generated in the Group's construction business from the upstream and downstream value chains (such as emissions from the use of materials such as steel and concrete). This brings with it a major responsibility to manage impacts, the failure of which could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***Climate change, adverse weather conditions or natural disasters may negatively affect the Group's business operations.***

The Group is exposed to risks associated with climate change. These risks comprise both physical and so-called transitional risks. Physical risks derive from the physical effects of climate change such as rise in temperature, sea-level rise, changes in precipitation patterns, fluctuations in water levels or more frequent occurrence of extreme temperatures, droughts or other extreme meteorological phenomena, such as cyclones or hurricanes. These effects could adversely impact both the Group's operations, assets and supply chains. So-called transitional risks include changes in laws, regulations, policies, obligations, social attitudes and customer preferences relating to the transition to a lower-carbon economy, which could adversely impact the Group's business and prospects.

The output and productivity of the construction, mining and services activities can be impacted by weather conditions. Activities in the construction, mining and services markets are often lower in those seasons when heavy rainfall is experienced (being the summer months in the tropics and the winter months in southern parts of Australia). The ability of the Group to carry out its construction services during periods of adverse weather conditions may be impaired leading to reduced construction volumes and thereby lower sales. The Group's projects may also be exposed to detrimental weather conditions outside the winter period such as heat waves in the summer or monsoonal flooding. Natural disasters may also affect the Group's business operations. Adverse weather conditions may occur for longer than normal periods, or with unusually high intensity, and results and revenues generated in normal periods may not be sufficient to compensate for periods of adverse weather conditions. These factors could have a material adverse effect on the Group's business, cash-flows, financial condition and results of operations.

Climate risks could have significant consequences on the Group's business operations. Some regions are seeing more frequent extreme weather events such as storms and increasing precipitation, while others are subject to more extreme heatwaves and drought. Due to the potential for an increase in the

frequency of extreme weather events, construction and mining projects face a higher risk of being held up by exceptional weather conditions such as heavy rain, floods, storms, and extreme heat and cold. This can lead to reduced productivity. Additionally, such climate events may also have a negative impact on the qualitative or quantitative attainment of the Group's business targets. These factors could have a material adverse effect on the Group's business, cash-flows, financial condition and results of operations.

Although the Group uses modern equipment and methods to mitigate these risks, there may also be an increased hazard for the Group's employees and subcontractors as well as to passers-by or local residents (such as through site incidents caused by extreme weather conditions).

**Social Risks**

***Non-adherence to social standards may lead to enforcement actions and reputational risk.***

With 25,500 employees (direct and indirect) in around 20 countries, despite extensive measures taken to ensure the adherence to social standards, such as due diligence obligations or audits, the Group is exposed to risks from noncompliance with these standards by its employees, suppliers or other partners which can ultimately lead to adverse effects on the Group's reputation, business or financial position.

Heightened societal expectations can also result in changes to legal requirements, as well as litigation, inquiries, regulatory action or government responses against the Group. For example, the transportation of commodities by third parties or procurement of materials needed for the Group's construction and mining operations, may be connected to a breach of legislation intended to prevent modern slavery or a breach of human rights within the Group's supply chain by a direct or indirect supplier. Failure to meet these standards or the occurrence of incidents causing injury or harm may result in adverse effects on the Group's reputation, business or financial position.

***Workplace health and safety incidents may lead to harm to Group's employees and the community.***

Workspace health or safety incidents or events may put the Groups employees, subcontractors and even members of the community at risk. Hazards and risks in the construction industry include, inter alia, work with power, electricity, gas, water and petroleum, accidents in live traffic, work with mobile cranes and lifting operations and mobile plants as well as working at heights. Hazards and risks in the Group's investment in the contract mining industry include, inter alia, work with explosives, managing risk of ingress of liquid, gas or other substances, geotechnical risks, working at heights, isolation of energy sources, working with cranes and other lifting equipment. Clients, particularly those in the resources and oil and gas industries, may require the Group to meet certain safety criteria to be eligible to bid on contracts. The Group's ability to bid for work in these industries is also dependent upon its maintenance of high safety standards.

**Governance Risks**

***The Group is subject to compliance risks and failure in governance processes may result in breaches of competition, anti-corruption and anti-bribery legislation which may negatively affect the Group's business operations.***

Across its international operations, the Group is subject to various laws and regulations including competition rules and legislation prohibiting corruption and bribery. The Group regularly participates in public and private bidding or tendering processes for projects. In an effort to prevent collusion and cartels in the construction sector, many competition authorities regularly scrutinise bidding processes. If in any tender, a breach of competition regulation by the Group's employees is found to have occurred,

the Group may face civil and/or criminal penalties, damage claims or other sanctions and be barred from future public and private bidding processes.

The Group has implemented a compliance regime which aims to achieve compliance with all applicable competition, anti-corruption and anti-bribery legislation. While the Group's compliance system is appropriate to provide adequate protection from violations of competition, anti-corruption and anti-bribery laws, as part of its commitment to comply with the best international practices, should such system and procedures fail to protect the Group from the possible reckless or criminal acts committed by its employees, subcontractors or suppliers, or other third parties, the Group could suffer from criminal or civil penalties or other sanctions, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts, termination of existing contracts, revocations or restrictions of licences, criminal fines and imprisonment of key personnel, any of which could have a material adverse effect on the Group's business. In addition, such violations could also negatively impact the Group's reputation and, consequently, its ability to win future business. The Group is currently, or has in the past been, subject to investigations or penalty payments or actions in certain jurisdictions regarding breaches or alleged breaches of compliance laws (see "*Description of the CIMIC Group – Investigations, Disputes and Litigation*" for further information). Any investigation or actions as described in the above paragraphs could materially adversely affect the Group's business, cash flows, financial condition and results of operations.

**Risks Related to the Group's Structure**

***The Group's various joint ventures or other similar partnerships may expose the Group to liability.***

Some of the Group's activities are conducted through joint ventures and partnerships where the Group has less than a 100 per cent interest in a particular entity with the remaining ownership interest being held by one or more third parties. The management and control of such an entity may entail risks associated with multiple owners and decision makers. Furthermore, in the construction industry (including concession projects) consortia of various construction companies are often formed in relation to a project in order to distribute the project contributions and risks among the partners of the applicable consortia. The Group's subsidiaries which are specialised in civil engineering, building and infrastructure construction, commissioning, operations and maintenance and asset management regularly join with unaffiliated third parties to form consortia or other forms of joint ventures and other similar partnerships. Under applicable laws, partners under such arrangements are usually jointly and severally liable for the obligations to be performed by the relevant joint venture or partnership. As a consequence, if the Group's joint venture partners fail to perform their obligations satisfactorily or if a partner becomes insolvent or leaves the joint venture or partnership, the Group may lose all or part of the investment made or may be required to make additional investments and to provide additional services to ensure the adequate performance and delivery of the contracted services. Vis-a-vis third parties, the Group may therefore also be liable for damages that were caused by partners or other third parties, such as suppliers or subcontractors. These additional obligations could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

For some time, competition authorities have intensified scrutiny of the construction business and assessed compliance with competition regulations by competitors who enter into consortia, joint ventures and other similar partnerships to deliver discrete projects. If any member of the Group in connection with any co-operative venture it has formed with a competitor for a project is found to be in breach of competition regulations, the Group may face reputational damage, civil and/or criminal penalties, damage claims or other sanctions and be barred from future public and private bidding processes.

***Minority shareholdings or minority board representations might limit the ability of the Group to realise its strategic goals and standards in connection with certain investments.***

The Group holds minority stakes in a number of companies including joint ventures and partnerships or only holds a minority board representation in some of its subsidiaries and participations. As a consequence, it may only have limited power to influence important decisions with respect to these companies and these companies may take decisions that are unfavourable to the interests of the Group. In addition, third parties hold minority positions in some of the Group's majority-owned subsidiaries or, in the case of Thiess and per the Thiess Transaction, on 31 December 2020 Elliott Advisors (UK) Ltd (**Elliott**) has acquired 50% of its equity (as further described in "*Description of the CIMIC Group – Structure of the Group – Corporate Segment-Mining*" herein and in "*Risks related to the pro forma financial information*" below). Such arrangements could result in disadvantages to the Group if the interests of such third party shareholders are not in line with the interests of the Group. Even where the Group holds a majority stake in a company, there can be no assurance that the Group will be able to realise its strategic goals and standards in such company due to minority or third party shareholders' rights. This could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***Risks related to the pro forma financial information.***

The section headed "*Selected Financial Information*" of this Offering Circular contains unaudited pro forma financial information as at and for the years ended 31 December 2021 (**FY21**) and 31 December 2020 (**FY20**) in relation to the following matters:

- In FY20, the Group entered into an arrangement with funds advised by Elliott regarding the acquisition by Elliott of a 50% equity interest in Thiess and entered into a joint venture arrangement with Elliott. The sale completed on 31 December 2020. Following the completed sale, the Group no longer controls Thiess (formerly Thiess Pty Limited), but now jointly owns Thiess with Elliott on an equal share basis, and accordingly the transaction was recorded as a disposal of controlled entities in accordance with AAS and the Group recognised an interest in a joint venture entity (together, the **Thiess Transaction**).

  The purpose of the preparation of the unaudited pro forma financial information is to simulate, using accounting principles that are consistent with the accounting policies of the Group, the main effects of the Thiess Transaction, as if they had taken place on 1 January 2020, together with various other one-off items as described in "*Selected Financial Information*" on the consolidated results of operations of the Group. The unaudited pro forma financial information has been prepared on the basis of the assumptions and adjustments described in "*Selected Financial Information*".

  In addition to the abovementioned adjustments, a number of extraordinary one-off items recorded within the FY20 audited statutory financial results have been adjusted in the unaudited pro forma financial information in order to show the Group's underlying financial performance consistent with the manner in which the Group's management reviews the business. Although the computation of the items comprising these adjustments have been extracted from audited financial information, the consideration of such items as extraordinary and inclusion or exclusion of items in the unaudited pro forma financial information is a subjective matter of judgement by the Issuer and should be viewed as such. Prospective investors should not view the presentation of the unaudited pro forma financial information as a representation that the same or similar extraordinary events are unlikely to reoccur nor as any guarantee that the adjusted underlying profit for the Group presented will be achieved in future periods.

- In order avoid any perceived conflict of interest with the other Group companies, on 31 March 2022, the Group decided to remove its nominee directors from the board of Ventia Services

Group Limited (**Ventia**) and to waive certain of its material rights. Further, CIMIC has agreed to abstain from voting its shares on certain resolutions put to a meeting of Ventia's shareholders, retaining the right to vote on matters relating to share rights, ownership and resolutions which may adversely affect the economic value of CIMIC's interest in Ventia. In accordance with the Group's accounting policy, the Group's investment in Ventia has been reclassified from an associate to a financial investment during FY22. Following the change in classification of CIMIC's investment in Ventia, the Group's share of Ventia work in hand for FY22 was not reported in the Group's work in hand balance as at 31 December 2022. The Group's work in hand balance for FY21 and FY20 presented in section 3 of "*Selected Financial Information*" includes a pro forma adjustment to remove the Group's share of work in hand from Ventia at 31 December 2021 and 31 December 2020. The purpose of this adjustment is to present the Group's FY21 and FY20 work in hand in a manner that provides comparability with the FY22 reported work in hand.

- The Group's FY22 operating cash flows presented in section 5 of "*Selected Financial Information*" includes a pro forma adjustment to present the Group's underlying operating cash flows excluding the payment made in April 2022 in connection with the settlement of the combined cycle power plant (**CCPP**) contract. Details of the settlement are set out in "*Description of the CIMIC Group – Investigations, Disputes and Litigation*" section.

The unaudited pro forma financial information does not represent projected figures and is not intended, in any way, to represent a forecast of the future results of the Group, and should not be used for this purpose. Moreover, as the unaudited pro forma financial information is based on assumptions as disclosed below, it must be noted that, if the events described in "*Selected Financial Information*" had occurred on the dates used as a reference for the preparation of the unaudited pro forma financial information instead of the actual dates, the historical data would not necessarily be the same as the unaudited pro forma financial information. Since the unaudited pro forma financial information has been prepared to show retrospectively the effects of transactions occurring at a later time, despite the compliance with commonly accepted rules and the use of reasonable assumptions, there are limits included in the nature of such unaudited pro forma financial information. Potential investors should exercise caution when using the unaudited pro forma financial information to evaluate the financial condition and results of operations of the Group.

Investors are, therefore, cautioned against placing undue reliance on the unaudited pro forma financial information set out in "*Selected Financial Information*".

***The Parent Guarantor is a holding company and its ability to satisfy its payment obligations (including payments under the Guarantee) depends on the receipt of funds from its subsidiaries and participations.***

The Parent Guarantor is a holding company with no significant assets other than its interests in its subsidiaries and participations through which it conducts its operations. Its ability to satisfy its payment obligations (including payment obligations in respect of the Guarantee) mainly depends on the receipt of sufficient funds from its subsidiaries and participations. The extent of any such cash flows to the Parent Guarantor, in turn, depends on the business, financial condition, results of operations and cash flows of these subsidiaries and participations.

The transfer of funds from subsidiaries may be or become restricted by law or otherwise; in particular, contractual restrictions may be included in financing arrangements entered into by subsidiaries and participations. Furthermore, payments may become restricted, directly or indirectly, by the terms of the Group's credit facilities and other financing arrangements. There can be no assurance that any future credit agreements will not contain such restrictions. There is a risk therefore that the Parent Guarantor may not have sufficient funds to meet its payment obligations under the Guarantee.

**Financial Risks**

***The Group is exposed to liquidity risks.***

For the Group, liquidity not only means solvency in the strict sense, but also the long-term availability of the financial headroom needed to support the Group's strategic initiatives. As at the date of this Offering Circular, the main financing instruments of the Group currently comprise one guaranteed senior note, four syndicated facilities and bilateral and other unsecured loan facilities. All of CIMIC's senior debt ranks *pari-passu*.

The Group's debt instruments require continuous compliance with certain covenants and undertakings, such as, restrictions on the level of gearing and restrictions on the granting of security for financial indebtedness by the Parent Guarantor and certain of its subsidiaries.

Depending on a number of factors, the fulfilment of some of those covenants may be beyond the control of the Parent Guarantor. These restrictions may also limit the Group's ability to react to market conditions, take advantage of potential business opportunities, obtain future financing, fund needed capital expenditures, or withstand a continuing or future downturn in the business. The Group cannot assure that it will be able to meet all limitations in the future and, if not, that its financial counterparties will waive the event of default resulting from any breach.

The Group's default on due interest or debt repayment could result in a cross-acceleration or cross-default in payment obligations under its other financing agreements and outstanding debt instruments. A default, as well as any resulting cross-default, can result in adverse consequences including significant increases in interest rates as well as other financing costs. In addition, a default entitles the respective counterparty to accelerate the Group's payment obligations and make all payments immediately due and payable or in case of the general counter indemnity, entitle the relevant sureties to require additional collateral. If any of these events occur the Group may be unable to obtain alternative debt or equity financing to refinance its debt obligations, on acceptable terms or at all. Should any of these risks materialise, this could have a material adverse effect on the Group's business prospects, results of operations and financial condition. Furthermore, the sureties are entitled to refuse the issue of bonds at any time and for any reason.

The Group is to some extent dependent on external funds to finance its business operations, in particular any increase in the volume of business operations. If adequate funds are not available, or are not available at favourable terms, the Group may not be able to make efficient future investments or acquisitions.

The Group has covered its past financing requirements through the issuance of equity, bonds and promissory loan agreements, as well as syndicated and bilateral bank loans and other forms of debt financing. In addition, the Group requires substantial guarantee facilities to be able to provide tender, performance, warranty and other types of guarantees, which are usually required for construction projects. There can be no assurance that the Group's opportunities for financing and the terms of any financing will not be adversely affected in the future; in particular a prolonged economic downturn could significantly impair the Group's ability to obtain additional financing or refinancing of its existing facilities or debt instruments at all or on acceptable commercial terms. The Group's ability to obtain financings will depend on the Group's credit, prevailing conditions in the credit or capital markets, and the regulatory framework applicable to financial institutions, topics which are partly or entirely beyond the Group's control. Such deterioration of the Group's perceived creditworthiness or any downgrading could limit the Group's ability to obtain future financing or to obtain such financing on favourable economic terms.

Despite the dependence on factors outside the Group's control, the Group's ability to service and refinance its debt and fund future operations as well as capital expenditures is highly dependent on its future operating performance and its ability to generate sufficient cash flow.

As a result of general economic conditions, tightening of capital requirements and other regulatory measures that are applicable to banks, the Group is exposed to a limited availability of long-term financing. In addition, large and numerous small- and mid-sized construction companies in the countries in which the Group is active have experienced financial difficulties and some have been forced to declare bankruptcy. These events may cause financial institutions, private and institutional investors and customers to apply higher risk standards when dealing with companies in the construction sector, including with the Group, in particular in relation to the leverage ratio when it comes to debt financing.

In addition, certain subsidiaries and shareholdings of the Group may require external financing and/or refinancing of existing external financing. They may be restricted from paying dividends or making other distributions to the company in certain jurisdictions within which some subsidiaries operate. Should such financing and/or refinancing not be available or not be available at favourable commercial terms, significant monetary contributions (such as equity injections or shareholder loans) by the Group to such subsidiaries and shareholdings or any other form of assistance by the Group in connection with such financing and/or refinancing may be required. Furthermore, the Group may face additional risk that in order to refinance its debt, it could be required to agree to more onerous covenants, which would further restrict its business operations.

Should any of these risks relating to the Group's ability to secure external financing for its projects and corporate activities materialise, this could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***CIMIC's current corporate investment grade rating supports the Group to pursue its future financing needs and the issuance of unsecured corporate bonds and notes and adverse changes in the rating may have a negative impact on its financing conditions.***

CIMIC has been assigned long-term corporate credit ratings of BBB-/Stable/A-3 by S&P Global Ratings Australia Pty Ltd (**S&P**) and Baa3/Stable by Moody's Investors Service Pty Ltd (**Moody's** and together with S&P, the **Rating Agencies**). If CIMIC loses its investment grade rating, its intended refinancing strategy for future financing needs, including the issuances of unsecured bonds and notes, may become more expensive or may not be possible in the targeted amounts. The Rating Agencies could downgrade the Group if certain qualitative or quantitative measures are no longer adequately met. Changes in the rating of the Group's shareholder HOCHTIEF Aktiengesellschaft (**HOCHTIEF AG**), or its parent Actividades de Construcción y Servicios, SA (**ACS**), will also have an impact on the rating of the Group. Any actual or expected rating downgrade could have an adverse effect on the conditions to the Group entering into future financing arrangements.

***Currency exchange rate fluctuations could adversely affect the result of operations of certain parts of the Group's business.***

The Group reports its results in Australian dollars and generates sales in various currencies in addition to Australian dollars, primarily U.S. dollars and NZ dollars, among others. The results of operations of certain parts of the Group's business are therefore subject to fluctuations of the Australian dollar as the Parent Guarantor's functional currency against various other currencies.

The Group may at times be exposed to the effects of foreign exchange translation with respect to certain of its subsidiaries that record the results of their operations in currencies other than Australian dollars (translation risk). The contribution of these subsidiaries to the Group's financial statements is affected by the exchange rate between their reporting currency and Australian dollars.

Generally, the Group is exposed to currency risk (transaction risk) arising from receivables, liabilities, cash and cash equivalents, marketable securities and pending transactions denominated in currencies other than the functional currency of the Group company concerned in each instance. The Group also incurs expenses and liabilities (including debt financing) in such currencies. Although the Group seeks to naturally hedge the effect of foreign exchange fluctuations, at times there will be residual exposures which get hedged using currency derivatives, mainly forward exchange contracts. The Group bears the default risk of the relevant hedge counterparty and there can be no assurance that the hedging strategy and other measures to account for foreign exchange fluctuations will always be successful and will protect the Group against all exchange rate fluctuations. Any uncompensated or unhedged exchange rate fluctuations could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

***Interest rate fluctuations may lead to an increase in the Group's financing costs.***

The cost at which the Group can obtain financing depends on general market conditions, particularly the level of interest rates in the economy and the assessment of the creditworthiness of the Group. The Group is exposed to interest rate risk through financial items primarily consisting of interest-bearing marketable securities on the asset side and financial liabilities on the liabilities side of the balance sheet. In the case of deteriorating general market conditions or a deteriorating creditworthiness of the Group, only debt financing with higher risk premiums than those that are currently in place may be available. This could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

**Regulatory, Legal and Taxation Risks**

***The Group's business faces risks from potential and current litigation.***

As an international construction, mining and minerals processing, and services group, the Group also faces numerous legal risks and risks in connection with lawsuits, claims, and regulatory proceedings. The outcome of legal disputes and regulatory proceedings is in most cases difficult to predict.

The Group's construction business is characterised by large-scale projects which are complex, lengthy and often time-critical. Some of the factors that may prevent the Group from completing projects in the agreed timeframe are beyond the control of the Group, such as adverse weather conditions or unexpected technical or geological difficulties. Furthermore, the Group faces warranty and liability risks in connection with its business operations. This may result in lengthy disputes and litigation which could also materially impair the Group's reputation. While the Group maintains provisions in connection with risks from litigation and regularly monitors the adequacy of such provisions, there can be no assurance that this will protect the Group against litigation risks.

Any potential and ongoing litigation, including those matters disclosed in this Offering Circular, could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations. For more information in relation to the material risks involved in the Group's proceedings, please see section "*Description of the CIMIC Group – Investigations, Disputes and Litigation*".

***A failure to maintain and further develop risk management systems could adversely affect the Group.***

The Group's risk management system is designed to assist with the assessment, avoidance and reduction of risks, which jeopardise its business. The Group's operating risks primarily include the complex risks of construction project selection and execution.

There are, however, inherent limitations on the effectiveness of any risk management system. These limitations include the possibility of human error and the circumvention or overriding of the system. Accordingly, any such system can provide only reasonable assurances, and not absolute assurances, of

achieving the desired objectives. For example, due to the specifics of the construction industry, individual risks such as losses on a construction project may only be detected with delay. If the Group's risk management system does not achieve its objectives or is inadequate, corporate or administrative failures or illegal activities could occur or wrong decisions could be made, which could in turn have material adverse effects on the Group's reputation, business, financial condition and results of operation.

***The Group is subject to the general tax environment in Australia and the jurisdictions in which it operates. The Group's tax burden in relation to the future tax treatment of dividend payments, past, current or future tax assessments, tax audits or court proceedings may increase due to changes in tax laws or changes in the application or interpretation thereof.***

The Group is subject to the tax environment in Australia and the jurisdictions in which it operates. The Group's tax burden depends on various aspects of tax laws, as well as their application and interpretation. Amendments to tax laws, for example, an increase in statutory tax rates, may have a retroactive effect and their application or interpretation by tax authorities or courts may change. As a result, the Group may no longer be able to benefit from applicable tax exemptions and may even face penalties and fines due to changes in the application and interpretation of tax laws by the tax authorities. Furthermore, court decisions are occasionally limited to their specific factual circumstances by tax authorities by way of non-application decrees. This may also increase the Group's tax burden.

Because the Group operates in numerous jurisdictions, the Group is also exposed to specific tax risks. This applies in particular to the tax treatment of cross-border transactions, including the transfer pricing rules applicable in several jurisdictions and in relation to cross border business relationships. Pursuant to such rules, related enterprises are obligated to conduct any related party transactions on the same terms and conditions which would apply among unrelated third parties ("the arm's length principle") and to provide sufficient documentation thereof, subject to the rules applicable in the relevant jurisdictions. If inter-company transactions of Group companies are not conducted at arm's length terms or if documentation thereof is not sufficient, this could result in a higher tax burden for the Group than otherwise expected.

The Group companies are subject to periodic and ad hoc tax audits, reviews and investigations by the relevant tax authorities. As a result of current or future tax audits or other reviews by the tax authorities, additional taxes (including company taxes, withholding taxes, transfer taxes, value added tax (**VAT**)) could be imposed on Group companies (for example in connection with restructuring measures, transaction costs, refund of input VAT, intra-group pricing terms, tax deductibility of interest paid or payroll taxes). Additional taxes, including interest and penalty payments or social security payments, could be imposed in relation to past, current or future tax assessment periods. This could lead to an increase in the Group's tax obligations, either as a result of the relevant tax payment being imposed directly on the Group or as a result of it becoming liable for the relevant tax as a secondary obligor following the primary obligor's (for example, an employee) failure to pay. This may be due to an interpretation or view of laws and facts by tax authorities in a manner deviating from the Group's interpretation.

The realisation of the general risks described above could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

## FACTORS THAT ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME

***The Notes may not be a suitable investment for all investors.***

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. A potential investor should not invest in Notes that are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

***Reliance on the Guarantee.***

The Notes are guaranteed pursuant to the Guarantee. The Issuers are financing entities and have minimal assets other than cash deposits. If the Guarantors' financial condition deteriorates, it is possible that the Issuers may not have access to the resources or liquidity to pay the amounts required under the Notes and the Guarantors individually or collectively may not have the financial resources or liquidity to pay the amounts required under the Guarantee following payment of any secured creditors. Consequently, investors in the Notes may suffer direct and materially adverse consequences.

***Risks related to the enforceability of the Guarantee generally.***

The enforceability of the Guarantee is subject to various limitations including:

- statutes of limitations, laws relating to administration, moratoria, bankruptcy, liquidation, insolvency, receivership, reorganisation, schemes of arrangement and similar laws affecting

generally creditors' and counterparties' rights and specific court orders that may be made under such laws;

- defences such as set-off, laches, forbearance, election, abatement or counterclaim, the doctrine of frustration and the doctrine of estoppel and waiver and the fact that guarantees and certain other documents and obligations may be discharged as a matter of law in certain circumstances;

- general law and statutory duties, obligations, prohibitions and limitations affecting the enforceability of, and exercise of rights under, guarantees generally; and

- the Guarantee or a transaction connected with the Guarantee may be voidable at the option of a party, or may be set aside by a court on application by a party, or a party may be entitled to rescind the Guarantee or a security interest and amounts paid or property transferred under it may be recovered by that party:

    - if that party entered into the Guarantee or transaction as a result of a mistake or another party's misrepresentation or as a result of fraud, duress or unreasonable or unconscionable conduct or misleading or deceptive conduct on the part of another party (or of a third person of which another party has actual or constructive knowledge) or as a result of a breach by another party (or of a third person of which another party has actual or constructive knowledge) of any duty owed to that party; or

    - if that party's entry into the Guarantee or a transaction in connection with it constitutes an 'insolvent transaction' or an 'unfair loan' or an 'unreasonable director-related transaction' within the meaning of section 588FC or 588FD or 588FDA respectively of the Corporations Act and the party is subsequently wound up.

***Noteholders' ability to enforce certain rights in connection with the Notes may be limited or affected by reforms to Australian insolvency legislation relating to "ipso facto" rights.***

On 18 September 2017, the Treasury Laws Amendment (2017 Enterprise Incentives No. 2) Act 2017 (the **Act**) received Royal Assent and was enacted. The Act contains reforms to Australian insolvency laws. Under the Act, any right under a contract, agreement or arrangement (such as a right entitling a creditor to terminate a contract or to accelerate a payment under a contract) arising merely because a company, among other circumstances, is under administration, has appointed a managing controller or is the subject of an application under section 411 of the Australian Corporations Act (being the "ipso facto rights"), will not be enforceable during a prescribed moratorium period.

The Act became effective on 1 July 2018 and applies to "ipso facto rights" arising under contracts, agreements or arrangements entered into at or after that date, subject to certain exclusions. On 21 June 2018, the Australian Government introduced the Corporations Amendment (Stay on Enforcing Certain Rights) Regulations 2018 (the **Regulations**) which sets out the types of contracts that will be excluded from the operation of the stay on the enforcement of "ipso facto rights".

The Regulations provide that a contract, agreement or arrangement that is for, or governs securities, financial products, bonds or promissory notes will be exempt from the moratorium. Furthermore, a contract, agreement or arrangement under which a party is or may be liable to subscribe for, or to procure subscribers for, securities, financial products, bonds or promissory notes is also excluded from the stay. Accordingly, the Regulations should exclude the Notes and certain other arrangements under the Programme from the stay. However, since their commencement in 2018, the Act and the Regulations have not been the subject of judicial interpretation. If the Regulations are determined not to exclude the Notes or any other arrangements relating to the Programme from their operation under the exclusions mentioned above or any other exclusion under the Regulations, this may render unenforceable in Australia provisions of the Notes or the Programme conditioned solely on the occurrence of events

giving rise to "ipso facto rights". Investors should seek independent advice on the implications (if any) of these laws and regulations on their investment in the Notes.

## RISKS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common features:

***Notes subject to optional redemption by the Issuers.***

An optional redemption feature is likely to limit the market value of Notes. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***Fixed/Floating Rate Notes.***

Fixed/Floating Rate Notes bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in and the market value of such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. When the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

***The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks".***

Interest rates and indices that are deemed to be "benchmarks", (including the London interbank offered rate (**LIBOR**) and the euro interbank offered rate (**EURIBOR**)) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented and LIBOR has been discontinued. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or may have other consequences that cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

In Australia, examples of reforms that are already effective include changes to the methodology for calculation of the Australian Bank Bill Swap Rate (**BBSW**), and amendments to the Corporations Act made by the Treasury Laws Amendment (2017 Measures No. 5) Act 2018 of Australia which, among other things, enables ASIC to make rules relating to the generation and administration of financial benchmarks. On 6 June 2018, ASIC designated BBSW as a "significant financial benchmark" and made the ASIC Financial Benchmark (Administration) Rules 2018 and the ASIC Financial Benchmarks (Compelled) Rules 2018. On 27 June 2019, ASIC granted ASX Benchmarks Pty Limited a licence to administer BBSW.

Regulation (EU) 2016/1011, as amended (the **EU Benchmarks Regulation**) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the **UK Benchmarks Regulation**) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

The euro risk free-rate working group for the euro area has published a set of guiding principles and high-level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark; and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

Investors should be aware that, if EURIBOR, BBSW or any other benchmark were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference EURIBOR, BBSW or any such other benchmark will be determined for the relevant period by the fallback provisions applicable to such Notes. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference EURIBOR, BBSW or any other benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark replacement provisions of Notes in making any investment decision with respect to any Notes referencing a benchmark.

***Notes issued at a substantial discount or premium.***

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional

interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

## RISKS RELATED TO NOTES GENERALLY

Set out below is a brief description of certain risks relating to the Notes generally:

***Modification, waivers and substitution.***

The Conditions contain provisions for calling meetings of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolutions, and including Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of, or the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed or the Australian Deed Poll or any other document, or (ii) determine, without any such consent as aforesaid, that any Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee having regard to its rights under the Trust Deed to obtain advice from professional advisers, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, and whether or not it would be so materially prejudicial to do so, or (iii) any modification to the provisions of the Notes or the Trust Deed or the Australian Deed Poll or any other document which is of a formal, minor or technical nature or to correct a manifest error or an error which is proven as such to the Trustee's satisfaction (acting reasonably) or to comply with mandatory provisions of law, or (iv) the substitution of another company as principal debtor under any Notes in place of the relevant Issuer, in the circumstances described in Condition 11 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

***The value of the Notes could be adversely affected by a change in law or administrative practice.***

The Trust Deed, the Agency Agreement, the Notes (other than AMTNs) and the Guarantee (as it applies to Notes other than AMTNs) are based on English law, and the Australian Deed Poll, the AMTNs, the Australian Agency Agreement and the Guarantee (as it applies to AMTNs) are based on the laws in force in New South Wales, Australia in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law, New South Wales law or the administrative practice of either of those laws after the date of this Offering Circular and any such change could materially adversely impact the value of any Notes affected by it.

***Notes where denominations involve integral multiples: definitive Notes.***

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination (as described in the applicable Pricing Supplement) plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed or issued) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade. AMTNs will not be issued in definitive form.

***Trustee's actions.***

In certain circumstances (including the giving of notice to the relevant Issuer and the Guarantors pursuant to Condition 10 (*Events of Default*)), the Trustee may (at its sole discretion) request the Noteholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes actions on behalf of the Noteholders. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or pre-funded to its satisfaction. Even if the Noteholders agree to indemnify and/or provide security to and/or pre-fund the Trustee, the time taken to agree the indemnity and/or security and/or pre-funding may impact on when such actions are taken.

The Trustee may decline to take action requested by the Noteholders, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations and to the extent permitted by the agreements and the applicable law, it will be for the holders of the Notes to take such actions directly.

**RISKS RELATED TO THE MARKET GENERALLY**

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

***The secondary market generally.***

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

***Exchange rate risks and exchange controls.***

The relevant Issuer will pay principal and interest on the Notes and the Guarantors will make any payments under the Guarantee in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the relevant Issuer or the Guarantors to make payments in respect of the Notes or the Guarantee. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***Interest rate risks.***

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

***Credit ratings may not reflect all risks.***

One or more independent credit rating agencies may assign credit ratings to the Issuers, the Guarantors or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

***Legal investment considerations may restrict certain investments.***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

**Risks related to clearing systems**

***Where the Global Notes are lodged for clearance in and/or held by or on behalf of a Clearing System, investors will have to rely on the procedures of the relevant clearing system for transfer, payment and communication with the relevant Issuer.***

Notes (other than uncertificated Registered Notes, including AMTNs) may be represented by one or more Global Notes and/or Global Certificates. Such Global Notes and/or Global Certificates may be deposited with a common depositary for one or more clearing systems (**Common Depositary**). Except in the circumstances described in the relevant Global Note or relevant Global Certificate, investors will not be entitled to receive definitive Notes. Each clearing system will maintain records of beneficial interests in, or rights in respect of, Global Notes and/or Global Certificates. While the Notes are represented by one or more Global Notes and/or Global Certificates, investors will be able to transfer their beneficial interests in, or rights in respect of, a Global Note or a Global Certificate only through the relevant clearing system.

While the Notes are represented by one or more Global Notes and/or Global Certificates, the relevant Issuer will discharge its payment obligations under such Notes by making payments to or to the order of the Common Depositary for distribution to the account holders in the relevant clearing system(s). A person holding a beneficial interest in, or rights in respect of, a Global Note or a Global Certificate must rely on the applicable rules, regulations and procedures of the relevant Clearing System to receive payments under the relevant Notes. Neither the relevant Issuer nor the Guarantors have any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in, or rights in respect of, Global Notes and/or Global Certificates.

A person holding a beneficial interest in, or rights in respect of, the Global Notes and/or the Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such persons will be permitted to act only to the extent that they are enabled by the relevant clearing system to appoint appropriate proxies.

***Where the AMTNs are lodged with the Austraclear System, investors will have to rely on the procedures of Austraclear for transfers and payments.***

AMTNs will be issued in registered certificated form. No certificate or other evidence of title will be issued in respect of any AMTN unless CIMIC Finance determines that certificates should be available or it is required to do so pursuant to any applicable law or regulation. Any such certificate will be in such form as CIMIC Finance and the Agent may agree. Title to any AMTNs is evidenced by entry in the Australian Register (as defined in the Conditions) and, in the event of a conflict, the Australian Register shall prevail (subject to correction for fraud or manifest or proven error).

CIMIC Finance may procure that the AMTNs are lodged with the Austraclear System. On lodgement, Austraclear will become the sole registered holder and legal owner of the AMTNs. Subject to the rules and regulations known as the **Austraclear System Regulations** established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System, participants of the Austraclear System (**Austraclear Participants**) may acquire rights against Austraclear in relation to those AMTNs as beneficial owners and Austraclear is required to deal with the AMTNs in accordance with the directions and instructions of the Austraclear Participants. Investors in AMTNs who are not Austraclear Participants would need to hold their interest in the relevant AMTNs through a nominee who is an Austraclear Participant. All payments by CIMIC Finance in respect of AMTNs lodged with the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear System Regulations.

Where the AMTNs are lodged with the Austraclear System, any transfer of AMTNs will be subject to the Austraclear System Regulations. Secondary market sales of AMTNs cleared through the Austraclear System will be settled in accordance with the Austraclear System Regulations.

Austraclear Participants who acquire an interest in AMTNs lodged with the Austraclear System must look solely to Austraclear for their rights in relation to such Notes and will have no claim directly against CIMIC Finance in respect of such AMTNs although under the Austraclear System Regulations, Austraclear may direct CIMIC Finance to make payments direct to the relevant Austraclear Participants.

Where Austraclear is registered as the sole holder of any AMTN that is lodged with the Austraclear System, Austraclear may, where specified in the Austraclear System Regulations, transfer the AMTNs to the person in whose Security Record (as defined in the Austraclear System Regulations) those AMTNs are recorded and, as a consequence, remove those AMTNs from the Austraclear System.

## USE OF PROCEEDS

The net proceeds from the issue of Notes will be applied by the relevant Issuer for general corporate purposes (including repayment of any indebtedness outstanding from time to time), or as may be specified in the applicable Pricing Supplement.

## DESCRIPTION OF THE ISSUERS

### *CIMIC Finance Limited*

CIMIC Finance, incorporated in New South Wales, Australia on 11 December 1981, is a wholly-owned subsidiary of the Parent Guarantor. CIMIC Finance's registered office is at Level 25, 177 Pacific Highway, North Sydney NSW 2060, Australia, and the telephone number is +61 2 9925 6666.

CIMIC Finance was established to act as a finance company for the Group. As at the date of this Offering Circular, CIMIC Finance has no subsidiaries.

The directors of CIMIC Finance as at the date of this Offering Circular are:

| Name | Age | Appointed | Position |
|---|---|---|---|
| Robert Brian Cotterill | 42 | 31 January 2017 | Director |
| Scott Eric McAlpine | 56 | 1 June 2016 | Director |
| Jonathan Barrington Wood | 43 | 12 July 2021 | Director |

### *CIMIC Finance (USA) Pty Ltd*

CIMIC USA, incorporated in New South Wales, Australia on 31 July 2008, is a wholly-owned subsidiary of the Parent Guarantor. CIMIC USA's registered office is at Level 25, 177 Pacific Highway, North Sydney NSW 2060, Australia, and the telephone number is +61 2 9925 6666.

CIMIC USA was established to act as a finance company for the Group. As at the date of this Offering Circular, CIMIC USA has no subsidiaries.

The directors of CIMIC USA as at the date of this Offering Circular are:

| Name | Age | Appointed | Position |
|---|---|---|---|
| Scott Eric McAlpine | 56 | 1 June 2016 | Director |
| Jonathan Barrington Wood | 43 | 12 July 2021 | Director |

## DESCRIPTION OF THE CIMIC GROUP

### Parent Guarantor

The Parent Guarantor is the parent holding company of the CIMIC group of companies, which includes the Issuers (together, **CIMIC** or the **Group**). The Parent Guarantor is domiciled in Australia and is a fully-owned subsidiary of HOCHTIEF Australia Holdings Limited (**HOCHTIEF Australia**).

Following the compulsory acquisition of its remaining securities by HOCHTIEF Australia, CIMIC was de-listed from the Australian Securities Exchange (**ASX**) at the close of trading on 11 May 2022 under the ASX Listing Rule 17.14. HOCHTIEF Australia is fully-owned by HOCHTIEF AG which is listed on the Deutsche Börse.

The largest shareholder in HOCHTIEF AG is Spanish based company ACS, which holds 68.64%[1] of the shares in HOCHTIEF AG. ACS is listed on the Bolsa de Madrid.

### Company Summary

CIMIC is an engineering-led construction, services, mining, development and investments leader working across the lifecycle of assets, infrastructure and resources projects.

CIMIC's operating companies' diverse and integrated capabilities span sectors such as transport, aviation, ports, tunnelling, building, defence and security, education, health, resources, power and energy, renewables, and water. CIMIC delivers the full spectrum of services, from feasibility, design, planning and investment; to manufacturing and construction; to operations, maintenance, upgrades and asset management; to rehabilitation and decommissioning.

The Group's financial strength, integrated capabilities and advanced digitisation support its delivery of a broad range of major projects in the markets which the Group operates in, and to take equity positions in PPPs and other investment and development opportunities.

CIMIC's businesses deliver services across Australia and select markets in the Asia Pacific region and the Americas, with a strategic focus on core markets in Australia, New Zealand and Asia.

CIMIC's mission is to generate sustainable returns by delivering projects for its clients while providing safe, rewarding and fulfilling careers for its people. With a history beginning in 1899, and around 25,500 employees (direct and indirect) across 20 countries, CIMIC strives to be known for its principles of *Integrity*, *Accountability*, *Innovation and Delivery*, underpinned by *Safety*.

#### *Strategy*

CIMIC's strategy is to generate sustainable and cash-backed profits and create value for all stakeholders with the following key elements:

- to optimise efficient project delivery and production, continuously improving and creating value for its clients;
- to grow existing business by targeting opportunities in its core markets including transport, social infrastructure, energy infrastructure, resources, utilities, defence and PPPs;
- to expand and diversify by offering integrated solutions, which cover the full lifecycle of infrastructure assets, and develop and provide innovative solutions to its clients which leverage technology; and

[1] As at 23 March 2023.

- to efficiently allocate capital and resources to target growth opportunities.

***Structure***

The Group comprises its construction businesses being CPB Contractors Pty Ltd (**CPB Contractors**), Leighton Asia Limited (**Leighton Asia**) and Broad Construction Pty Ltd (**Broad Construction**); infrastructure and asset services specialist UGL Pty Limited (**UGL**); mining and mineral processing companies Thiess (joint control) and Sedgman; and development and investment specialist Pacific Partnerships Pty Ltd (**Pacific Partnerships**) – these businesses are all supported by in-house engineering consultancy EIC Activities Pty Ltd (**EIC Activities**). CIMIC also owns 21.9 per cent. of Ventia, a key essential infrastructure services provider in Australia and New Zealand.

**CPB Contractors** is an international construction contractor with operations in Australia, New Zealand, Asia and PNG. It delivers major projects spanning all key sectors of the construction industry, including roads, rail, tunnelling, defence, building, resources and water infrastructure across a range of delivery models.

CPB Contractors includes the fully-owned subsidiary **Broad Construction**, a managing contractor within the Australian construction industry, delivering new build, fit-out and refurbishment projects.

**Leighton Asia** is a contractor and has worked on significant projects in Asia. Established in 1975 and headquartered in Hong Kong, Leighton Asia delivers a portfolio of high-profile infrastructure projects throughout Asia.

**UGL** is a specialist end-to-end engineering and services provider. Its whole-of-life offering delivers operational value and enhanced customer experiences for critical assets in power, water, resources, telecommunications, transport, defence and security and social infrastructure.

**Sedgman** is a provider of integrated minerals processing solutions. With a track record in successful project and operations delivery, Sedgman is focused on realising value for clients through excellence in engineering and innovative solutions.

**Pacific Partnerships** is an infrastructure developer. It drives innovative collaboration across CIMIC Group's collective expertise to create, fund, own, deliver and operate sustainable solutions that unlock benefits for communities and for the future.

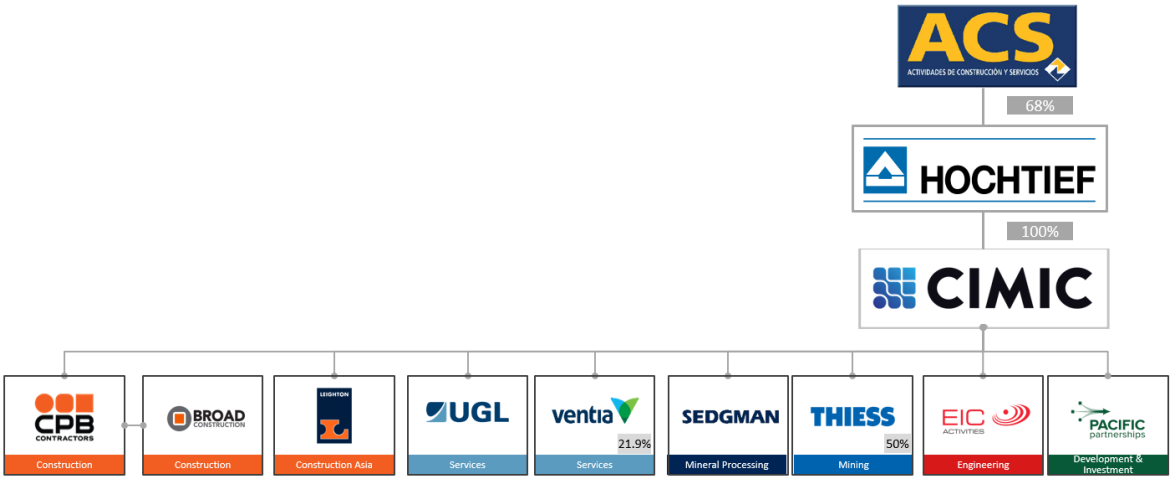
**EIC Activities** is CIMIC's engineering and technical services business, providing advantage and support in acquiring and delivering projects that generate value for clients.

CIMIC holds 50% of the issued shares in **Thiess**, which it accounts for as a joint venture. Thiess partners with its clients to deliver integrated services to the resources industry in Australia, Asia and the Americas. For more than 80 years, Thiess has operated in diverse commodities, geologies, environments, and cultures.

CIMIC's properties division is considered non-core and comprises Devine Limited (**Devine**), and Leighton Properties Pty Limited (**Leighton Properties**) which undertake development of residential and commercial property.

**Ventia** is an essential infrastructure services provider in Australia and New Zealand and is listed on the ASX and the NZX with a market capitalisation of A$2.1 billion as of 23 March 2023. CIMIC holds a 21.9% non-core interest in Ventia.

See below for a summary organisational chart of the Group as at the date of this Offering Circular and "*Operational Structure*" for further details.




***Ownership***

CIMIC is a fully-owned subsidiary of HOCHTIEF Australia. CIMIC was de-listed from the ASX at the close of trading on 11 May 2022 under ASX Listing Rule 17.14, following a compulsory acquisition of its remaining securities by HOCHTIEF Australia. Prior to its de-listing, CIMIC's market capitalisation was A$6.9 billion based on HOCHTIEF AG's offer price of A$22.00 per share[2].

HOCHTIEF Australia is fully-owned by HOCHTIEF AG. Listed on the Deutsche Börse, HOCHTIEF AG is an engineering-led global infrastructure group with leading positions across its core activities of construction, services and concessions/PPPs focused on Europe, Australia, and North America, owning a key domestic contractor in the United States. HOCHTIEF AG has a market capitalisation of €5.6 billion[3] with an annual revenue of €26.2 billion (for FY22) and has been listed in the Dow Jones Sustainability Indexes since 2006.

The largest shareholder in HOCHTIEF AG is ACS, which holds 68.64%[4] of the shares in HOCHTIEF AG. ACS is one of the world's leading civil and engineering construction companies, specialising in infrastructure, industrial services and services. It has a market capitalisation of €8.2 billion[5] with an annual revenue of €33.6 billion (for FY22) and is listed on the Bolsa de Madrid. ACS is ranked as the largest international contractor according to Engineering News-Record (ENR.com) ranked according to construction revenue generated outside of each company's home country.

Following CIMIC Group's 100% takeover by HOCHTIEF Australia, CIMIC remains a substantial, locally managed, stand-alone company, with independent access to capital. As an Australian-based group, CIMIC has substantially retained listed-company style governance and maintains local corporate and operational management as well as independent directors.

This ownership structure provides a number of key benefits to CIMIC and the broader ACS group of companies (**ACS Group**), particularly in respect to the sharing of knowledge, best practices, research and development sharing, global procurement and client connectivity.

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2 Based on the A$22.00 offer price per share by HOCHTIEF AG as outline in the bidder statement on 23 February 2022.
3 Based on a share price of €74.90 as at 23 March 2023.
4 As at 23 March 2023.
5 Based on a share price of €28.99 as at 23 March 2023.

***Ratings and index history***

CIMIC is rated Baa3 (Stable) by Moody's Investors Service Pty Ltd (**Moody's**) and BBB- (Stable) by S&P Global Ratings Australia Pty Ltd (**S&P**).

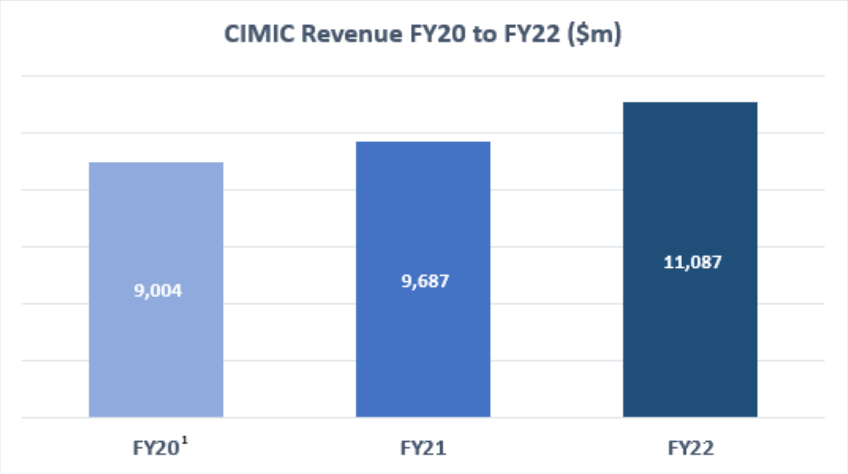
CIMIC was a member of the Dow Jones Sustainability Index (DJSI) – Australia from 2012, a Constituent of the FTSE4Good Index Series from 2016 and was recognised as a 'leading' company for sustainability reporting by the Australian Council of Superannuation Investors (ACSI) from 2018. The Group held a MSCI ESG rating of BBB from 2018. For further detail on ESG and sustainability, see "*Sustainability*".

While no longer eligible for these market ratings and assessments because of its de-listing from the ASX, CIMIC continues to operate to the same governance framework, certified management systems and standards that have supported its track record.

***Revenue and EBITDA***

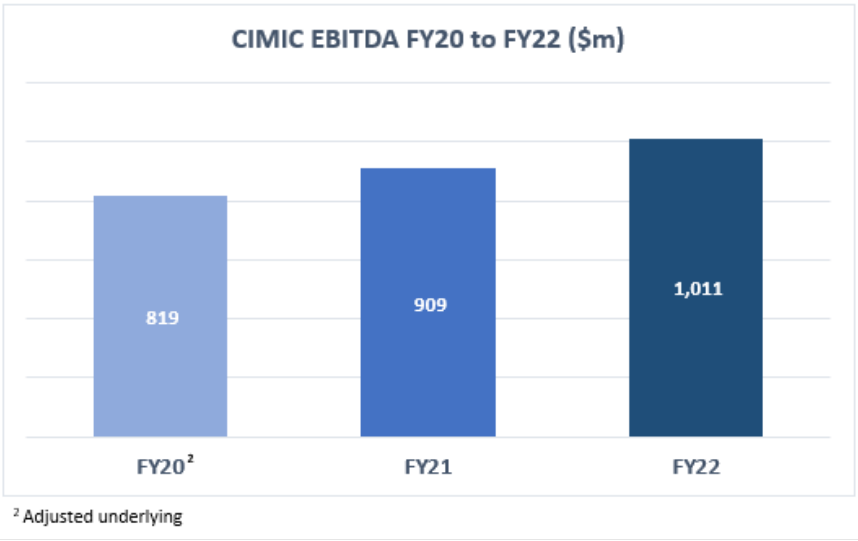
The charts below show CIMIC's revenue and EBITDA for FY22, FY21 and FY20.

FY22 Revenue reflects the statutory Revenue of the CIMIC Group as reported in the CIMIC Group 2022 Annual Accounts, which considers CIMIC's investment in Ventia as an associate in the first quarter of 2022 and reclassified as a financial investment for the remaining nine months of 2022. FY21 and FY20 reflects the Revenue from continuing operations of the CIMIC Group as reported in the CIMIC Group 2021 Annual Accounts. It is also adjusted for the impact of one-off items, which impacted the Group in FY20. Refer to Section 1 and Appendix A of "*Selected Financial Information*" for more information.




[1]*Note: Refer to Section 1 and Appendix A of "Selected Financial Information" which sets out the Group's FY20 adjusted underlying financial performance.*

CIMIC Group's EBITDA for FY22 and FY21 are calculated based on the statutory financial performance reported in the CIMIC Group 2022 Annual Accounts. The Group's FY20 EBITDA reflects pro forma adjustments to show the impact of the Thiess transaction (as further described elsewhere in this Offering Circular) and adjusted for the impact of other one-off items which impacted the Group in FY20. Refer to Section 1 and Appendix A of "*Selected Financial Information*" for more information.




*[1]Note: Refer to Section 1 and Appendix A of "Selected Financial Information" which sets out the Group's FY20 adjusted underlying financial performance.*

CIMIC generated stable growth in revenue and EBITDA in FY22, FY21 and FY20 which is supported by a strong order book across all services and sectors.

***Recent History***

With a history dating back to railway rolling stock production in 1899, CIMIC's businesses have a proud and diverse legacy of redefining the engineering, construction, mining services, services and PPP industries for over 120 years.

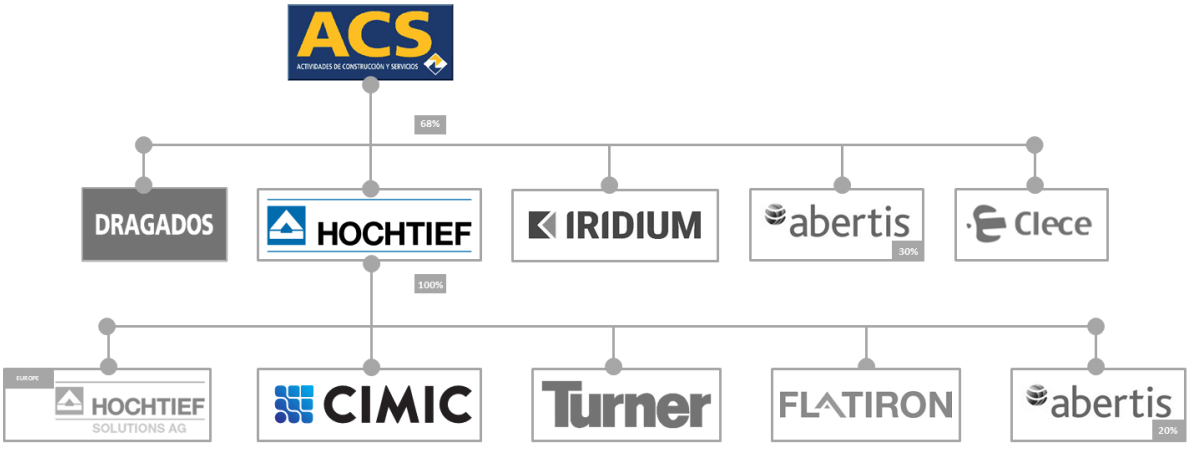
Some of the more recent corporate events include:

| | |
|---|---|
| **2014** | • HOCHTIEF launches proportional takeover, increasing its ownership of Leighton Holdings Limited (renamed CIMIC in 2015) from 58.8% to 69.62%<br>• Leighton Holdings' operating model is streamlined to establish dedicated businesses focused on construction, mining services, PPPs and engineering<br>• Leighton Holdings and Apollo agree to form 50:50 services partnership (Ventia)<br>• Leighton Holdings announces the sale of John Holland to CCCC International Holdings |
| **2015** | • Leighton Holdings changes its name to CIMIC Group Limited and undertakes an internal restructure<br>• CIMIC completes sale of John Holland to CCCC International Holdings |
| **2016** | • CIMIC acquires Sedgman by way of a public market takeover<br>• CIMIC acquires UGL by way of a public market takeover |
| **2019** | • Ventia announces the acquisition of Broadspectrum |
| **2020** | • CIMIC announces completion of BIC Contracting LLC (**BICC**), its 45% joint venture in the Middle East, strategic review and intention to exit Middle East businesses<br>• Appointment of Juan Santamaria as CEO in February (and as Executive Chairman in November)<br>• Ventia completes acquisition of Broadspectrum |

| | |
|---|---|
| | • CIMIC announces and completes the sale of a 50% interest in Thiess to Elliott |
| **2021** | • CIMIC announces that it has entered into an agreement with SALD Investment LLC for the sale of CIMIC's 45% investment in BICC in the Middle East<br>• CIMIC achieves compulsory acquisition of shares in Devine (99% shareholding); Devine is subsequently de-listed from the ASX.<br>• Ventia is listed on the ASX on 23 November 2021, with CIMIC retaining a 32.8% interest in Ventia's shares |
| **2022** | • CIMIC was de-listed from the ASX following compulsory acquisition of its remaining securities by HOCHTIEF Australia<br>• Mr Pedro Vicente appointed CIMIC CEO<br>• Mr Juan Santamaria appointed CEO of ACS. Mr Santamaria continues as CIMIC's Executive Chairman<br>• On 9 July 2022 CIMIC transfers the entity which held CIMIC's 45% investment in the head entity of the BICC Group to SALD. This represents a transfer of the shares related to the BICC trading business<br>• Thiess acquired MACA Limited (**MACA**) in October 2022 through a takeover offer and establishes Thiess Rehabilitation<br>• CIMIC, CPB Contractors, Broad, UGL, Sedgman and EIC Activities obtained accreditation to IS0 27001 – the international standard for information security management, demonstrating the Group's advanced information management, cyber security, and data protection |
| **2023** | • On 1 February 2023 a minority nominee shareholding in one entity that was already controlled by the BICC Group was transferred to SALD. This was the final share transfer to SALD. This completed CIMIC's divestment of all its rights and investments in the Middle East to SALD<br>• CIMIC reduced its shareholding in Ventia from 32.8% to 21.9% |

## Key Credit Strengths

### *Part of a global group of companies*




CIMIC is a fully-owned subsidiary of HOCHTIEF Australia, which is fully-owned by HOCHTIEF AG. Listed on the Deutsche Börse, HOCHTIEF AG is an engineering-led global infrastructure group with leading market position across its core activities of construction, services and concessions/PPPs.

The largest shareholder in HOCHTIEF AG is ACS, which holds 68.64%[6] of the shares in HOCHTIEF AG. ACS is one of the world's leading civil and engineering construction companies, specialising in infrastructure, industrial services and services.

CIMIC benefits from being part of this global network of international companies, through technical expertise, risk management and financial strength. It presents opportunities for collaboration between CIMIC, HOCHTIEF and other members of the broader ACS Group in areas such as:

- knowledge sharing;
- best practice;
- client connectivity;
- technical solutions;
- specialised resources;
- labour access;
- global procurement agreement leveraging the buying power of a large international group;
- research and development;
- digitalisation; and
- innovation.

Access to this global platforms and international expertise provides CIMIC with a competitive advantage and allows it to further develop and grow its business.

***Leading market position, diversity and scale across core markets***

CIMIC's operational history dates back to 1899 and since this time, CIMIC has developed a market leading reputation for integrity, accountability, delivery, safety and innovation.

The size of CIMIC's businesses creates economies of scale and strengthens its position in its respective markets. CIMIC is diversified by market sector, activity, geography, client type, contract type, volume and tenor. The Group's diversified income streams help reduce volatility and manage risk while generating sustainable returns. Shorter-term projects (such as construction contracts with an average tenor of one to four years) are balanced with medium-term projects (such as mining services, services and large-scale construction with an average duration of three to six years) and longer-term projects (such as PPPs, operations and maintenance services, and life-of-mine projects).

[6] As at 23 March 2023

*CIMIC Group Operating Footprint*




CIMIC focussed its operations on its core markets of Australia, New Zealand, and Asia, where it holds leading market positions across many of its operating businesses. For example, in CIMIC's core market of Australia, CPB is one of the largest construction companies and its 50% owned mining services business, Thiess, is one of the largest mining services providers globally.

CIMIC believes that its scale and market leading positions provide it with a key competitive advantage relative to its competitors as contract counterparties typically focus on financial capacity, operational track record, safety history and risk management processes in assessing tenders. CIMIC's centralised systems and processes allow it to leverage this scale by centrally aggregating contract performance data from each of its operating businesses, facilitating improved tendering accuracy and as a result, financial performance. CIMIC's scale also provides it with other benefits including business diversification, increased economies of scale and purchasing power with suppliers.

The Group's competitive position and scale, combined with a strong balance sheet, places CIMIC in a robust position to take advantage of growth opportunities.

Further, these factors, along with a focus on a variety of flexible contracting models, have allowed the Group to mitigate the challenges in some of its sectors posed by inflation, supply chain pressure and labour shortages.

*Inflation*

Inflation has been increasing in the Group's core markets, which has impacted input cost and project delivery cost. The Group has various strategies to mitigate the impact of inflation and maintain profit margins. A key mitigant has been the shift to lower risk contracting, where the Group shares, or transfers, the increased cost in project delivery with the client through different mechanisms depending on the type of contract, including cost escalation clauses. Lower risk contracts include collaborative partnership models, alliances, schedule of rates, managing contractor, guaranteed maximum price, cost

reimbursable and target cost incentive. High risk contracts are predominantly fixed price and lump sum contracts.

The Group also has the benefit of constantly moving through a cycle of new contracts that "reset" the cost baseline to reflect current market prices, effectively allowing the Group to constantly adjust prices to reflect cost. To protect itself against increases during project delivery, the Group's procurement policy requires each project to establish a procurement plan and a procurement schedule, as well as monitor the letting of the contracts, generally fixing the rates and prices as soon as practical after award. If the Group cannot fix the price on certain material, it may utilise storage facilities to pre purchase material and store them until they are required by the project.

The Group also has the option to hedge certain commodities if required to hedge against adverse movement in commodity prices.

In Australia, CIMIC manages labour cost escalation through Enterprise Bargaining Agreements (**EBAs**). On major projects, it negotiates EBAs with the union containing wage escalation throughout the life of a project. This locks in wage escalation and gets reflected in the tender price.

*Supply chain pressure*

The COVID-19 pandemic caused lockdowns and an increased level of workforce absenteeism, disrupting supply chains globally. Combined with strong economic growth, spurred by government spending and low interest rates to reduce the economic impact of the COVID-19 pandemic, supply chains came under pressure causing shortages in material supply and delays in delivery of supply to projects. This risked the timely completion of projects.

The scale and size of the Group and its projects provide it with strong buying power, broad access to suppliers globally and priority access to supply. Many of the suppliers of the key construction materials such as steel, fuel, bitumen, concrete and aggregates and copper are large global suppliers and able to source and supply material from multiple locations to meet the Group's procurement schedules.

Suppliers undergo a rigorous selection process and are assessed based on various criteria including their capacity and ability to meet the Group's project procurement plans, financial strength and performance across other projects of the Group. Suppliers are monitored periodically to assess performance and to detect and address problems early prior to impacting the delivery of projects.

The Group has the capability to operate vertically and establish its own manufacturing arrangements to manage the supply of certain material that it may deem critical to the timely and efficient delivery of its projects and is commercially viable. It also owns storage facilities and can pre-purchase and store materials to manage supply to a project and meet a delivery schedule, if the Group expects supply disruptions.

*Labour shortages*

The construction industry, like many other industries, has been experiencing labour shortages. The Group is a large employer, employing around 25,500 people as at the date of this Offering Circular. It has more than 275 projects that are diversified by activity, clients and geography providing its people with broad opportunities to gain experience and develop including opportunities to work on landmark projects. This makes it an attractive employer that is able to attract and retain people.

Those factors also make the Group an attractive employer for university graduates. This has been an important source of talent for the Group. The Group has one of the largest graduate recruitment programs in the industry, providing graduates with opportunities to develop their careers across the different operating companies of the Group.

The Group has a large order book with projects in different parts of their respective lifecycles. It is able to shift its workforce from projects that are approaching completion and redeploy them on new projects. Detailed analysis is undertaken on all the projects over their life to analyse potential shortages. In the first part of the project, most of the work is in engineering, which can be done remotely, and the Group can rely on offshore resources in the broader group of companies. During the construction period, the peak labour requirement is mapped out and resources are transitioned from other projects that are nearing completion.

The Group has training centres in NSW, Victoria and Queensland and is able to train labour transitioning between projects to equip them with the skills required for the new projects. In the five years to 2022, 70,000 people from CPB Contractors undertook training in NSW alone.

In October 2022, it was announced that CPB Contractors formed a partnership with TAFE NSW and University of Western Sydney and launched the Institute Applied Technology of Construction (IATC), to train new generation of workers. The institute will be based in facility in Kingswood, Sydney and is intended to assist with developing building capability and improving labour supply to the construction industry in general. The facility is currently open for enrolment and is expected to operate later in 2023.

***Integrated service offering with end-to-end capabilities***

CIMIC has the capabilities to offer its clients integrated, whole-of-project solutions across construction, infrastructure and mining projects. This presents clients with an attractive value proposition with CIMIC having the ability to provide services from feasibility, design, planning and investment; to manufacturing and construction (including financing solutions); to operations, maintenance, upgrades and asset management; to rehabilitation and decommissioning.

The ability to offer a complementary suite of full-service capabilities throughout the lifecycle of a client's asset, infrastructure or resources project, differentiates the Group and helps it secure new contract wins and contract renewals, particularly in relation to major infrastructure projects and mining services contracts that involve both scale and complexity.

For an example of CIMIC's ability to deliver whole-of-project solutions to blue-chip clients, see the case studies under "*Operations and markets – Full life cycle of services*".

CIMIC leverages innovation and digitisation to further distinguish its service offering and views them as key differentiators in the infrastructure industry.

CIMIC's operating companies bring vast technical and digital engineering expertise[7] to projects and ongoing innovation. They are supported by CIMIC's Group-wide One IT function, in-house engineering consultancy, EIC Activities, and digital technology centres of excellence.

One IT was established to integrate CIMIC's Information and Communications Technology (**ICT**) systems and establish its digital business operating system. It leads the Group's Innovation and Integrated Digital Delivery (**IDD**) Strategy and progress to digital-by-default operations. Connecting data systems, developing innovative proprietary software solutions, and using innovative technology in the field at scale is improving delivery of data driven, sustainable solutions and their digital twins.

[7] In 2017, CIMIC Group companies, CPB Contractors, Leighton Asia, UGL, Sedgman, Pacific Partnerships and EIC Activities, were the first Australasian companies to achieve certification for digital engineering compliance, to the specific standards PAS 1192-2, BS 1192-2 and BS 1192-4 with BSI Kitemark certification, being the highest certification of excellence to those standards from the international standards leader, British Standards Institution (BSI). In 2019 the same companies were again first in Australasia to achieve BSI Kitemark certification to the to the specific standards BS EN ISO 19650-1 and BS EN ISO 19650-2

One IT has consolidated CIMIC's service desk, networks, cyber security[8], and data architecture, and progressed implementation of its Project Data Structure, a consistent approach to coding and mapping data, which is the foundation of digital integration across systems, applications and devices.

CIMIC's IDD strategy and Innovation Council, engage all operating companies, to innovate and collaborate in priority areas where scalable solutions can make a significant difference to safety, operational performance and ESG outcomes. With mature inhouse software development capability, CIMIC develops its own proprietary solutions and innovates with cutting-edge technologies including Reality Capture, Virtual and Augmented Reality, Internet of Things, Artificial Intelligence, automation and simulation. CIMIC also collaborates with HOCHTIEF's subsidiary Nexplore, a digital transformation incubator and accelerator which leverages digital innovation capability across CIMIC, HOCHTIEF and ACS.

Digital integration enables CIMIC teams to plan, design, build and operate digitally, before going to site. From the tendering and planning stages we embed safety, quality, resource efficiency, and emission and waste control into the asset lifecycle.

On site, teams have a digital work environment. They access real-time or near real-time information, and use digital dashboards and data visualisation, to continually analyse all facets of the project. This equips them to mitigate risk, make better decisions faster, and forecast accurately, giving them greater control over performance and outcomes.

Priority areas for innovation and digitisation where CIMIC is successfully developing proprietary solutions include advanced planning, materials tracking, reality capture, timely insights and visualisation and virtual construction. Examples in use on projects include:

- **Active 4D Planning (A4DP) process** is used to build a project's program, directly from a 3D Building Information Model (**BIM**), commencing at tender initiation, earlier than current industry practice. A4DP enables teams to strengthen tenders with 4D simulations. Planners, designers, engineers, and construction leads use it to visually assess solutions and test assumptions and interdependences and consider all KPIs to optimise the delivery plan to develop safer, sustainable solutions; reduce waste; and extract every time and cost advantage. 4D information generated with A4DP can be distributed to other applications and project phases improving ongoing collaboration.

- CPB Contractors, supported by EIC Activities, is using **Intelligent Earthworks, with Reality Capture** on bulk-earthworks for major road, rail and aviation infrastructure projects. The technology's cloud-based computing and automation is used to process near real-time performance data and high accuracy reality capture drone imagery. Sensors mounted to heavy equipment gather production data and drone technology streamlines the way large areas are surveyed and mapped. The solution fast-tracks complex analysis, equipping teams with visual tools and the ability to collaboratively augment designs with high fidelity project imagery in 3D. This drives collaborative planning and engineering to ensure teams deliver against design.

- **Virtual Builder (VB)** is a new breed of planning and collaboration tool. Much like a flight simulator for construction, it uses real-time 3D technology to replicate the construction site and provides an immersive representation of the real-world state of a project. This proprietary tool has been developed by EIC Activities, supported by CPB Contractors, integrating multiple Architecture, Engineering & Construction (**AEC**) cloud-based technologies. Using VB, teams

[8] Globally recognised, ISO 27001, the international standard for Information Security Management, specifies a framework of strict requirements and controls for building and continually improving an information security management system, and readiness to manage any consequences of information security incidents. ISO 27001 accreditation demonstrates the advanced information management, cyber security, and data protection we have in place, supporting the Group's operations, clients and partners, and the Group's ongoing digitisation and innovation.

can aggregate design and construction information, run simulations, test methodologies and design options, optimise staging and sequencing, and determine the best solutions before deploying to site.

- **TobeMaps** takes design into the field. Developed by EIC Activities, in collaboration with CPB Contractors and Leighton Asia, the solution uses augmented reality technology to overlay a 3D digital design onto the real world. The digital model remains anchored as team members walk around, using mobile phones or tablets to share the visualisation. The solution allows field personnel access to rich 3D information from the Building Information Model (BIM) overlayed on its construction location. Teams can compare planned versus actual progress or locate underground utilities. This increases communication, safety and productivity by reducing any potential misinterpretation of the design or plan. It is also used effectively to enhance community and stakeholder relations.

- **INTEGRA®** is UGL's state-of-the-art operations management and asset optimisation platform. The platform provides infrastructure owners and operators with efficient control of the integrated digital systems that drive performance and maintenance of assets such as tunnels, motorways, rail, utilities, renewables and new energy, defence, and smart cities. INTEGRA monitors and controls asset functions such as usage volumes, surveillance, security, energy usage, electronic signage, lighting levels, ventilation quality, environmental management, and communications. Its graphical interface supports control room management, providing granular reporting, configuration, control, alarm management and analytics which improve safety, operational efficiency, pre-emptive maintenance, incident response, and productivity gains. Its environmental monitoring and energy management capabilities further support clients in meeting their ESG goals and net-zero emissions targets.

- **Geosens**: During the construction of major infrastructure projects, CIMIC companies use many instruments to measure the impact the Group's structures have on the ground and adjacent structures. Traditionally this data was managed manually. Geosens software, a proprietary solution developed by EIC Activities with CPB Contractors, simplifies the process of managing and storing construction site data, and displays it in a graphical format that is meaningful for engineers to act upon. The solution makes it easier for engineers to monitor the performance of built and existing structures, improving safety outcomes while reducing risk.

CIMIC continually seeks to expand the attractiveness of its integrated service offering by leveraging these proven competencies to grow in its core markets of Australia, New Zealand and Asia.

***Large work in hand diversified by clients and activity***

CIMIC's work in hand as of 31 December 2022 had an aggregated contracted value of A$30.4 billion. This work in hand provides significant revenue visibility and, together with CIMIC's strong pipeline of anticipated tendering opportunities, underpins a strong outlook for the Group.

CIMIC's contract counterparties are high quality, comprising predominantly government entities and blue-chip corporate clients in Australia, New Zealand and Asia. CIMIC's blue-chip corporate clients include some of the world's leading infrastructure asset owners and operators (public and private) and resources companies. Approximately 70% of work in hand was attributable to government and PPP clients as at the end of FY22, an outcome of the Group successfully pivoting toward the current infrastructure focussed market cycle, which is largely being driven by enhanced government investment.

The Group also has a successful history of contract renewals, with an aggregate repeat client rate in excess of 80% over the last five years. This track record is reflective of CIMIC's leading market

positions, technical expertise, strong and consistent contract performance and the long-term nature of its client relationships.

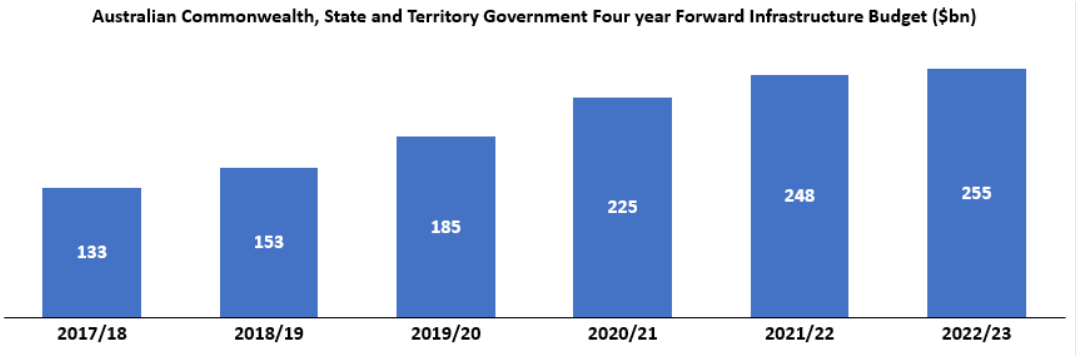
CIMIC's work in hand is diversified by activity across construction projects, infrastructure and asset services projects and mining and mineral processing projects.

CIMIC's portfolio is further diversified by tenor, for example, contracts relating to the development of a project may have a contract tenor as short as one year, whereas a PPP operations and maintenance contract may have a tenor of up to 25 years following completion of the construction of the PPP project.

***Strategically positioned in growth markets***

CIMIC's core activities – in construction, PPPs, mining services, mineral processing, operations and maintenance services and engineering – continue to offer a broad range of opportunities. CIMIC believes that growing government infrastructure budgets support a positive infrastructure investment outlook in construction and services, including PPP projects, and indirectly in mining services which typically benefit from sustained economic activity.

CIMIC's order book of A$30.4 billion and a substantial pipeline of future projects support a positive outlook for the Group. For example, the Australian Federal, State and Territory governments' four-year forward infrastructure budget for FY23 totals A$255 billion[9]. This has steadily increased over recent years, from A$153 billion in FY19 to A$225 billion in FY21 and A$255 billion in FY23.




*Source: Infrastructure Partnerships Australia, November 2022*

Total Australian maintenance spend is forecast to grow to A$54.70 billion[10] by FY26 across transport, industrial, buildings and utilities. A$32.8 billion of this is due to be outsourced. CIMIC is well positioned to capitalise on the opportunities which will be brought to market over coming years.

CIMIC is exposed to commodities that are expected to continue to play a major role in the global economy with export volumes expected to maintain a positive trajectory in the coming years. Over the next two years, Australian export volumes growth includes iron ore (+5.3%), metallurgical coal (+12.3%), thermal coal (+3.6%), gold (+32.7%), copper (+10.5%), lithium (+40.2%), zinc (+22.7%) and nickel (+19.7%)[11].

***Comprehensive risk management processes***

CIMIC has a risk management framework in place that sets out the minimum requirements for pursuing new work opportunities (**work winning phase**) and for the delivery of these opportunities (**delivery**

[9] Infrastructure Partnerships Australia, Australian Infrastructure Budget Monitor 2022-23.
[10] BIS Oxford Economics, Maintenance in Australia 2022 Edition, April 2022.
[11] Australian Government (Office of the Chief Economist) Department of Industry, Innovation and Science: Resources and Energy Quarterly, December 2022, p. 14.

**phase**). The work winning phase of the framework governs activities involved with pursuing a prospect, preparing an offer, submitting a tender and executing a contract. The delivery phase of the framework governs activities post execution, such as establishing a risk management plan, provision of monthly updates and reporting and refining overall risk and opportunity analysis.

The risk management framework is underpinned by management oversight, internal and external audit and board oversight.

CIMIC's strong risk management processes drive contracting arrangements with clients. The Group engages in a variety of contracting styles depending on client requirements and project risk. The different delivery models can be broadly classified as:

- Risk Accepted (by the contractor) (such as Fixed Price);
- Risk Shared (with the contractor) (such as Alliance); and
- Risk Retained (by the client) (such as Cost Reimbursable).

A large portion of the Group's activity is now undertaken through lower risk contract models which include Alliance, Schedule of Rates, Managing Contractor, Guaranteed Maximum Price and Cost Reimbursable contract exposure. See "*Operating and Financial Overview*" for further detail on risk management.

***Strong health and safety track record***

The Group has mature health and safety management systems which are tailored to manage the unique industry hazards. All operating company health and safety management systems are externally certified to ISO 45001, ISO 18001 and/or AS/NZS 4801.

Based on lead indicators, CIMIC's Safety Leadership Score (**SLS**) program is an industry leading health and safety measure. Within this program, managers at different levels have set targets to complete critical control verifications and to identify improvement opportunities. This helps drive proactive behaviours and strengthens critical risk management by holding individual leaders accountable for both their own efforts, as well as the efforts of their teams. In 2022, CIMIC's SLS increased by 13%, from 78.7 in 2021 when the lead indicator was introduced, to 88.7, against a target or 85.

CIMIC uses lag indicators to monitor activities for minimising harm in workplaces, and the success of specific programs and improvement initiatives.

A rigorous safety focus has resulted in industry leading safety performance – a total recordable injury frequency rate[12] (**TRIFR**) of 2.33 in 2022, a decrease of 21% from 2021, and a lost time injury frequency rate[13] (**LTIFR**) of 0.56 in 2022, a decrease of 48% from 2021. The Group's safety performance compares positively against industry benchmarks. The latest Federal Safety Commissioner WHS Accreditation Scheme Data 2021 reported companies under the scheme average TRIFR at 6.88 and LTIFR at 1.50. The SafeWork Australia Benchmark LTIFR was 4.2 for Non-Residential Construction and 5.4 for Mining.

Leadership, training and communication, in addition to rigorous risk management systems, underpin the robust safety culture and CIMIC's strong safety performance.

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[12] For the purposes of this report, TRIFR is calculated on a base of 1,000,000 hours worked (MhW). It is noted that some regions, such as the USA and Canada, use a base of 200,000 hours worked for frequency rate calculations. For comparability with a 200,000 hour base, divide the rates reported by 5.

[13] Accidents (defined as LTIs, an occurrence that results in a fatality, permanent disability or time lost from work of one day/shift or more) per MhW.

The strength of CIMIC's safety performance is an important competitive advantage for CIMIC as safety is a key metric, often assessed by the Group's clients when deciding to award CIMIC new contracts.

***Solid financial performance driving investment grade profile***

CIMIC's strong financial profile is underpinned by the critical nature of the industries its operating businesses serve, its leading market positions, technical expertise, strong track record of contract performance, the long-term nature of its client relationships, and its rigorous approach to project tendering, delivery and risk management.

CIMIC has a strong focus on cash generation and delivery of cash backed profit. In FY22, it delivered an EBITDA cash conversion on a pre-factoring basis of 75% (85% post factoring). This focus on cash has been reflected in the Group's strong liquidity position and low level of net debt.

The Group manages its liquidity prudently and has access to numerous sources of capital both domestically and internationally, including cash balances, bank debt, capital markets, insurance, lease facilities and trade finance facilities. CIMIC maintains material undrawn facility balances across its bank, trade finance and working capital facilities. As at 31 December 2022, CIMIC had liquidity of A$3.7 billion comprising A$2.6 billion of cash on balance sheet and A$1.1 billion of undrawn bank facilities.

CIMIC pursues and maintains a prudent and sustainable capital structure that allows it to maintain financial and operational flexibility across a range of economic environments and cycles. CIMIC's primary element of its financial policy is to manage net debt to a level that supports a strong investment grade credit rating. CIMIC's broader financial risk management is controlled by a central Treasury department and based on financial policies approved by the Board.

The core objective of the Group's financial policy is to support CIMIC's investment grade credit rating. It also encompasses the Group's dividend distribution policy of 60% to 65% of Net Profit After Tax (**NPAT**).

**Operational Structure of the Group**

The Group is structured around activity-based businesses and a corporate head office as per the organisational chart under "*Overview*" above:

- Construction (CPB Contractors, Leighton Asia and Broad)
- Mining & Mineral Processing (Thiess (50% JV) and Sedgman)
- Infrastructure & Asset Services (UGL and Ventia)
- Development and investment (Pacific Partnerships)
- Engineering (EIC Activities)
- Other:
    - Property (Devine and Leighton Properties)

For clarity, the "*Operational structure of the Group*" section discusses CIMIC Group companies on an activity basis. For reporting purposes, CIMIC's reporting segments are: Construction (CPB Contractors, Leighton Asia and Broad), Services (UGL and Sedgman), Corporate (Pacific Partnerships, EIC Activities, Devine and Leighton Properties), and JV Investments (including Thiess).

***Construction***

**CPB Contractors** is an international construction contractor with operations in Australia, New Zealand, Asia and PNG. It delivers major projects spanning all key sectors of the construction industry – including roads, rail, tunnelling, defence, building, resources and water infrastructure – across a range of delivery models. CPB Contractors includes the fully-owned subsidiary **Broad Construction**, a construction management company delivering commercial new build, fit-out and refurbishment construction projects in Australia. It regularly delivers projects in cooperation with CIMIC's UGL, as well as PPPs in conjunction with CIMIC's Pacific Partnerships.

Originally formed in Australia in 1949, Leighton Contractors was listed on the Melbourne Stock Exchange in 1962.

In January 2016, the streamlining of the Group and the subsequent merger of the Group's construction businesses of Leighton Contractors and Thiess Construction resulted in a new name and brand: CPB Contractors.

CPB Contractors is a key tunnelling contractor in Australasia and has delivered more than 350 linear kilometres of next-generation tunnels, across the roads, rail, water, power and utilities sectors. CPB Contractors is responsible for some of the region's most important road projects and has delivered more than 75 rail projects with expertise in heavy and light rail. Its building projects span education, health, corporate, residential and defence and it has a proven capability in designing and constructing 5 and 6 Green Star buildings.

Engineering and construction services to the water industry in both urban and regional areas include delivery of more than 100 dams and reservoir structures, water and wastewater treatment and distribution projects. CPB Contractors' experience on pit-to-port infrastructure includes site preparation and major bulk earthworks, gas gathering infrastructure, structural, mechanical and piping installation, process facilities and supporting infrastructure such as bridges and marine works. CPB Contractors has delivered some of Australia's most significant and complex Navy, Army and Air Force infrastructure projects. In aviation, CPB Contractors delivers major airport projects.

**Leighton Asia** is a contractor and has worked on significant projects in Asia. Established in 1975 and headquartered in Hong Kong, Leighton Asia delivers a portfolio of high profile infrastructure projects throughout Asia.

With a track record for delivering complex tunnel, rail and road networks, Leighton Asia also delivers turn-key renewable energy infrastructure including utility scale wind, geothermal energy and waste-to-power installations. Its building projects range from schools, embassies, data centres and luxury high-rise residential towers, to large scale leisure complexes, a growing number of which are built to international green building and energy efficiency standards. Leighton Asia currently operates in Hong Kong, Macau, Singapore, Philippines, Indonesia, Malaysia and India.

***Mining and Mineral processing***

**Thiess** partners with its resources clients to deliver open cut and underground mining services. For more than 89 years, Thiess has operated in diverse commodities, geologies, environments and cultures.

In the 1980s, Thiess launched its mining know-how into Indonesia and has continued to strengthen its international operations. It currently has a presence across seven countries including Australia, Indonesia, Mongolia, and the Americas.

In January 2016, following the streamlining of operations, Thiess became the Group's focused mining services company, combining the history and strength of Thiess with the mining services operations of

Leighton Contractors and Leighton Asia. Today, Thiess is one of the world's leading providers of mining services.

On 31 December 2020, the Group completed the Thiess Transaction, being the sale of a 50% equity interest in Thiess to Elliott, in order to take advantage of the robust outlook for the mining sector. CIMIC and Elliott now jointly control Thiess in accordance with a shareholders' agreement which contains governance arrangements as well as Thiess' financial and dividend policies, among other items. CIMIC's investment in Thiess following completion of the transaction is recorded as an equity-accounted joint venture. The shareholders' agreement includes customary future share transfer options including a potential initial public offering or sale to a third party, and an option for Elliott to sell its interest in Thiess to CIMIC after the third anniversary of completion. Exercise of Elliott's option would enable CIMIC potentially to repurchase the interest acquired by Elliott at the lower of Elliott's acquisition price or a price referable to movements in the S&P / ASX 200 Total Return index plus the accrued value of any shortfall in agreed minimum distributions. CIMIC's obligations under the option are guaranteed by CIMIC's majority shareholder, HOCHTIEF AG.

The price for Elliott's 50% equity interest in Thiess implied an enterprise valuation of approximately A$4.3 billion (based on 100% of Thiess). The transaction strengthened CIMIC's balance sheet by generating net cash proceeds on completion of A$2.1 billion as well as generating a pre-tax gain for CIMIC of A$2.2 billion.

In October 2022, Thiess acquired MACA, an Australian contractor previously listed on the ASX, that specialises in gold, iron ore and nickel projects in Western Australia, supporting Thiess' strategy to diversify its operations across commodities, services and geographies.

Thiess also owns:

- Thiess Rehabilitation - offers world-leading mine rehabilitation services by miners, who are also environmental experts. This includes progressive mine rehabilitation, mine closure including infrastructure removal, abandoned mines, and contaminated land requirements.

- FleetCo - a global dry hire equipment provider. It provides access to comprehensive plant hire and equipment ownership packages and innovative capital replacement solutions within Australia.

- Thiess' 88% investment, RTL Mining and Earthworks - provides mining, civil construction and heavy earthmoving plant hire services, as well as general and over-dimensional transport services from its base in the Latrobe Valley, Victoria, Australia.

**Sedgman** is a provider of integrated minerals processing solutions. With a track record in successful project and operations delivery, Sedgman is focused on realising value for clients through excellence in engineering and innovative solutions. From pre-feasibility engineering design, project delivery and commissioning, to operations, the value of Sedgman's specialist focus is apparent through its 250-strong portfolio of high-performing processing plants and supporting mine-site infrastructure.

Its integrated approach creates a unique 360º feedback loop that drives continual improvement. Sedgman partners with clients to ensure tailored, world class outcomes that stand apart for reliability, efficiency, productivity and performance – optimising client investments, maximising resource recovery and lowering unit costs.

It overcomes complex challenges to unlock the full potential of diverse commodities across base and precious metals, industrial minerals, coal and iron ore, delivering outcomes that exceed expectation, on time and on budget.

Founded in Brisbane in 1979, Sedgman has progressively expanded. The company undertook its first international projects in the 1990s and established the operations arm of its business in 1998. Through the acquisition of Pac-Rim in 2006 and Intermet in 2007, Sedgman diversified its commodity base into the metals sector.

Listed on the ASX in 2006, Sedgman was acquired by CIMIC in 2016, and subsequently delisted.

In 2022, Sedgman expanded its capabilities in gold, securing a contract with Artemis Gold in British Columbia, Canada, and acquired project management and engineering company Onyx Projects, expanding its offering in the iron ore industry and expanding its presence in Western Australia. It also launched its proprietary SEDGMETRIX platform, a business intelligence platform used to remotely monitor the status and optimise the performance of any operation or asset including renewable energy, mining, mineral processing, oil and gas or supply chain.

Sedgman has offices in Australia and Canada, and a procurement hub in China.

***Infrastructure & Asset Services***

**UGL** is a specialist end-to-end engineering and services provider. Its whole-of-life offering delivers operational value and enhanced customer experiences for critical assets in power, water, resources, transport, defence and security and social infrastructure.

UGL originated as a small engineering business in Western Australia in the late 1960s. Expanding nationally during the 1990s, UGL acquired Goninan in 1999, Australia's leading producer of railway rolling stock, which was founded in 1899.

In the following decade UGL undertook several acquisitions, further expanding its operations in Australia as well as extending into Asia and North America. In 2016, UGL was acquired by CIMIC. UGL currently operates in Australia and New Zealand.

UGL keeps communities moving through its transport manufacturing, maintenance and operations offering, and supports the energy sector through its renewables, power generation, resources and transmission operations. INTEGRA is UGL's suite of integrated Operations Management Control Systems. INTEGRA provides comprehensive control of tunnel, motorway, rail, smart cities, and utility management systems.

UGL is a specialist in the design, construction and operation of renewables assets having completed the construction of 11 solar farms and the installation of three large-scale batteries, two of these for Tesla. UGL's power infrastructure expertise is supporting clients to incorporate renewables into the energy mix and maintain grid stability. Examples include a current project with Neoen to install the high voltage infrastructure which will connect a Tesla supplied Battery Energy Storage System at Neoen's Western Downs Green Power Hub in Queensland. As renewable generation expands, UGL has built a considerable presence in the construction of transmission lines and has a strong pipeline of work in this area.

**Ventia** is a dedicated services company created in early 2015 through the integration of Leighton Contractors Services, Visionstream (owned by Leighton Contractors) and Thiess Services. Ventia was formed by a 50:50 investment partnership between CIMIC and funds managed by affiliates of Apollo Global Management. Ventia specialises in the long-term operation, maintenance, and management of critical public and private assets and infrastructure. Ventia's service capability spans the full asset lifecycle – from design, minor capital works and operations and maintenance, asset management and facilities management, through to decommissioning – complemented by technology-enabled solutions and deep technical expertise.

In June 2020, Ventia completed the acquisition of Broadspectrum from Ferrovial S.A. Broadspectrum (formerly Transfield Services) which was founded in Australia in 1956 and designs, constructs, operates, and maintains major projects and infrastructure assets across diverse industries. Ventia was listed on ASX on 23 November 2021, and CIMIC's shareholding was reduced from 47% to 32.8%. In March 2023, CIMIC sold another tranche of shares and further reduced its interest to 21.9% of the listed entity.

***Development and investment***

**Pacific Partnerships** is an infrastructure developer. It drives innovative collaboration across CIMIC Group's collective expertise to create, fund, own, deliver and operate sustainable solutions that unlock benefits for communities and for the future.

It is a long-term industrial partner equipped and positioned to provide a complete service across transport, social and energy sectors, from development and investment to delivery and long-term operations and asset management.

Offering clients value-for-money solutions for key infrastructure under PPP and other commercial structures, Pacific Partnerships delivers and operates assets and infrastructure in the road, rail, renewables, health, education and corrections sectors. Pacific Partnerships Energy is a specialist company enabling the development of leading-edge renewable energy assets. Its focus is on large-scale renewable generation assets and the infrastructure required to support them, including storage and transmission assets.

Pacific Partnerships was established by CIMIC in 2014 by combining the Group's existing PPP capabilities. As at the date of this Offering Circular, CIMIC has been responsible for the delivery of more than 30 PPPs valued at close to A$60 billion over the past 25 years.

Pacific Partnerships supports infrastructure investments by the Group's clients through the provision of financing solutions, technical innovations and life-cycle value.

***Engineering***

**EIC Activities** was established in 2014 and is CIMIC's engineering and technical services business. EIC Activities provides in-depth sector experience, specialist engineering services, technical solutions, expertise in lean practices and innovation. EIC Activities challenges and improves concept designs, construction methods and operations and maintenance practices, to find ways to deliver more efficient and/or effective solutions. EIC Activities have developed proprietary solutions such as VB. VB's virtual 3D environment replicates the construction site. Teams can run simulations, testing methodologies and options at every work phase to determine the best solutions. Its use improves safety and efficiency and reduces rework and wastage.

***Other Investments – Property***

**Devine** is a largely residential property developer operating in Queensland, Victoria and South Australia. **Leighton Properties** is a residential and commercial property development and management business. It manages the Group's existing property portfolio and any property related leasing/management activity.

**Operations and markets**

CIMIC's businesses deliver services in Australia and select markets in Asia, the near Pacific and the Americas, with a strategic focus on core markets in Australia, New Zealand and Asia.

***Markets***

The Group operates in the infrastructure, resources and property markets and provides construction and other services to these markets as described below.

*Infrastructure*

- Transport which includes: Roads, Rail, Ports and Aviation
- Utilities which includes: Electricity, Renewable Generation, Energy Storage, Water, Waste, Gas Pipelines and Telecommunications
- Social which includes: Health, Education, Correctional and Defence

*Resources*

- Mining Services which includes: Development, Extraction, Processing and Remediation (and is delivered by Thiess in which CIMIC holds a 50% stake)
- Mineral Processing which includes: Design, Construction and Operation of mineral processing plants
- Oil & Gas which includes: Extraction, and Production and Processing

*Property*

- Commercial which includes: Offices, Retail, Accommodation[14] and Industrial
- Residential which includes: Residential lots and Apartments[15]

CIMIC's construction businesses work with clients and partners across all key sectors of the civil engineering and construction industry, including roads, rail, tunnelling, defence, building and resources infrastructure. The work covers a range of delivery models, including design and construct, construct only, construction management, working in alliances and joint ventures and PPPs in conjunction with Pacific Partnerships.

CPB Contractors has established an industry leader position in the delivery of "green" rated infrastructure projects in Australia and New Zealand. CPB Contractors is currently working on, or has delivered, 45[16] registered or certified projects. The Group's dedicated infrastructure and asset services business, UGL, has capabilities that span engineering design; construction and commissioning; manufacturing; operations and maintenance; upgrades and overhauls; asset management; and facilities management. This encompasses expertise in the long-term operation, maintenance, and management of critical public and private assets and infrastructure in sectors including power, water, resources, transport, communications, defence and security, and social infrastructure.

The Group's mining and mineral processing businesses – Sedgman and Thiess (50% JV) – have demonstrated skills in the resources market and (apart from exploration) operate across the entire mining lifecycle which includes mine planning and development, production drilling and blasting, loading and hauling, processing, and end-of-life mine rehabilitation. These services are delivered to mines where copper, gold, thermal coal, metallurgical coal, iron ore and nickel are extracted.

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14 Such as hotels.

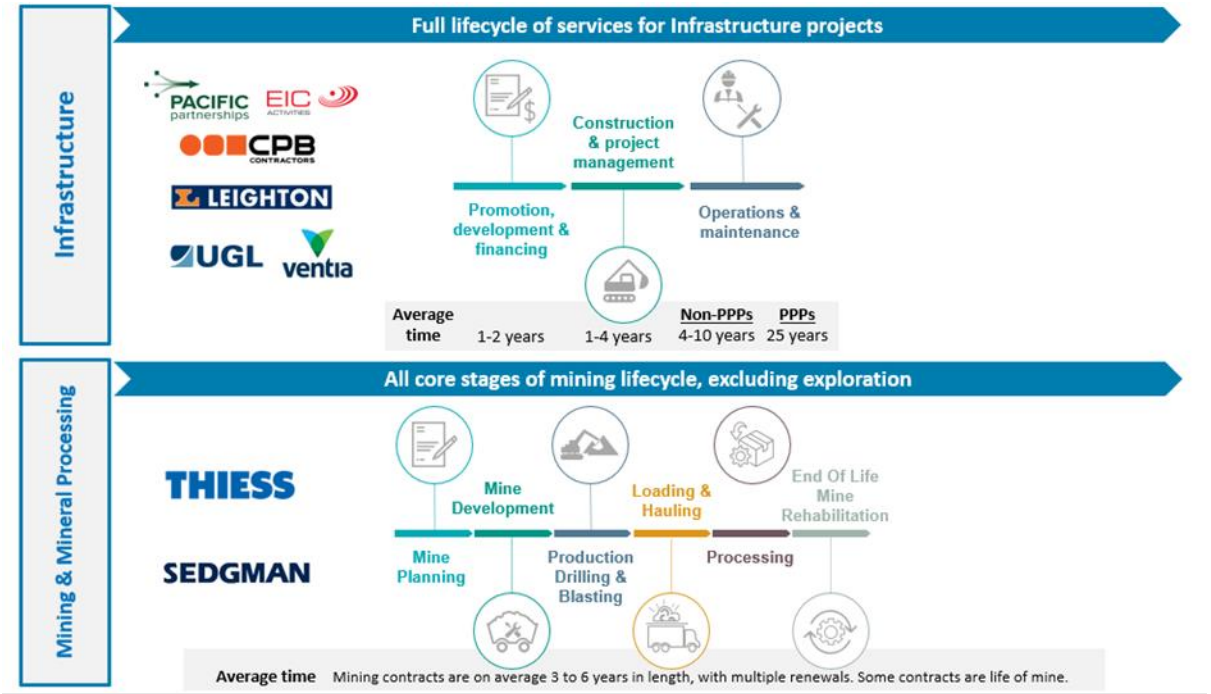
15 While CIMIC is not directly involved in the residential housing market it has an investment in Devine Limited which is a residential property developer.

16 The Infrastructure Sustainability (IS) rating scheme is Australia's only comprehensive rating system for evaluating sustainability across design, construction and operation of infrastructure. Refer to www.isca.org.au.

***Full lifecycle of services***

CIMIC has the capabilities to offer its clients integrated whole-of-project solutions. This presents clients with an attractive value proposition with CIMIC being able to provide services from feasibility, design, planning and investment; to manufacturing and construction (including financing solutions); to operations, maintenance, upgrades and asset management; to rehabilitation and decommissioning.

The graphic below provides an overview of the full lifecycle of services offered by CIMIC[17]:




***Case studies***

The following case studies on the Glenrowan Solar Farm, North East Link and Sydney Metro projects outline recent examples of CIMIC's demonstrated capability to offer integrated whole-of-life project solutions.

***Glenrowan Solar Farm***

Pacific Partnerships Energy is actively driving CIMIC's strategic expansion into the emissions free, renewable energy sector. It has secured the development rights for the Group's first large-scale solar farm in northern Victoria and construction works have commenced on site. CIMIC has a strong history of delivering leading-edge renewable energy projects, such as wind and solar, through CPB Contractors and UGL. This acquisition in 2021 is part of Pacific Partnerships Energy's strategy to establish a diversified portfolio of energy and utilities assets within the Australian National Electricity Market (**NEM**).

The 245-hectare Glenrowan Solar Farm will generate an installed capacity of up to 130 MW and is proposed to connect to the Glenrowan Terminal Substation. It is expected to generate enough independent electricity to power approximately 45,000 Australian homes.

CIMIC Group's UGL is involved early in solution development as both constructor, operator and maintainer, ensuring a whole-of-life approach. Engagement is ongoing with off-take partners,

[17] The duration reflects average periods however some contracts can be significantly longer, especially in operations and maintenance which can extend to as long as 25 years.

neighbours and the broader community. Since 2015, UGL has developed 14 solar farm projects with more than 650 MW of capacity.

Grid connection services will be via Victorian operator AusNet and an agreement to use the transmission system will be with the Australian Energy Market Operator (**AEMO**), who manages the wholesale NEM, buying power from generators and selling to retailers in a competitive environment.

Glenrowan Solar Farm is backed by a 10-year Victorian Renewable Energy Target (VRET2) support agreement with the State of Victoria.

**North East Link**

The North East Link Primary Package PPP is Victoria's biggest road project and Australia's largest PPP valued at A$11.1 billion. It includes 6.5km three lane twin tunnels, with interchanges and intelligent transport systems connecting the Metropolitan Ring Road (M80) to the Eastern Freeway (M3), completing a ring road around Melbourne.

The growing population of north-east Melbourne will benefit when traffic is removed from local roads, access to the Eastern Freeway is substantially improved, cycling paths are upgraded and new community spaces are created.

Up to 135,000 vehicles will use North East Link each day, which will help to take 15,000 trucks off local roads and skip 18 traffic lights on a trip to the airport.

The North East Link PPP will be delivered by the Spark Consortium which includes CIMIC Group companies, Pacific Partnerships and CPB Contractors, as well as essential services company Ventia. Spark will deliver design and construction of the twin tunnels, which is expected to start operation in 2028.

Spark will operate and maintain the North East Link Tunnels with consortium member Ventia for a 25-year term. UGL has also been awarded a package to undertake operations management for the project.

**Sydney Metro**

CPB Contractors, UGL and Pacific Partnerships, supported by EIC Activities, are an essential part of the development, delivery and operations of Sydney Metro –Australia's biggest public transport project.

Having completed Sydney Metro Northwest in 2019, the team is currently working on Sydney Metro City and Southwest, and CPB Contractors and UGL are working on the Sydney Metro – Western Sydney Airport, Station Boxes and Tunnelling Works.

In 2022, CPB Contractors was awarded two further packages of this city-changing project:

- The Eastern Tunnelling Package for Sydney Metro West – a new underground rail connection between the CBDs of Parramatta and Sydney. The package involves 3.5 kilometres of metro tunnels between future stations at The Bays and Hunter Street in Sydney's CBD and the excavation of caverns and shafts at Pyrmont and Hunter Street Stations.

- The Surface and Civil Alignment Works for the Sydney Metro - Western Sydney Airport rail link between Orchard Hills and the new Western Sydney International Airport will provide important transport infrastructure for Western Sydney and contributes to the area's growth and Sydney's economic future.

Sydney Metro is revolutionising how Australia's biggest city travels through a network of four metro lines, 46 stations and 113km of new metro rail. It is Australia's most technologically advanced railway, and is Australia's only fully-accessible, driverless train service.

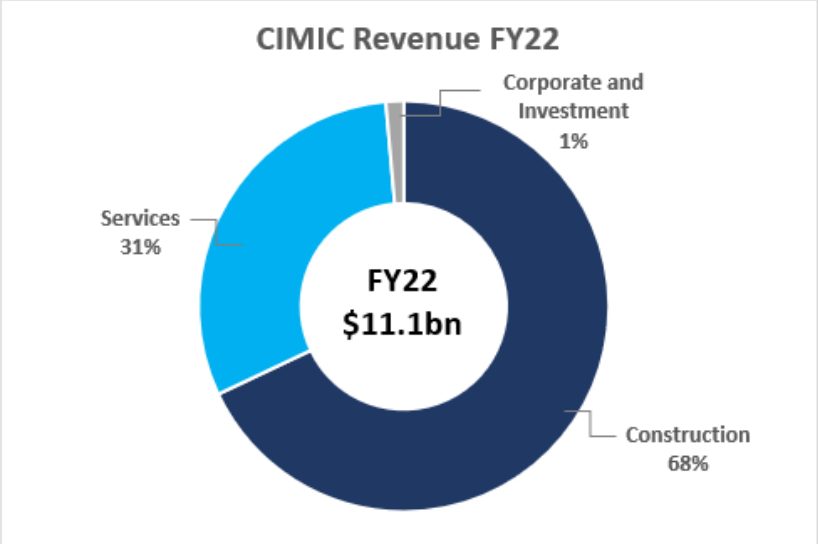
**Operating and Financial Overview**

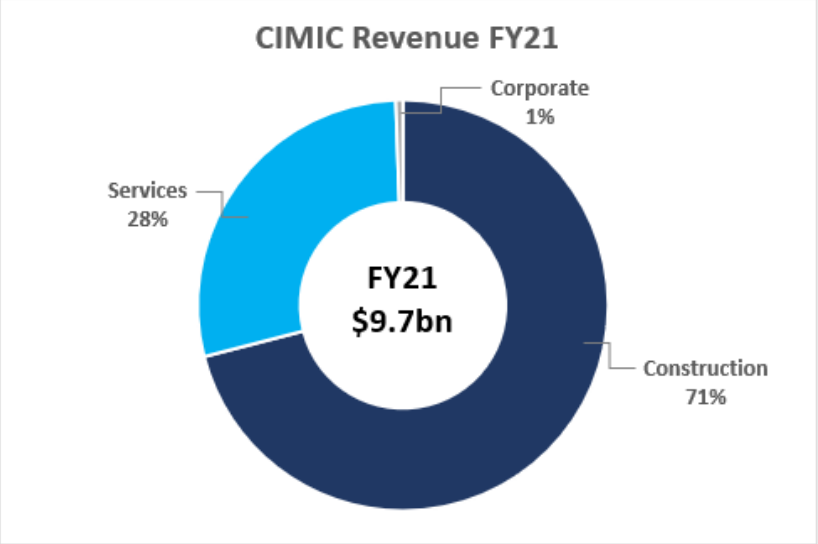
***Revenue***

The below charts outline the split of revenue generated through the provision of construction and other services across infrastructure, resources and property markets for the year indicated.

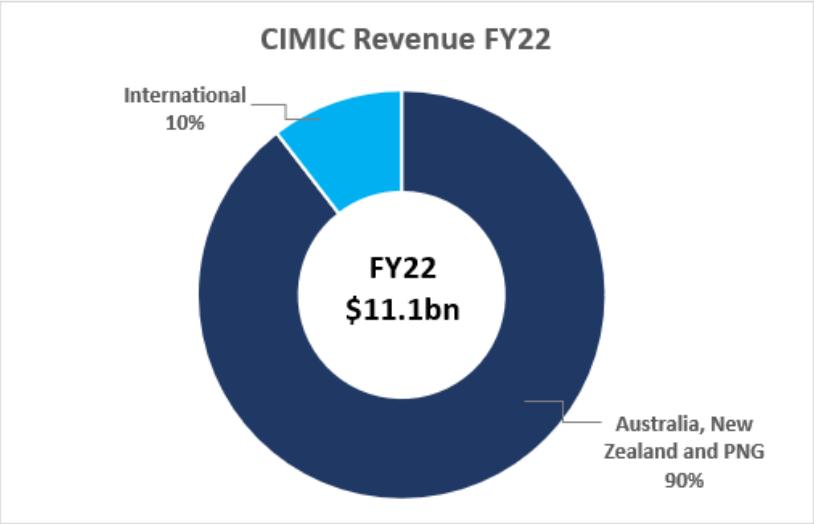
The revenue split below is based on the Group's segments, presented in the way that Management views the business, and includes the following:

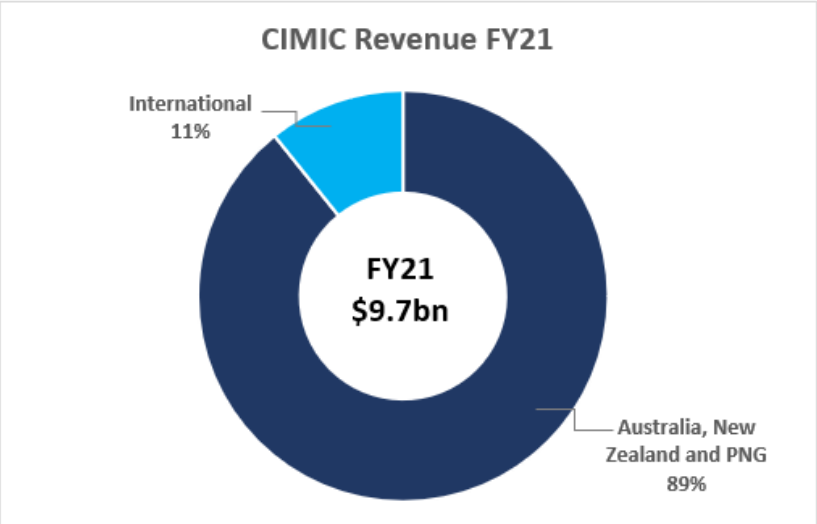
- Construction (CPB Contractors, Leighton Asia and Broad);
- Services (UGL and Sedgman); and
- Corporate (Pacific Partnerships, EIC Activities, Devine and Leighton Properties).



In terms of geography, the Group generated revenue as follows over the last two years:



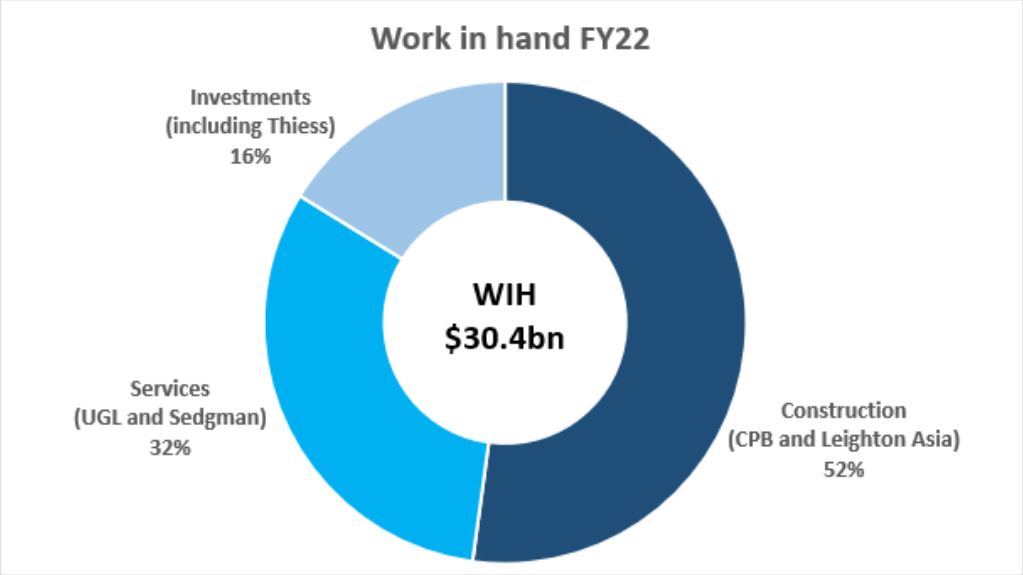




***Work in hand***[18]

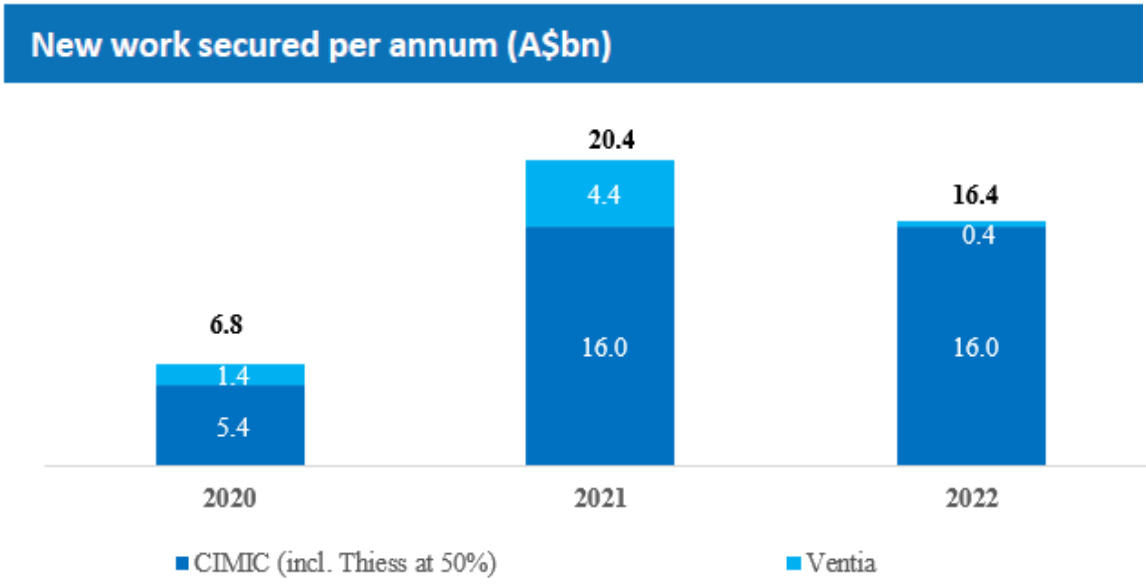
The chart below shows the composition of CIMIC's work in hand for the year ended 31 December 2022 by segment, presented in the way that Management views the business. CIMIC's work in hand continues to be broadly diversified by activity as well as by client. At 31 December 2022, work in hand was split 88:12 between the Group's domestic and international markets.

The chart below shows the composition of CIMIC's work in hand by activity for the year ended 31 December 2022.

[18] Work in hand is the contractual value of the Group's remaining performance obligations.




The chart below shows the value of work awarded to CIMIC in the last three financial years.




After a temporary delay in 2020 due to the impact of the COVID-19 pandemic, the value of awards rebounded sharply in 2021 and 2022.

***Contractual models***

Central to CIMIC's strategy and diversity is the delivery of projects under a range of contractual models. These differing contractual models influence the nature of the service provided, the risk profile accepted by CIMIC and the profits that are generated.

As the Group's business has changed and CIMIC's clients' needs have evolved, skills and delivery systems have been honed to continually add value. While lump sum (or fixed price) tender work remains an important element of CIMIC's business, a substantial portion of activity is now delivered through alternative contractual forms such as construct only work, cost reimbursable work, carrying out project management, entering into alliance arrangements and participating in BOOT or PPP infrastructure schemes.

CIMIC will agree a particular contracting style depending on the clients' needs, the inherent risk of the project, CIMIC's risk tolerance in respect of that project and that of the clients or partners, and the ability of the parties to accurately define and price the scope of work.

Broadly, the different delivery systems can be divided into three categories depending on the degree to which the price and scope of the project is fixed. These models range from where significant risk is transferred to the contractor with a fixed price; to a sharing of risk with a semi-variable price; to the client accepting all of the risk, with a fully variable price.

In the first category, the price is fixed and the majority of the risk is accepted by the contractor, providing some guarantee of cost to the client. CIMIC prices that project for the value added and the risk that it is prepared to accept. Contract scope variations are typically dealt with through changes or modifications regimes.

In the second category, where risk is shared with the contractor, the client and contractor are incentivised to seek an optimum commercial outcome for all parties involved. Typically, these contracts, such as alliances, have some form of pain-share / gain-share mechanism where savings and costs overruns are shared. Over time the mix of the Group's work has changed and proportionally more work is being undertaken under the alliance style arrangements. The alliance style projects are particularly suited to situations where there is a need to integrate new infrastructure into an existing network, as described in the Cross River rail example below which comprises both a fixed price design and construction contract to support the PPP element and an alliance contract for the non PPP scope.

In the third category, risk is largely retained by the client. The contractor is engaged to manage the construction process but most of the risk remains with the client.

**Projects**

CIMIC Group companies are undertaking some of the region's largest and most complex projects. Examples of such projects are described below. Where an example shows the Australian dollar or US dollar equivalent of the local currency amount of the contract value the Australian dollar amount or US dollar amount has been converted at the rate specified at the time of contract award.

***Construction***

Some of the significant projects under construction or recently delivered include[19]:

| Project | Description | Total Project Value | Type of contract | CIMIC Group Revenue |
|---|---|---|---|---|
| North East Link Primary Package PPP | Pacific Partnerships CPB and their JV partners are delivering the Primary PPP Package which involves three-lane twin tunnels that will close the missing link in Melbourne's freeway network. | A$11.1bn | Design and Construct (within a PPP) | A$3.2bn |
| M6 Motorway Stage 1 | CPB and UGL, with their JV partner, are delivering an underground motorway connection between President Ave, Kogarah and the M8, mainline tunnels, exit/entry ramps, shared cycle and pedestrian pathways and tunnel stubs for a potential future Stage 2 of the M6. | A$2.5bn | Design and Construct | A$1.7bn |
| Cross River Rail Tunnel, Stations | CPB Contractors and UGL with their design and construct JV partners are major contractors on a new 10.2km rail line, including 5.9km of twin | A$3.8bn | Design and Construct | A$2.0bn |

[19] All values shown reflect expected revenue to CIMIC at the time of announcement and contracted variations.

| Project | Description | Total Project Value | Type of contract | CIMIC Group Revenue |
|---|---|---|---|---|
| and Development (**TSD**) package | tunnels under the Brisbane River, delivering four new underground stations. | | (within a PPP) | |
| Sydney Metro City and Southwest Line-wide works | CPB Contractors and UGL are delivering the Line-wide works package in support of the Sydney Metro City and Southwest project, work includes:<br>– major rail systems in the new twin 15km Sydney Metro tunnels from Chatswood to Sydenham;<br>– the expansion of the existing Sydney Metro Trains Facility at Rouse Hill and delivery of the new Sydney Metro Trains Facility South at Marrickville; and<br>– tunnel ventilation, mechanical and electrical systems for seven underground stations, and power systems for the Sydenham to Bankstown section. | A$1.8bn | Design and Construct | A$1.8bn |
| Waikeria Corrections and Treatment Facility | CPB Contractors and Pacific Partnerships are the leaders of a consortium working with the New Zealand Government to deliver the Waikeria Corrections and Treatment Facility PPP project.<br>The Waikeria Corrections and Treatment Facility will deliver accommodation for 500 prisoners, along with a world-class secure mental health unit providing care for additional prisoners.<br>Over a 25-year period Pacific Partnerships, together with its JV partner, will provide financing and management. | NZ$0.9bn | Design and Construct (within a PPP) | NZ$0.9bn |

Leighton Asia is a construction contractor for projects which include:

| Project | Description | Total Project Value | Type of contract | CIMIC Group Revenue |
|---|---|---|---|---|
| Tseung Kwan O - Lam Tin Tunnel | A Leighton Asia-led JV started work in 2016 which includes the construction of a 2.2km dual two-lane highway tunnel together with associated slip roads, branch tunnels and viaducts in Hong Kong. | HK$8.7bn (A$1.7bn) | Construct only | HK$4.5bn (A$855mn) |
| HK International Airport - T2 Foundation and Substructure Works | The works will comprise foundations for the new T2 terminal and annex buildings, footbridges and viaducts, the new T2 basement structure including slabs up to ground level (L3 level) and diaphragm walls, the new South Annex Building structure, including new Automated People Mover (APM), System plant rooms for the SkyPier Line, re-configuration of the existing Car Park 2, demolition of the existing north and south access bridges and footbridges, demolition of the existing antenna farm, new utility services including storm and foul drainage, power cables, potable water, fire mains, gas mains, cooling water mains, etc. | HK$2.5bn (A$475mn) | Construct only | HK$1.7bn (A$325mn) |

| Project | Description | Total Project Value | Type of contract | CIMIC Group Revenue |
|---|---|---|---|---|
| Cavite Laguna Expressway (Cavite Section) | Leighton Asia is constructing a 28km, four-lane expressway in the Philippines. | PHP7.0bn (A$190mn) | Construct only | PHP7.0bn (A$190mn) |

In the year ended 31 December 2022, the Group's major construction projects contributing revenue[20] included the following with the "CIMIC Group Revenue" reflecting the total expected revenue to CIMIC over the life of each contract:

- rail and road developments in Australia, including West Gate Tunnel (A$4.3 billion), Warringah Freeway Upgrade (A$783 million), Cross River Rail (Rail Integration and Systems Package (RIS)) (A$1.4 billion), Sydney Metro – Western Sydney Airport Station Boxes and Tunnelling Works (A$1.4 billion), Sydney Metro West – Eastern Tunnelling Package (A$650 million), Parramatta Light Rail (A$578 million), Sydney Metro City & Southwest Pitt Street Station (A$526 million) and NEWest Alliance (A$1.0billion);

- social infrastructure projects including Nepean Hospital (A$379 million) and Waikeria Corrections and Treatment Facility (NZ$0.9 billion), East Kowloon Cultural Centre (HK$2.6 billion); and

- infrastructure projects in Honk Kong, Singapore, Philippines and Indonesia including Deep Tunnel Sewerage System Phase 2 (S$495 million / A$555 million), Data Centre Campus (S$495 million / A$245 million) and Aga Hall Estate (INR8.1 billion / A$145 million).

***Infrastructure & Asset Services***

Some of the major projects delivered, or currently being delivered, by UGL include:

| Project | Description | Total Project Value | Type of contract | CIMIC Group Revenue |
|---|---|---|---|---|
| New Intercity Fleet | UGL, as part of the RailConnect consortium, will design, build and maintain 512 new train carriages for New South Wales' intercity network. | A$2.3bn | Operations and maintenance | A$750mn |
| Tailem Bend Solar Farm projects | In May 2019, UGL successfully delivered a 95MW solar farm in South Australia which included 390,000 photovoltaic solar panels. UGL is currently delivering stage 2 of the project, a 117MW solar farm with provisions for a 40MW Battery Energy Storage System. | A$400mn | Engineering, procurement and construction | A$310mn |
| Sydney Trains Maintenance and Logistics | Delivery of maintenance and logistics services for a portion of Sydney's metropolitan passenger rail fleet. UGL will provide heavy maintenance, component overhaul and supply chain capabilities, coupled with engineering and depot-related support. | A$2.7bn | Operations and Maintenance<br>Upgrades and overhauls<br>Engineering design | A$2.7bn |
| Country Regional Network Rail | UGL's operation and maintenance of rail infrastructure for the Country Regional Network, includes: | A$1.5bn | Operations and maintenance | A$1.5bn |

[20] It should not be read that the projects values described reflect the revenue earned from each of these projects in 2022. It is revenue expected to be earned over the life of the project. Each project will have a different start and completion date, and therefore a different revenue profile and contribution to CIMIC.

| Project | Description | Total Project Value | Type of contract | CIMIC Group Revenue |
|---|---|---|---|---|
| Infrastructure Maintenance | – network operations, including establishment of a new network control centre in regional NSW;<br>– rail infrastructure maintenance and implementation of a new signalling system - UGL's proprietary system, Sigview;<br>– asset and property management; and<br>– safety, access, performance, and environmental management | | | |
| TasWater Capital Works | UGL and CPB Contractors are delivering infrastructure planning, project development and delivery of all capital works across Taswater's regional asset network in Tasmania, including:<br>– water and wastewater treatment plants<br>– water networks<br>– dams and water storage<br>– general asset renewal programs | A$980mn | Engineering, procurement and construction management | A$980mn |
| Glenrowan Solar Farm | UGL is providing design and construction of the 130MWdc Glenrowan Solar Farm, located 22km South of Wangaratta, VIC, in conjunction with Pacific Partnerships and the project owner and developer | A$170mn | Engineering, procurement and construction | A$170mn |
| Pacific National Locomotives | UGL is providing design, manufacture and assemble fifty C44ESACi standard gauge diesel electric locomotives. | A$300mn | Design and assemble | A$300mn |
| APLNG Maintenance | UGL provides downstream maintenance, shutdown and modification project services to ConocoPhillips on behalf of Australia Pacific Liquefied Natural Gas (APLNG) at the Gladstone Liquefied Natural Gas facility on Curtis Island, off the North Queensland coast. | A$360mn | Maintenance | A$360mn |
| Kidston Solar Farm Transmission Line | UGL is delivering part design and construction of 275kV single circuit lattice tower transmission line spanning 190km and connecting Mt Fox substation west of Ingham with Kidston Solar Farm. | A$165mn | Design and construct | A$165mn |
| Esso Maintenance | General maintenance services at Esso's onshore and offshore locations in the Gippsland region of Victoria. UGL's scope of work covers scaffolding, electrical, instrumentation, mechanical, industrial cleaning, civil, insulation, painting and asbestos removal. | A$585mn | Maintenance | A$585mn |
| Victoria Big Battery | 300MW/325MWh BESS (Battery Energy Storage System) located 20 mins from Geelong, Victoria for Neoen to provide network support to the Victorian Grid via AEMO's SIPS and trade in the energy market. UGL scope was for BESS Balance of Plant D&C and installation of the Tesla batteries | A$190mn | Design and construct | A$35mn |
| Western Downs Green Power Hub | The Western Downs Green Power Hub will consist of a 460-megawatt solar farm and 200 MW battery storage system located in Queensland. UGL will install the Tesla supplied | A$600mn | Design and construct | A$66mn |

| Project | Description | Total Project Value | Type of contract | CIMIC Group Revenue |
|---|---|---|---|---|
| | battery and construct the associated high voltage infrastructure. | | | |

In the year ended 31 December 2022, the Group's major projects contributing revenue included:

- A$2.0 billion Cross River Rail Tunnel, Stations and Development (TSD) package for the delivery of facility management services for over 24 years for the Tunnel, Stations and Development PPP package of Brisbane's Cross River Rail project in Queensland;

- A$1.8 billion Sydney Metro City & Southwest Line-wide works to convert the excavated tunnel into a working railway for Sydney Metro City & Southwest. UGL and CPB Contractors will deliver metro rail track, power, communications, signalling systems and infrastructure to ensure the Metro can run smoothly;

- A$980 million TasWater Capital Works for the delivery of infrastructure planning, project development and delivery of all capital works across Taswater's regional asset network in Tasmania;

- A$725 million Regional Rail; Pacific Partnership, UGL and CPB are delivering a new regional rail fleet and a new maintenance facility in Dubbo, New South Wales. UGL will maintain both the fleet of 117 rail cars and the maintenance facility for an initial period of 15 years;

- A$195 million Snowy Hydro Hunter Power Project for the delivery of a new gas-fired power station at Kurri Kurri comprised of MHI's two F-Class Open Cycle Gas Turbine (OCGT), each in the order of 320MW to 380MW; and

- A$350 million BP Fuel Terminal Management for the delivery Project, Engineering and Asset Maintenance Services for management and maintenance of BP's Fuel Terminal Assets (currently 20 Terminals) throughout Australia.

***Mining & mineral processing***

Some of the significant projects currently being delivered by Thiess and Sedgman include:

| Project | Description | Project Value | Type of contract | Group Revenue |
|---|---|---|---|---|
| Olive Downs South | Thiess will deliver full-service mining operations of Met Coal, including mine planning, overburden removal, drill and blast, load and haul, water management and rehabilitation of final landforms. This includes the construction of mine infrastructure, providing all mobile plant and equipment, as well as the statutory operator for the project. | A$1.5bn | Schedule of rates | A$1.5bn |
| Iron Bridge Magnetite | Thiess will deliver mining and maintenance services and asset management services for the high grade 67% Fe magnetite concentrate mine in the Pilbara. | A$700mn | Schedule of rates | A$700mn |
| Lake Vermont | Thiess is providing services including mining of coking coal, clearing and grubbing, topsoil removal, drill and blast, overburden removal and | A$2.5bn extension | Schedule of rates | A$2.5bn |

| | | | | |
|---|---|---|---|---|
| | rehabilitation of final landforms in Queensland. In 2020 Thiess was awarded a 5-year extension. | | | |
| Mount Holland | Thiess will deliver drill and blast services, mining of overburden and ore, and equipment maintenance with a strong focus on community development and environmental protection. | A$164mn | Schedule of rates | A$164mn |
| Encuentro Oxides copper project | Thiess commenced pre-strip operations in August 2014 and was awarded a contract extension to continue operations in 2018 in Chile. | A$420mn contract extension | Schedule of rates | A$420mn |
| KCM | Thiess will operate the adjacent Kapuas Tunggal Persada (KTP) and Global Bara Mandiri (GBM) mines and will deliver turnkey operations, including mine design and planning, drill and blast, overburden removal, load and haul, asset maintenance and management, haul road maintenance, water management, rehabilitation and port operations. | A$1.7bn | Operations & maintenance | A$1.7bn |
| Blackwater Gold Project | Sedgman was awarded a contract for the engineering, procurement and construction (EPC) of the Blackwater Gold project processing and non-processing infrastructure in central British Columbia, Canada. | C$318mn | Engineering, procurement and construction | C$318mn |

In the year ended 31 December 2022, some of the Group's significant mining services projects delivering revenue, in addition to those above, included the:

- Mount Arthur, Mount Owen, Curragh, Peak Downs, Eliwana and Northern Hub mines in Australia;
- Melak and Mahakam Sumber Jaya mines in Indonesia;
- Oyu Tolgoi in Mnagolia and Climax Molybdenum in USA;
- contracts at the Mt Pleasant, Sonoma, Byerwen and Red Mountain mineral processing projects in Australia; and
- contract for the Barquitos Port Upgrade in Chile.

**Liquidity and Capital Management**

The Group's financial policy is to manage net debt to a level that supports a strong investment grade rating.

CIMIC Group Limited is rated Baa3/Stable by Moody's and BBB-/Stable/A-3 by S&P.

The Group adopts a prudent approach to cash management to ensure that sufficient levels of cash and committed credit facilities are maintained to meet current and forecast working capital requirements. Liquidity is reviewed continually by the Group's Treasury Department through daily cash monitoring, review of available credit facilities and maturity profile and forecasting and matching of cash flows. In addition, the Group has bonding and guarantee facilities to support its tendering efforts for new projects.

Finally, the Group seeks to ensure an efficient use of its credit, bonding and guarantee facilities to optimise its borrowing costs.

***Interest bearing syndicated loans***

CIMIC Finance Limited (an Issuer), a wholly-owned subsidiary of the Parent Guarantor, has four core syndicated bank debt facilities. The quantum and maturity of the facilities are as follows:

- A$1,200.0 million maturing on 3 May 2024;
- A$950.0 million maturing on 25 September 2024;
- A$475.0 million maturing on 9 December 2025; and
- A$475.0 million maturing on 9 December 2027.

Carrying amount at 31 December 2022: A$2,150.0 million (carrying amount at 31 December 2021: A$1,130.0 million).

***Fixed-Rate Guaranteed Senior Notes***

On 13 November 2012, CIMIC Finance (USA) Pty Limited issued US$500.0 million of 10-Year Fixed-Rate Guaranteed Senior Notes (the **US$ Notes**).

The US$ Notes bore interest from 13 November 2012 at the rate of 5.95% per annum and were fully repaid on or before the maturity date of 13 November 2022. Interest on the US$ Notes was paid semi-annually on the 13th day of May and November in each year. The Group repurchased US$298.7 million, equivalent to A$409.2 million of Guaranteed Senior Notes on 24 June 2015. The Group repaid US$201.3 million, equivalent to A$296.0 million of the US$ Notes on 13 November 2022.

Carrying amount at 31 December 2022: US$nil (31 December 2021: US$201.3 million) equivalent to A$nil (31 December 2021: A$275.7 million).

***Euro Medium Term Notes***

On 20 May 2021 and 2 June 2021, CIMIC Finance Pty Limited issued a total of EUR625.0 million of 8-Year Fixed-Rate corporate bonds in the Euro Medium Term Note market (the **EUR Notes**).

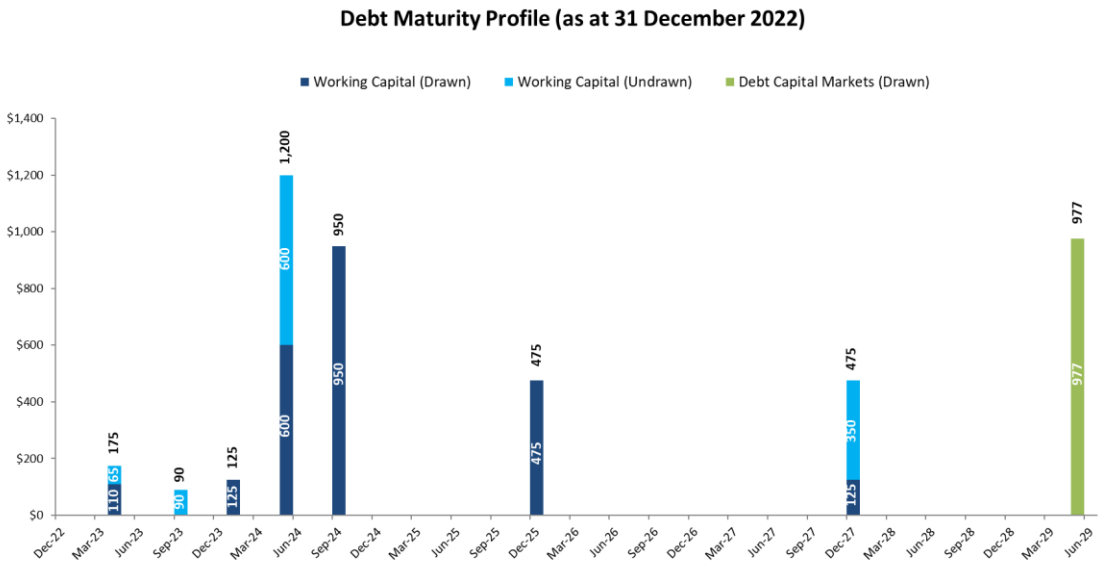
The EUR Notes bear interest from 28 May 2021 at the rate of 1.50% per annum and mature on 28 May 2029. Interest on the EUR Notes is paid annually on the 28th day of May in each year.

Carrying amount at 31 December 2022: EUR625.0 million, equivalent to A$976.6 million (31 December 2021: EUR625.0 million, equivalent to A$976.9 million). There are A$7.2 million of capitalised borrowing costs recognised against the EUR Notes (31 December 2021: A$8.3 million).

***Other Facilities***

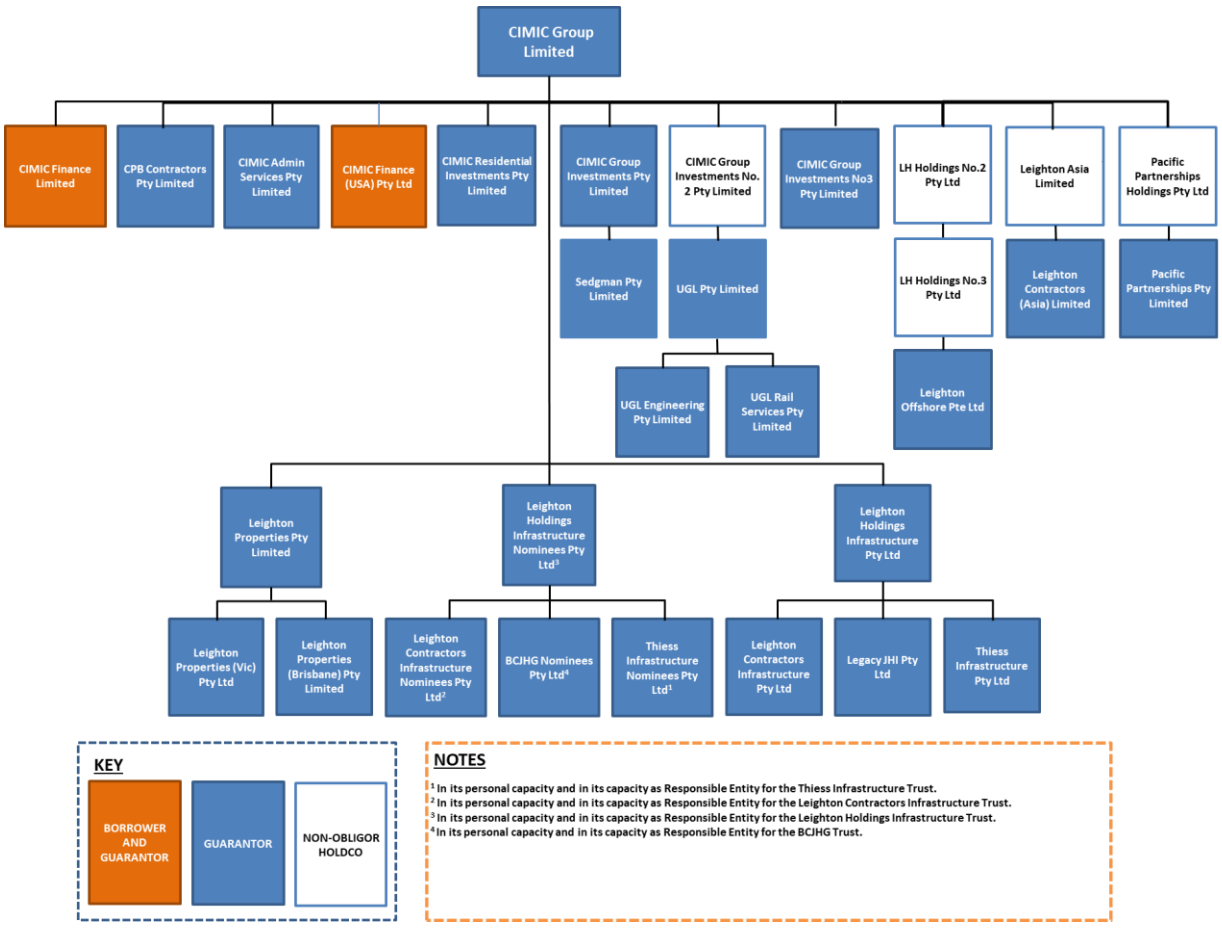
At 31 December 2022, bilateral and other unsecured loan facilities outstanding were A$235.1 million (31 December 2021: A$75.0 million).

The chart below illustrates CIMIC’s debt maturity profile as at 31 December 2022 in A$:




***Borrowing structure***

The chart below depicts a simplified CIMIC Group corporate structure diagram that shows where the Notes will be issued within the Group's corporate structure. All of CIMIC's senior debt ranks *pari passu*.



***Trade finance arrangements***

The Group enters into factoring agreements with banks and financial institutions. These agreements only relate to certified receivables, on a non-recourse basis, acknowledged by the client with payment only being subject to the passage of time. Under the factoring agreements:

- the certified receivables are de-recognised where the risks and rewards of the receivables have been transferred to the purchaser of the receivables
- eligible receivables relate to goods or services provided or work performed by the Group for which it is entitled to be paid;
- receivables are only factored when there is an amount certified by the client and contractually due to be paid to the Group; there are no disputes on the amounts due and the customer has acknowledged this by way of certification; and
- the receipt by the Group irrevocably removes the Group's right to the certified receivable due from the customer.

The factoring of these receivables is therefore done on a non-recourse basis. The level of non-recourse factoring across the Group was A$528 million as at 31 December 2022 (31 December 2021: A$434 million).

***Bank guarantees, insurance bonds and letters of credit***

CIMIC has significant bonding and guarantee facilities available. These bonds and guarantees are integral to the successful tendering and delivery of projects, and the ability to provide them is a critical element of the Group's competitive offering to clients. These facilities are issued by banks and insurance companies to provide clients with external security to ensure that projects are delivered in accordance with contracts. The bank or insurance company undertakes to pay up to the face value of the guarantee or bond, in the event of non-performance by the contractor.

Bonds and guarantees outstanding as at 31 December 2022 were A$5.6 billion (31 December 2021: A$4.9 billion).

| | **December 2022**<br>A$m | **December 2021**<br>A$m |
|---|---:|---:|
| Bank guarantees | 3,457.6 | 2,892.4 |
| Insurance, performance and payment bonds | 1,791.7 | 1,595.3 |
| Letters of credit | 386.2 | 367.3 |
| **Total** | **5,635.5** | **4,855.0** |

An additional A$671.4 million (31 December 2021: A$1,081.5 million) was undrawn of which A$353.4 million (31 December 2021: A$590.9 million) was committed and A$318 million (31 December 2021: A$490.6 million) was uncommitted. The undrawn and uncommitted bonds and guarantees provide significant capacity for the Group to tender for, and take on, more projects in the future.

**Risk Management**

CIMIC applies a disciplined approach to risk management. For CIMIC, risk is defined as the 'the effect of uncertainty on objectives' and can have negative or positive impacts (threats and opportunities), which may create, enhance, prevent, degrade, accelerate or delay the achievement of the Group's objectives. All activities of the Group involve risk and CIMIC's Risk Management Policy sets out the

requirements to identify, analyse, evaluate, treat, monitor, review and report risks that have the potential to impact the Group's people, third parties, the general public and communities in which the Group works, the environment, Group operations, financial outcomes of the Group, the Group's reputation or other impacts to which the Group is exposed.

CIMIC's risk management framework is tailored to its business, embedded mostly within existing processes and aligned to the Group's objectives, both short and longer term. The Group's risk management framework is aligned with the risk management ISO Standard 31000. This framework incorporates the maintenance of comprehensive policies, procedures and guidelines which span the Group's diverse contracting and project development activities, including setting financial controls, conducting business audits, investment and acquisition overview, and ensuring high standards in corporate communications and external affairs.

| **ISO Certifications** |
|---|
| • Quality management – ISO 9001[21] |
| • Environmental management – ISO 14001[22] |
| • Digital engineering/BIM – ISO 19650 Parts 1 and 2[23] |
| • Information Security Management – ISO 27001[24] |
| • Safety management – ISO 45001, ISO 18001 and/or AS/NZS 4801[25] |

Risk management is an integral part of the processes and decision making of all employees who have to adhere, as appropriate, to the processes and risk appetite as defined in the Risk Management Policy. The Group Delegations of Authority (**DoA**) defines what is considered 'appropriate' and how risks will be treated.

Application of the Group work procurement standards and approval process maximises the likelihood of securing quality work with commensurate returns for the risks taken. Pre-contracts assurance teams manage and assure the work procurement process. EIC Activities supports the Group with project design, risk identification and engineering solutions during the tender phase. The Tender Risk Management Committee oversees and approves the risk profile for key tenders.

Significant resources are devoted to the avoidance, management and resolution of work delivery challenges. CIMIC's operating companies provide project teams with guidance and support to achieve project and business objectives. EIC Activities also helps to identify and mitigate risk. Project oversight is maintained by regular performance reviews that involve operating company and CIMIC management, commensurate with the scale, complexity and status of the project.

**Insurance**

The Group maintains what it considers to be adequate and comprehensive insurance coverage from reputable insurance companies on its assets and liability exposures pertaining to its business operations, including coverage for the Group's directors and officers. The Group uses Marsh and Aon to assist in analysing the risks faced by its businesses in order to determine the appropriate cover, policies and amount of insurance for the Group, which aligns to the insurance taken out by other companies engaged in the same or similar activities, in the various geographical areas where the Group operates.

[21] CPB Contractors, Broad, Leighton Asia, UGL and Sedgman.
[22] CPB Contractors, Broad, Leighton Asia, UGL and Sedgman.
[23] CPB Contractors, Leighton Asia, UGL, Sedgman, Pacific Partnerships and EIC Activities.
[24] CIMIC Group companies CIMIC, CPB Contractors, Broad, UGL, Sedgman and EIC Activities have achieved ISO 27001 accreditation – the international standard for Information Security Management.
[25] Safety management ISO standard system certifications for CIMIC Operating Companies that deliver works and services – CPB Contractors, Broad, Leighton Asia, UGL and Sedgman.

The Group's insurance coverage includes, but is not limited to, policies in respect of professional indemnity, public and products liability, pollution liability, aviation, directors & officers, crime, cyber, environment impairment, aviation, contract works, plant and equipment, motor vehicles, marine hull, marine war risks, marine cargo and industrial special risks.

The Group believes its insurance coverage is in accordance with its business exposure and in compliance with the applicable regulatory requirements of each country or territory where the Group operates.

**Investigations, Disputes and Litigation**

As an international construction group, members of the Group are currently, and will likely be in the future, involved in legal and administrative proceedings as part of their ordinary business activities. They also face risks in connection with lawsuits, claims, and regulatory proceedings. CIMIC's business is characterised by large-scale projects which are complex, lengthy and often time-critical. Some of the factors that may prevent the Group from completing projects in the agreed timeframe are beyond the control of the Group, such as adverse weather conditions or unexpected technical or geological difficulties. Furthermore, the Group faces warranty and liability risks or shortcomings in connection with its business operations. This may result in disputes and litigation which could also materially impair CIMIC's reputation. While CIMIC maintains provisions in connection with risks from litigation and regularly monitors the adequacy of such provisions, there can be no assurance that such provisions will sufficiently cover all litigation risks.

Proceedings relating to the Group's operative business have in the past and will likely in the future include, among others, litigation or disputes, for example, with customers or consortia or other partners, disputes relating to contract award procedures and labour disputes (see "*Risk Factors – The Group's business faces risks from potential and current litigation*").

The members of the Group are party to various other litigation matters in the ordinary course of business including those listed below. It is impossible for the Group to determine or predict the outcome of any such proceedings pending or threatened. However, the Parent Guarantor believes that any ultimate liability in those other litigation matters will not be materially adverse to its financial position or profitability.

***Regulatory investigations***

On 13 February 2012, the Parent Guarantor announced to the ASX that it had reported to the Australian Federal Police (**AFP**) a possible breach by employees within the Leighton International business of its Code of Ethics that, if substantiated, may have contravened Australian laws. The AFP is investigating the Group's international operations.

In March 2014, ASIC commenced a formal investigation into potential breaches of the Corporations Act relating to a number of matters being investigated by the AFP. In March 2017, ASIC advised the Parent Guarantor that its investigation has concluded and it will take no further action.

On 22 May 2018, the UK Serious Fraud Office (**SFO**) announced it has charged individuals, none of whom are CIMIC employees, and on 26 June 2018 announced it has charged a company, which is not a member of the CIMIC Group. On 19 July 2019 the SFO announced that one individual had pleaded guilty to charges. Following trials in 2020 and 2021 the individuals were convicted on some charges. However, all of those convictions have been overturned on appeal. None of the juries' guilty findings relate to charges involving the CIMIC Group company contracts.

On 1 March 2019, CIMIC entered into an investigation agreement with the Department of Justice (**DOJ**). On 30 October 2019 the DOJ announced that in March 2019 three individuals not employed by

CIMIC pleaded guilty to a charge of conspiracy to violate the Foreign Corrupt Practices Act. The DOJ has announced that another individual (not employed by the Group) has entered into a non-prosecution agreement with the DOJ.

On 18 November 2020, the AFP advised CIMIC that it had charged an ex-employee with alleged offences relating to foreign bribery and related matters and on 23 February 2021, the AFP announced it had brought an additional charge in relation to foreign bribery. On 11 January 2021, the AFP informed CIMIC that it had charged a second ex-employee with related offences. The AFP has also indicated it may charge a further ex-employee. CIMIC does not know when the charges will be heard or the outcome of any investigation.

No CIMIC Group company has been charged.

CIMIC continues to cooperate with all official investigations.

***Gorgon LNG Jetty and Marine Structures Project in Australia, Chevron Arbitration***

CPB Contractors, a wholly-owned subsidiary of CIMIC, together with its consortium partners, Saipem SA and Saipem Portugal Comercio Maritime LDA (**Saipem** and, together with CPB, the **Consortium**) completed the Gorgon LNG Jetty and Marine Structures Project (**Gorgon Jetty**) for Chevron Australia (**Chevron**). CIMIC's financial statements as at 31 December 2019 included A$1.15 billion recorded in contract assets in relation to Gorgon Jetty and recovery of these contract assets was pursued by CIMIC through an arbitration process in Australia against Chevron.

This arbitration was concluded in 2020, and the Arbitral Tribunal issued an award of A$78.0 million to the Consortium and counterclaims of A$35.0 million to Chevron. CIMIC's share of the net award along with certain legal expenses attributable to the arbitration process, has resulted in a one-off reversal in FY20 of revenue recognised in prior years of A$1.15 billion in accordance with the variable consideration reassessment requirements of AASB15.

***West Gate Tunnel***

CIMIC's wholly owned subsidiary, CPB Contractors, and its joint venture partner John Holland, are contracted to provide the West Gate Tunnel for Transurban and the State of Victoria. Due to an inability to remove spoil from the site as a result of soil contaminates, a dispute arose between the parties primarily as to the disclosure of soil contaminants and which party is liable for the cost of the disposing thereof. The dispute has been resolved and CPB Contractors continues to perform its contractual obligations.

***New Royal Adelaide Hospital***

CIMIC's wholly owned subsidiary, CPB Contractors, and its joint venture partner Hansen Yuncken, in a 50/50 joint venture (**JV**), were awarded the design and construction of the new Royal Adelaide Hospital for the South Australian State Government. The project experienced difficulties and delays arising from the complex interdependencies between the State's works and the JV's works and a dispute between the parties arose. As at the date of this Offering Circular, an arbitration to settle the dispute between the parties was commenced but has been delayed with hearings only likely to commence later in 2023 with a decision thereafter.

The Parent Guarantor denies there is a proper basis for the claim and will defend the proceedings.

***CCPP Contract***

UGL, a wholly owned subsidiary of CIMIC, together with its consortium partners CH2M Hill Companies Limited (**CH2M**) and General Electric Company, were contracted by JKC Australia LNG Pty Ltd (**JKC**) to carry out works relating to the construction of a combined cycle power plant for the Ichthys LNG Project in the Northern Territory.

In January 2017, the UGL-CH2M Joint Venture Consortium terminated their contract with JKC for the design, construction and commissioning of the combined cycle power plant (**CCPP Contract**).

On 11 April 2022, CIMIC entered into a conditional, confidential commercial agreement with its consortium partners and JKC resulting in a full and final settlement of all matters in connection with the CCPP Contract (the **Settlement**). CIMIC paid an amount of A$192.5 million in April 2022 and an additional amount of A$300 million in March 2023, as its contribution to the Settlement.

***BICC***

On 15 February 2021, CIMIC announced it had signed a share purchase agreement with SALD Investment LLC (**SALD**) for the sale of BICC, the holder of CIMIC's investment in the Middle East. SALD, a privately owned, UAE-based investment company, purchased CIMIC's 45% investment in BICC subject to satisfaction of certain conditions precedent.

The transaction involved several steps including the transfer of BICC's group entities directly to SALD. The sale agreement covered all of CIMIC's investments in the Middle East resulting in SALD owning all the entities making up the BICC Group across the UAE, Qatar, Oman and Saudi Arabia, as well as Leighton Services UAE Co LLC, a Middle Eastern entity that was not part of the BICC Group. As of 1 February 2023, CIMIC had divested all rights in its investments in the Middle East to SALD and the share transfers are final.

In accordance with the terms of the sale agreement, CIMIC agreed to contribute a certain amount of funds to BICC provided that BICC and SALD satisfy certain obligations and were able to agree the release of CIMIC from certain retained guarantee obligations. All amounts, including relating to retained guarantee obligations, were fully provided for and CIMIC has not increased its financial exposure to the Middle East since the sale was agreed.

**Sustainability**

Sustainability is embedded in CIMIC's mission to generate sustainable returns by delivering projects for its clients while providing safe, rewarding and fulfilling careers for its people.

The Group recognises and welcomes the increasing international engagement of governments, communities, businesses, and others in creating a low carbon and climate resilient future. It continues to work with its clients and partners to develop sustainable solutions and reduce carbon emissions from each project.

***Sustainability governance and recognised performance***

The Board, its Ethics, Compliance and Sustainability Committee and CIMIC's governance framework, including the Code of Conduct and policies, support, drive and track CIMIC's sustainability approach and performance.

The Group's sustainability performance has been consistently acknowledged by the following bodies, as a listed company to May 2022:

- constituent of the FTSE4Good Index Series (since 2016);

- recognised as a 'leading' company for sustainability reporting by the Australian Council of Superannuation Investors (ACSI) (since 2018); and
- membership of the Dow Jones Sustainability Index (DJSI) – Australia (since 2012).

CIMIC recognises the 2030 Agenda for Sustainable Development and its own role in contributing to the Sustainable Development Goals (**SDGs**). In 2022 around 90% of the Group's revenue was earned from contracts that are directly aligned with one, or more, of the SDGs.

| | **Sustainable Development Goal** |
|---|---|
|  | **Ensure healthy lives and promote well-being for all at all ages**<br>– Construction and Operation and Maintenance (O&M) of infrastructure including hospitals and health facilities, community aquatic and recreation hubs, and transport solutions integrating pedestrian and cycle path |
|  | **Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**<br>– Construction and O&M of universities, schools and educational facilities.<br>– Provision of training programs to develop CIMIC's people and upskill new-to-industry employees, increasing local and diverse participation. |
|  | **Ensure availability and sustainable management of water and sanitation for all**<br>– Construction and O&M of water facilities, waste treatment plants, recycling facilities, dams and water utilities.<br>– Implementation of solutions to minimize or reduce water use and increase the use of recycled water in project delivery and O&M. |
|  | **Ensure access to affordable, reliable, sustainable and modern energy for all**<br>– Development of and investment in renewable energy projects.<br>– Construction and O&M of renewable energy plants including solar, wind and battery storage.<br>– Construction of electricity transmissions lines.<br>– Construction and O&M of gas related infrastructure. |
|  | **Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation**<br>– Construction and O&M of 'green rated'[26] infrastructure and buildings.<br>– Construction and O&M of telecommunications infrastructure.<br>– Construction of technology promoting facilities such as research centres.<br>– Construction and O&M of minerals processing facilities for iron ore, nickel, copper and other metals.<br>– Investment in innovation an digitalisation. |
|  | **Make cities and human settlements inclusive, safe, resilient and sustainable**<br>– Construction and O&M of safe, affordable, accessible and sustainable transport systems, notably by expanding public transport infrastructure such as busways, metro and light rail projects. |

[26] Includes projects with a nationally or internationally recognised sustainability rating such as Green Star, LEED, ISCA and Greenroads.

| | Sustainable Development Goal |
|---|---|
| | – Construction and O&M of safe, efficient road networks and intermodal solutions to reduce congestion.<br>– Construction and O&M of public buildings such as cultural facilities or public housing.<br>– Integration of safety in design, improving safety outcomes for construction, O&M and end users. |
|  | **Take urgent action to combat climate change and its impacts**<br>– Construction and O&M of projects specifically addressing climate change. |
|  | **Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**<br>– Construction and O&M of projects that promote the rule of law such as defence facilities, courts and correctional facilities. |

CIMIC's sustainability approach fits and supports the three key pillars of the ACS Sustainability Master Plan 2025[27] : *Building a better future*, as described below:

- *Promoting the global transition to sustainable infrastructure*

  To support the transition and fight against global warming, ACS is committed to integrating circularity into its activities and guarantees the protection of the environment in its project development phase. ACS strives to become a reference in sustainable infrastructure by reaching 45% of infrastructure sales in projects with sustainable certification by 2025. Committed to deliver sustainable solutions, CIMIC directly contributes to this global objective.

  Both CIMIC and ACS aim to contribute to climate neutrality, respectively by 2038 (scope 1 and 2) and by 2045 (scope 3).

- *Key player in economic development integrating specialized and diverse talent*

  Like CIMIC, ACS prioritises the occupational health and safety of its employees and contractors. Through health and safety management systems and training, CIMIC is directly contributing to ACS's commitment to reduce the rate of accidents, continuing to achieve effective results in 2022.

- *Reference* in good business practices with governance committed to sustainability

  In terms of integrity, ACS is committed to strengthen the governance structure to the highest sustainability requirements and to continue to promote good practices of ethical conduct and compliance in each affiliate and subsidiary. The ACS Sustainability Policy[28], approved by the Board on 28 July 2022, represents a key resource for defining the rules and basic actions among the clients, employees and different market players interacting with ACS in its global value chain. As part of the group, CIMIC is benefiting from that high level commitment to sustainability at the top management level.

CIMIC's sustainability is based on six broad themes and goals which guide its actions to evolve its business and continually improve ESG outcomes:

[27] https://www.grupoacs.com/ficheros_editor/File/05_responsabilidad_corporativa/PDS%202025_ingl%C3%A9s_PDF.pdf.
[28] https://www.grupoacs.com/ficheros_editor/File/05_Compliance/Pol%C3%ADticas/8_Politica%20Sostenibilidad_3_2021_en.pdf

***Evolving CIMIC's business***

**EVOLVING CIMIC'S BUSINESS**

**Delivering sustainable solutions**
Lead the delivery of sustainable solutions to CIMIC's clients

**Pursuing renewable and other ESG opportunities**
Actively pursue the emerging opportunities driven by enhanced ESG focus

**Resourcing the future**
Support the transition to resources and minerals of the future

**IMPROVING ESG OUTCOMES**

**Minimising environmental footprint**
Minimise the Group's environmental footprint and promote the circular economy

**Supporting safety, its people and communities**
Build a dynamic, safe and inclusive culture with motivated people and invest in people and communities

**Acting with integrity**
Acting with integrity to maintain licence to operate

As at the date of this Offering Circular, CIMIC (excluding Pacific Partnerships) has a pipeline of over A$110 billion in high growth and emerging industries including renewables, future facing technology (data centres and satellite systems), new mobility and metals, minerals and future facing commodities. Furthermore, there is over A$30 billion in renewable development opportunities in Pacific Partnership's pipeline.

In recognition of climate imperatives, CIMIC is taking action on decarbonisation and climate resilience by evolving its business.

*Sustainable solutions*

Across economic and social infrastructure (roads, rail, power, water, defence, minerals processing, schools, and hospitals), every project is an opportunity for CIMIC to design, build, and operate better.

The Group measures and verifies its performance digitally with comprehensive project management and control systems. As of 2022, the Group has developed 71 proprietary digital innovations, which are progressing through innovation assessment and development processes. Notably, for more than 10 years, CIMIC has used its proprietary digital estimating solution, CATS Estimating, to help its teams measure the carbon footprint of its projects.

In 2022, Cleantech or green revenue represents approximately 41% of the Group's underlying revenue. Since 2013, the Group has delivered 146 sustainability rated infrastructure and building projects, being projects assessed under the following certification schemes:

- **IS**, which is Australia and New Zealand's only comprehensive rating system for evaluating economic, social and environmental performance of infrastructure across the planning, design, construction and operational phases of infrastructure assets;
- **Green Star**, an internationally recognised rating system setting the standard for healthy, resilient, positive buildings and places founded by Green Building Council of Australia in 2003;
- **BEAM Plus**, Hong Kong's leading initiative to offer independent assessment of building sustainability performance;
- **LEED**, a rating system devised by the United States Green Building Council (USGBC) to evaluate the environmental performance of a building and encourage market transformation towards sustainable design; and

- **Green Roads**, an independent non-profit that advances sustainability performance management and education for transportation capital projects.

**Cleantech**, short for clean technology, refers to various companies and technologies that aim to improve environmental sustainability. In CIMIC's case, this largely refers to projects supporting the clean energy transition, being technology that makes it possible to reduce or avoid harm to the environment, for example technology related to recycling, renewable energy, or methods of transport that do not cause pollution.

### TOP INDUSTRY ACCOLADE FOR CONSTRUCTION OF THE SYDNEY METRO

As an illustration of CIMIC providing sustainable solutions, the Group worked on the Sydney Metro City & Southwest Tunnel and Station Excavation (TSE) Works, which has won the 2022 Australian Construction Achievement Award (ACAA) and received the highest ever Infrastructure Sustainability Council of Australia (ISCA) Infrastructure Sustainability rating, at that time.

Green initiatives included:

- recycling of more than 95% of construction waste
- water use reduction of more than 26%
- reusing 4.0 million tonnes of dirt across Sydney on over 100 approved roads, housing and airport projects

*Pursuing renewable and other ESG opportunities*

To support the energy transition, CIMIC is developing, investing in, and delivering renewable energy projects across solar, wind and energy storage. CIMIC also delivers power infrastructure projects that are helping its clients to incorporate renewables into the energy mix and maintain grid stability. Examples include design and construction of a new 275kV switching station to connect Neoen's Kaban Green Power Hub to Powerlink Queensland's network; and construction of a 660MW power generation plant at the Hunter Power Project in New South Wales, with provision for the plants' turbines to operate on a hydrogen fuel mix. CIMIC is also delivering electric transport projects, including rail and light rail.

CPB Contractors, UGL, Pacific Partnerships and EIC Activities are each experienced in these sectors and regularly work collaboratively to deliver these projects.

As an illustration, Pacific Partnerships, through its energy business, is actively driving CIMIC's strategic expansion into the renewable energy sector. In 2022, Pacific Partnership secured a long-term contract with the State of Victoria for the sale of solar power from Glenrowan Solar Farm and work has commenced on site.

### CIMIC'S PACIFIC PARTNERSHIPS WINS POWER PURCHASE AGREEMENT FOR LARGE SCALE SOLAR FARM

CIMIC Group company Pacific Partnerships has secured a long-term contract with the State of Victoria for the sale of solar power from Glenrowan Solar Farm in northern Victoria. Leading infrastructure developer Pacific Partnerships, through its energy business Pacific Partnerships Energy, will continue to develop Glenrowan Solar Farm, with CIMIC Group company UGL undertaking construction, operations and maintenance.

The win, announced in October 2022, is a key milestone for CIMIC, which has a strong history of delivering leading-edge renewable energy projects, such as wind and solar, through CPB Contractors and UGL. Pacific Partnerships tendered for the agreement under the Victorian Renewable Energy Target 2 (VRET2) reverse auction process, designed to support the State achieving its updated renewable energy target of 100% by 2025.

The power purchase agreement for Glenrowan Solar Farm unlocks local benefits for jobs, business and community initiatives.

*Resourcing the future*

In minerals processing, CIMIC is diversifying into new minerals which contribute towards energy transition of the global economy, building services in mine waste reprocessing, and innovating to help clients minimise their lifecycle emissions, water use and environmental footprint.

Sedgman, CIMIC's minerals processing company, is diversifying from its early days in coal and, today, its portfolio includes iron ore, precious and base metals, and industrial minerals processing projects and operations. In 2022 Sedgman acquired Onyx increasing its iron ore offering and secured Artemis Gold contract, expanding capabilities in gold. Sedgman's total coal (Thermal & Metallurgical Coal) revenue, compared to CIMIC total revenue, is trending down from 2.7% in FY18 to 2.3% in FY22.

CIMIC's joint owned mining services company Thiess has pledged to rebalance its thermal coal portfolio to no more than 25% of revenue by the end of 2027. In 2022, as a key part of its service diversification strategy, Thiess acquired MACA[29], a mining services provider primarily exposed to gold and iron ore (being no thermal coal exposure). Thiess current pipeline of A$75 billion includes A$57 billion in metals and minerals (including MACA), that is almost 71% increasing from 52% in 2020. Acquisition of MACA implied a reduction in thermal coal exposure from 50% to 35% in 2022 (Thiess standalone versus Thiess including MACA).

Thiess also launched a new standalone rehabilitation service – Thiess Rehabilitation[30]. The new business covers the full lifecycle of mine rehabilitation services, from design to development to delivery.

**WATER-WISE TAILINGS SOLUTIONS**

With 30 to 50% of copper, gold, iron ore, and zinc production concentrated in areas with high water stress, Sedgman is delivering water efficient tailings solutions to reduce mine site impacts. One of Sedgman's key services is tailings dewatering, which maximises water recovery. Sedgman has delivered a significant number of studies and projects, leveraging its extensive technical experience in dewatering systems, flotation scavenging, and reprocessing tailings, in base metals and coal. Solutions include a range of tailings dewatering technologies and a variety of reject transport and emplacement methods. In 2022, Sedgman delivered an engineering, procurement and construction contract for a new tailings dewatering facility at the Byerwen mine in Queensland. This project converted the existing wet rejects pumped co-disposal system to a combined dry tailings and coarse reject dewatering trucked system. The new system is intended to result in a lower operational risk profile, less power usage, and improved water recovery and management of dewatering chemicals. Compared to raw water usage prior to installation, the Byerwen dry tailings design is predicted to save around 1.2 million cubic metres of water per annum – equivalent to 492 Olympic swimming pools.

[29] https://thiess.com/news/project-announcements/thiess-announces-recommended-all-cash-takeover-offer-for-maca
[30] View more at https://thiessrehabilitation.com

***Improving ESG outcomes***

With every project CIMIC delivers, it has the opportunity, together with its clients, partners and the communities where it works, to build a better future.

*EU Taxonomy*

Established by the EU Commission, the EU Taxonomy is a common classification system that defines which projects and activities are environmentally sustainable. It provides a methodology to calculate the proportion of a company's revenue, capital expenditure (**Capex**) and operating expenditure (**Opex**) that are considered environmentally sustainable. Reporting requirements associated with the EU Taxonomy require companies to disclose a description of how, and to what extent, their activities are associated with Taxonomy eligible and aligned activities. For the 2022 and 2021 calendar years, CIMIC discloses the following proportions:

| ELIGIBLE ACTIVITIES | 2022 | 2021 |
|---|---|---|
| Revenue | ~77% | ~74% |
| Capex | ~72% | ~52% |
| Opex | ~90% | Note 1 |

| ALIGNED ACTIVITIES | 2022 | 2021 |
|---|---|---|
| Revenue | ~20% | Note 1 |
| Capex | ~23% | Note 1 |
| Opex | ~14% | Note 1 |

Note 1: Not required to be calculated or reported by CIMIC in 2021, only applicable onwards from 2022.

*Minimising environmental footprint*

CIMIC is committed to minimising the Group's climate footprint and promoting the circular economy, while protecting water and biodiversity.

- *Pathway to achieving net zero*

  CIMIC is committed to achieving net zero for Scope 1 (primarily fuels) and 2 (purchased electricity) by 2038 and to achieving net zero emissions for Scope 3 by 2045. In the shorter term, CIMIC is on track to achieve its intermediary target to reduce its Scope 1 and 2 emissions by 20% by 2025 (from a 2019 baseline).

  In absolute terms, in 2022, CIMIC's scope 1 and 2 emissions represented respectively 113.0 and 82.2 kt. CO2-eq., which represents a reduction of 122 kt of CO2-eq. emissions since 2019. This reduction was notably supported by the use of bio-diesel consumed in place of fossil fuels (178 KL in 2022) and by the consumption of green power in place of traditional energy sources (2.7 GWH in 2022). Scope 3 emissions were estimated to be 2,347 kt CO2-e and include materials, waste, and travel. In line with the Greenhouse Gas Protocol, emissions associated with CIMIC's equity investments Thiess and Ventia have been included in this figure.

  CIMIC will seek to implement feasible strategies to avoid and reduce emissions as much as possible and will seek offsetting solutions in the future to compensate any remaining emissions which it is unable to reduce to achieve its emissions reduction targets.

  Refer to the table below for details of targeted initiatives CIMIC is using to achieve its emissions reduction commitments.

**Scope 1 - Fuels (mainly diesel) for plant and equipment**

- **Procurement initiatives:** Diesel assets – recent purchases achieved av. 16% fuel saving/kW vs current assets or BAU
- **Electrification:** Replacing diesel light towers – purchased 116 solar light towers. Each unit saves 4.6 tCO2 /yr
- **Biofuel:** trials on major projects including M80, Northern Road Stage 5, West Gate Tunnel, Rozelle Interchange
- **New technologies:** Engaging with Original Equipment Manufacturers to explore hybrid and hydrogen technology

**Scope 2 - Purchased electricity**

- **Reduce electricity consumption:** CPB Northern Road project replaced 210 High Powered Sodium lighting with LEDs
- **Efficiency:** CPB Metro Tunnel – Sunshine Signal Control Centre achieved 6-Star Green Star rating [2]
- **Renewable energy:** all CPB corporate offices, plant yards and precast facilities powered by 100% renewable energy

**Scope 3 – Materials (i.e. concrete, steel, bitumen)**

- **Client solutions:** Delivering carbon reductions in construction phase, supply chain and operational phase emissions; Sydney Metro, Western Sydney Airport, Warringah Freeway Upgrade, West Gate and North East Link
- **Circular Economy:** Reconophalt™ , a road surfacing material with recycled content, up to 65% improvement in fatigue life, USED ON M80
- **Material transportation:** 95% of CIMIC's 18,472 direct suppliers were local to projects reducing distance travelled
- **Innovation:** Research partnership Monash University – smart pavements

**Scope 3 – Waste**

- **Circular economy:** 94% of CIMIC's waste diverted from landfill mainly for reuse in 2022; Northern Road Project recycled 98% of construction and demolition waste
- **Value recovery:** Sedgman involved in studies related to reprocessing tailings to extract valuable minerals from waste, investigating commodities such as zinc, copper and iron ore
- **Innovation:** EIC Activities collaborating with University of Technology Sydney's Nutrients in a Circular Economy (NiCE) Hub, and Western Sydney University's Alkaline-activated treatment of Bringelly shale

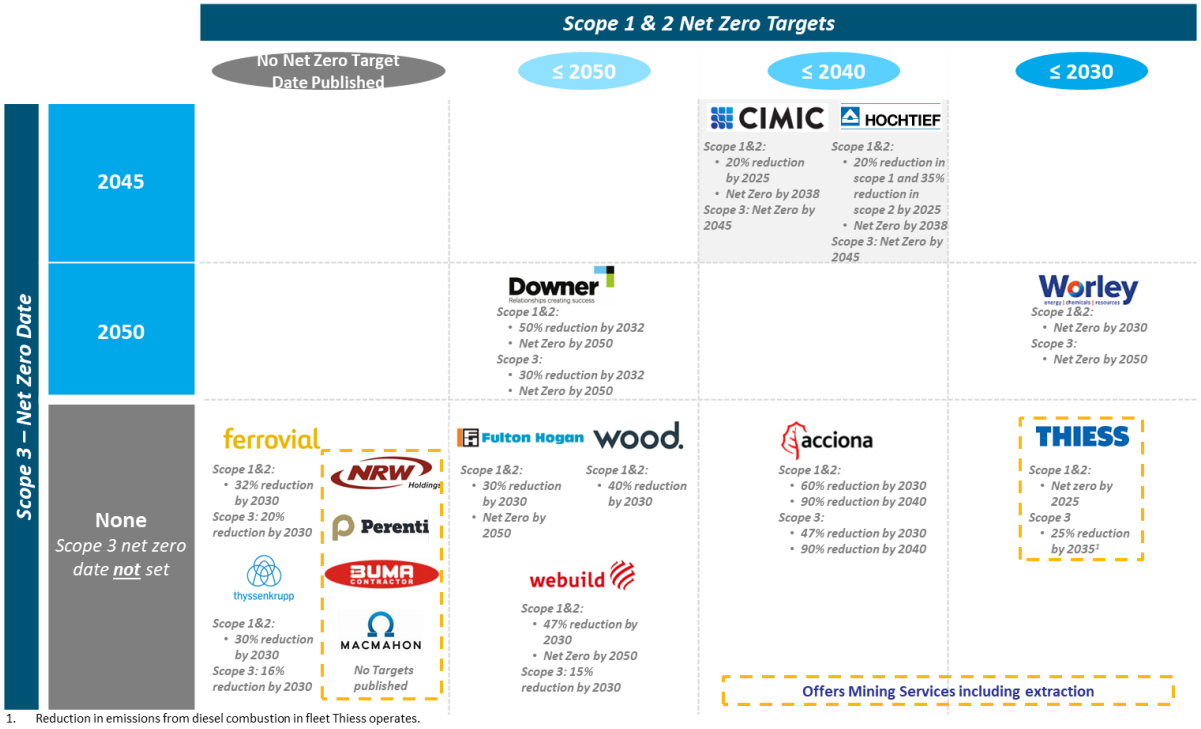
**Scope 3 – Travel**

- **Reduction in travel needs:**
  - ✓ Virtual walk-throughs in real-time, using 360° cameras, computer vision and artificial intelligence
  - ✓ Drones and reality capture technology used at CPB and Leighton Asia
  - ✓ SEDGMETRIX platform remote plant monitoring and optimisation
  - ✓ Intelligent wearables used to enable remote technical experts to communicate with personnel in the field

**Scope 3 – Thiess activity**

- **Hydrogen:** Hydrogen Fuel Cell (Hydra Consortium) and Hydrogen Trickle Feed (10% reduction in CO2)
- **Natural gas:** Delivering up to 23% CO2 eq. emission reduction

The following chart shows CIMIC, Thiess and HOCHTIEF AG's emissions targets compared to peers.




1. Reduction in emissions from diesel combustion in fleet Thiess operates.

Note: All information sourced from company sustainability report where available and in other cases, company websites and publications

- Environment/circular economy

  All projects are required to put in place Environmental Management Plans (**EMP**) which integrate environmental obligations and client environmental requirements during project delivery. CIMIC's project EMPs integrate biodiversity management plans to protect, conserve, or restore biodiversity and ecosystems. These plans manage and mitigate impacts and consider local contexts, baseline surveys, monitoring results and specialist advice.

  In 2022, the Group achieved a solid environmental result with zero Level 1 incidents recorded (zero recorded in 2021) and five Level 2 incidents recorded (compared to 15 recorded in 2021).

  CIMIC supports the principle of the circular economy to maximise the useful life of products and materials. In 2022, the Group generated a total of 5.2 million tonnes of waste, of which more than 94% was diverted, and used 148 KT of recycled material on projects. The Group's focus on water conservation resulted in 940 megalitres being sourced from recycling or reusing water, representing 13.8% of CIMIC's total water withdrawals.

*Supporting safety, people and communities*

- *Safety*

  CIMIC puts safety first – for its teams and the people it interacts with, including its clients, partners, suppliers, communities and the wider public. It also works to embed a safety legacy into the assets, infrastructure and resources projects it delivers to safeguard the people who will operate, maintain and use them into the future.

  As a result of this commitment, in 2022 the Group recorded a 21% decrease in the TRIFR per million hours worked (from 2.96 in 2021 to 2.33 TRIFR in 2022).

- *People*

  CIMIC is committed to providing safe and fair conditions of employment for its people, and engagement for its subcontractors. Through its people focused initiatives, the Group is building respectful, inclusive workplaces, encouraging diversity, developing its people, and rewarding performance. As of 2022, 25,500 people work for CIMIC, representing 80.1 million hours worked and 197,953 hours of training in 2022.

  A Diversity and Inclusion Executive Council provides Group-wide leadership to foster a diverse and inclusive culture across its operations, addressing participation, remuneration, retention, and career progression. In 2022, 18.2% of the Australian workforce was represented by women, which saw an increase of 30% in the number of them promoted, demonstrating the Group's commitment to promote from within and support the careers of female employees.

- *Community*

  CIMIC proactively reaches out for local people to participate in its employment opportunities and supply chain, sharing project benefits and creating an enduring skills legacy. In 2022, the Group spent approximately A$8.5 billion on procurement of supplies and services for its projects and businesses, with 95% being procured locally to the markets in which it operates. In 2022, the Group also increased its total spend with social enterprises by over 15%.

  CIMIC respects and acknowledges all local communities, including Traditional Owners and First Nation peoples, and is working to promote and improve their participation where the Group conducts its business. In 2022, CIMIC Group companies procured A$125.9 million worth of goods and services from Indigenous businesses. This is the Group's highest ever spend with Indigenous businesses and represents an increase of 29.9% on the previous year.

*Acting with integrity*

CIMIC's respect for people and future generations is fundamental, and the Group Code of Conduct[31] embeds its commitment to human rights, fair treatment of all people, the environment and anti-corruption.

Its Code of Conduct sets the standard of behaviour it expects from all employees, sub-contractors and partners. The Board oversees a tiered system of responsibility and accountability. The Ethics, Compliance and Sustainability Committee (**ECSC**) assists the Board in fulfilling its corporate governance and oversight responsibilities, and compliance with all applicable legal and regulatory requirements and internal policies.

The Group's governance framework and Code of Conduct support its actions to prevent, identify and eliminate bribery and corruption and maintain ethical business practices. In 2022, there were no incidents of bribery and corruption considered by Operating Company Reportable Conduct Groups and reported to the Ethics, Compliance and Sustainability Committee. The Group's governance framework also addresses human rights through its Code of Conduct and integrated People, Procurement, Modern Slavery, and Privacy Policies.

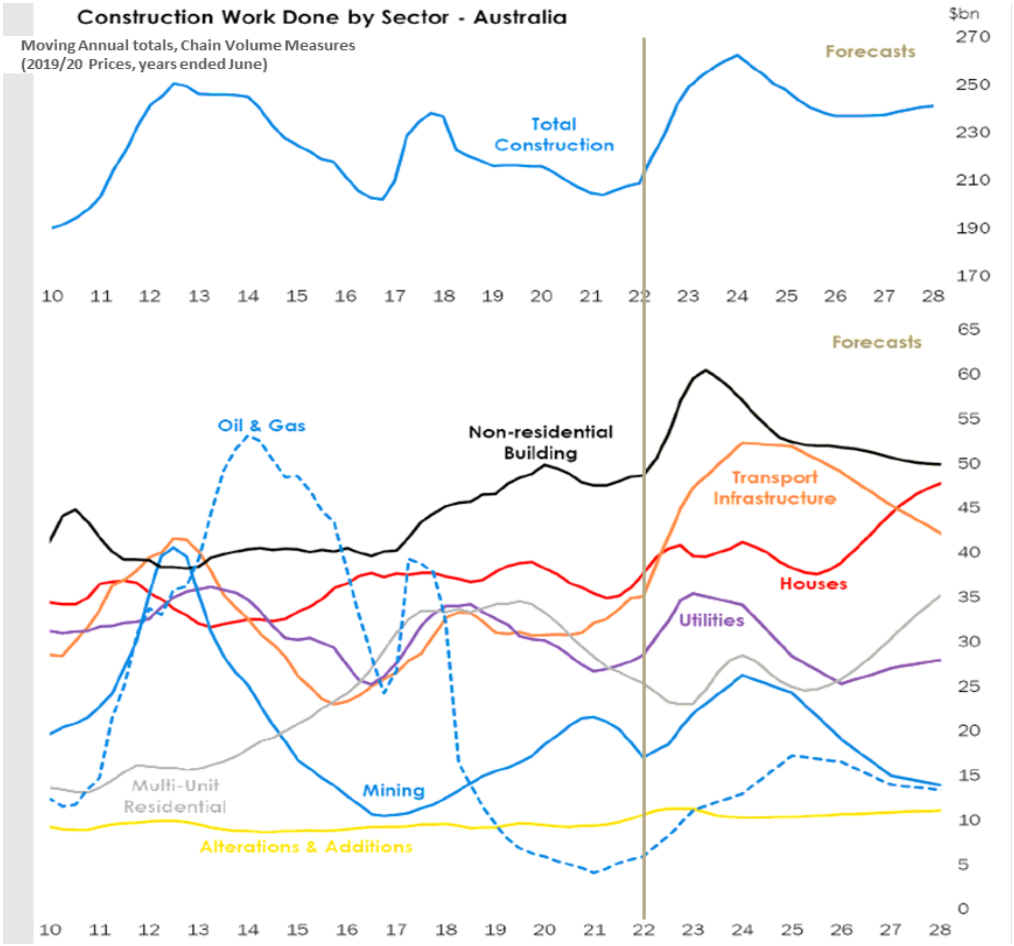
[31] https://cimicdigital-cdn.azureedge.net/-/media/projects/cimic/group/publications/policies/code-of-conduct.pdf?modified=20181112084107

## Outlook

CIMIC's core markets – in construction, services, mining and mineral processing and PPPs – continue to offer a broad range of opportunities.

### *Construction market*

Across CIMIC's core geographies, construction markets have seen growth following a resilient 2020-21 period, as clients maintained and built on their infrastructure investment plans and commitments. Across CIMIC's markets, governments have continued to grow their infrastructure budgets, seeking to accelerate projects by fast-tracking planning approvals, and implementing planning and procurement reforms. This growth in government funding and announcement of several major projects are growing the pipeline across all sectors of the construction market, and further improving the Group's business outlook.




*Source: Macromonitor, December 2022*.[32]

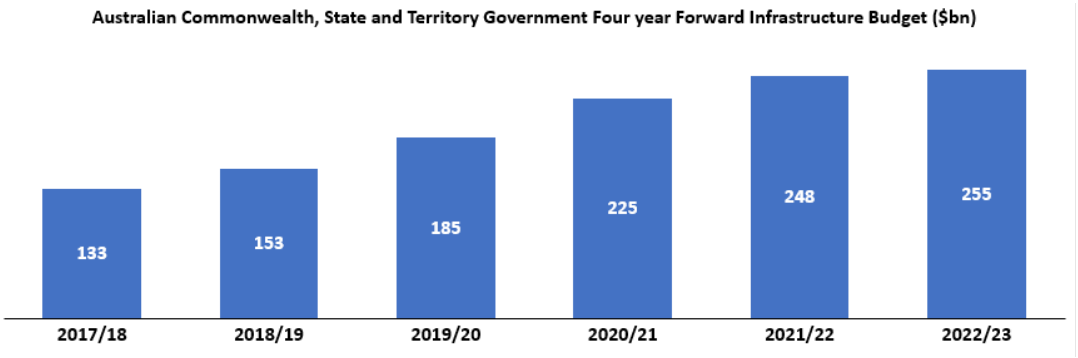
Governments have grown infrastructure spending, supplementing ongoing investment from the private sector, and long-term spending commitments from the public sector – with government-initiated transport and social infrastructure projects, energy infrastructure and resources projects expected to remain the key drivers of the Group's construction opportunities for the foreseeable future.

[32] Note: CIMIC does not participate in the residential building market.

Global commitments to slow, and reverse, the rate of climate change are having a significant positive impact on the construction market and the Group's outlook and order book with growth in new energy and future facing commodity pipelines. For CIMIC, this evolution is currently presenting opportunities including but not limited to:

- renewable energy generation;
- 'firming' technologies including transmission infrastructure, hydrogen, batteries and pumped hydro;
- commodities central to new and low emission technologies; and
- transitioning new and existing infrastructure to the low carbon economy.

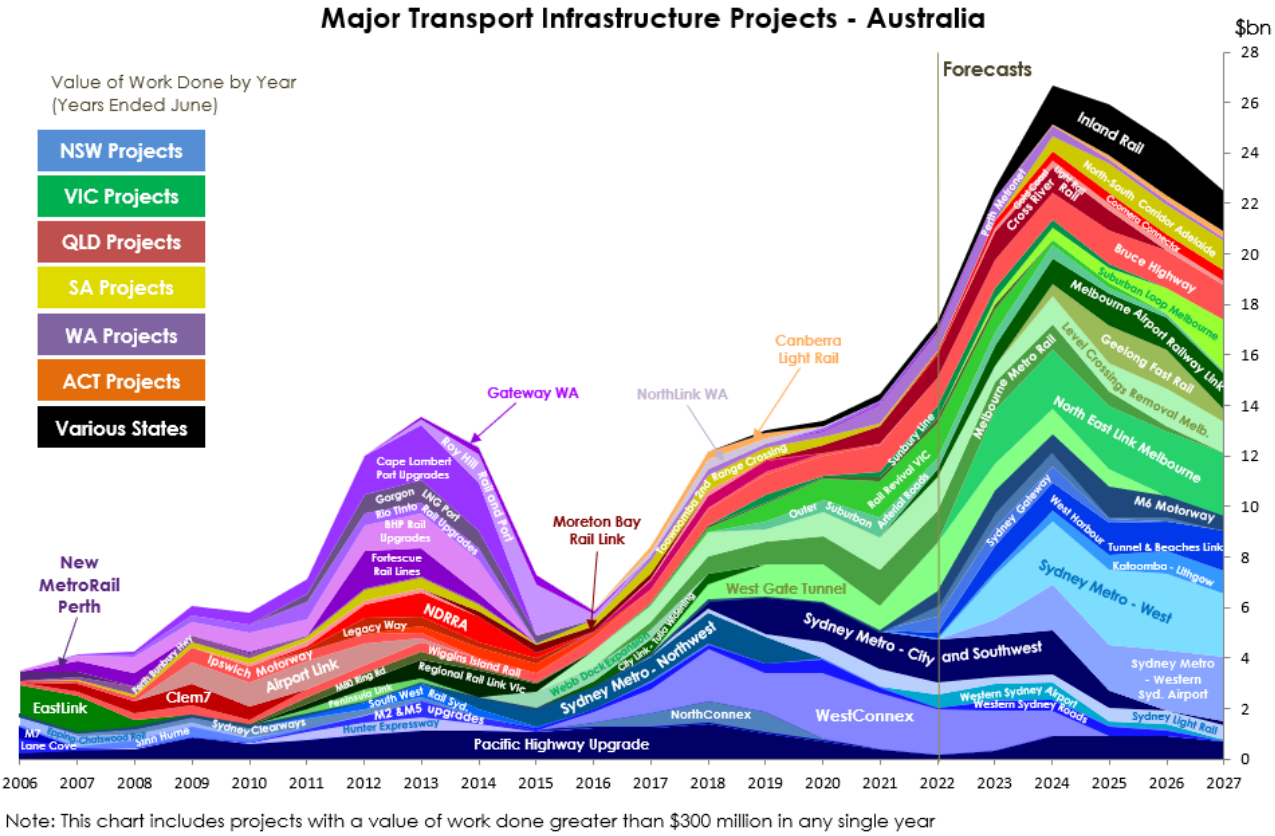
In Australia, infrastructure project commitments are reflected in the most recent Federal, State and Territory government plans and budgets. The Australian Commonwealth, State and Territory Government's infrastructure funding has increased significantly in recent years with the four year forward infrastructure budget reaching A$255 billion in FY23.[33]




*Source: Infrastructure Partnerships Australia, November 2022*

At a national level, the Australian Federal Government has announced it is providing A$8.1 billion to deliver on key transport projects including the Suburban Rail Loop East in Melbourne, the Bruce Highway and other important freight highways such as the Tanami Road and Dukes Highway. These high priority projects are part of the more than A$120 billion pipeline of investment in transport infrastructure over the next 10 years[34]. The turnover of major transport work done by year in Australia is expected to average approximately A$25.2 billion from 2023-27[35].

33 Infrastructure Partnerships Australia, November 2022.
34 Commonwealth of Australia, Budget 2022-23, Budget Paper No. 1, 25 October 2022, p. 20.
35 Macromonitor, Major Transport Infrastructure Chart, January 2023.




Note: This chart includes projects with a value of work done greater than $300 million in any single year

*Source: Macromonitor, January 2023*

The NSW State Government's infrastructure programme has grown to A$112.7 billion over the next four years, with road, rail and other transport infrastructure accounting for 68% of this investment. The average investment of A$28.2 billion per annum over four years is 3.8% higher than the average four-year investment of A$27.1 billion announced in the 2021-22 Budget. Significant funding commitments include A$12.4 billion towards the Sydney Metro West project, A$8.4 billion towards the Sydney Metro – Western Sydney Airport project and A$4.1 billion for the Western Harbour Tunnel Upgrade and Beaches Link Planning[36].

The Victorian State Government's infrastructure investment programme is expected to average A$21.3 billion a year over the budget and forward estimates, bringing the total planned infrastructure investment to A$85.3 billion over the next four years. This budget includes substantial funding commitments for road, rail and other large civil infrastructure projects across the state, including A$5 billion towards the Melbourne Airport Rail Link, A$2.4 billion for the Suburban Rail Loop – Initial and Early Works, A$2 billion on Stage 1 of the Geelong Fast Rail, and funding for the removal of additional level crossings[37],[38].

In Queensland, the State Government outlined an A$59.1 billion capital works programme over the 4 years to 2025–26. Highlights of its most recent budget included funding to continue work on the A$6.7 billion Cross River Rail project, the A$2.6 billion Logan and Gold Coast Faster Rail, A$1.8 billion in M1 Pacific Motorway upgrades and the A$1.2 billion Gold Coast Light Rail Stage 3[39].

Governments in other states and territories have also outlined major transport and social infrastructure programmes in their most recent budgets. Over the coming four years the Western Australian, South

36 New South Wales. State Budget 2022-23, Budget Paper No. 3, 21 June 2022, p. 1-1, 1-2 and 1-4.
37 Infrastructure Partnerships Australia, November 2022, p. 9.
38 Victoria. State Budget 2022-23, Budget Paper No. 4, 10 June 2022, p. 2, 187, 188, 190.
39 Queensland State Budget 2022-23, Budget Paper No. 3, 12 July 2022, p. 1, 111, 112, 126, 133.

Australian, Northern Territory, Australian Capital Territory and Tasmanian governments have committed to infrastructure investments of A$33.9 billion[40], A$18.6 billion[41], A$4.8 billion[42], A$4.5 billion[43] and A$4.1 billion[44] respectively, the bulk of which is in transport and social infrastructure, providing the Group with a broad range of construction opportunities across Australia.

Hospital and health care infrastructure are also benefitting from significant budgetary commitments, reflecting the country's growing and ageing population, and a desire to improve the country's healthcare system. The number of hospitals projects underway is expected to surpass the unprecedented number of hospitals where building has commenced during the period from 2009/10 to 2013/14. Many of these investments – along with the substantial planned investments in energy, water, defence and education related infrastructure – are expected to suit CIMIC's capabilities and offer construction opportunities for the Group.

In New Zealand the recently established Infrastructure Commission's (Te Waihanga) infrastructure pipeline increased from NZ$72.2 billion to NZ$76.9 billion in September, an increase of 6.5% from the June quarter [45]. This pipeline is based on submissions from government agencies and local councils, with transport being the largest sector by value followed by water and health.

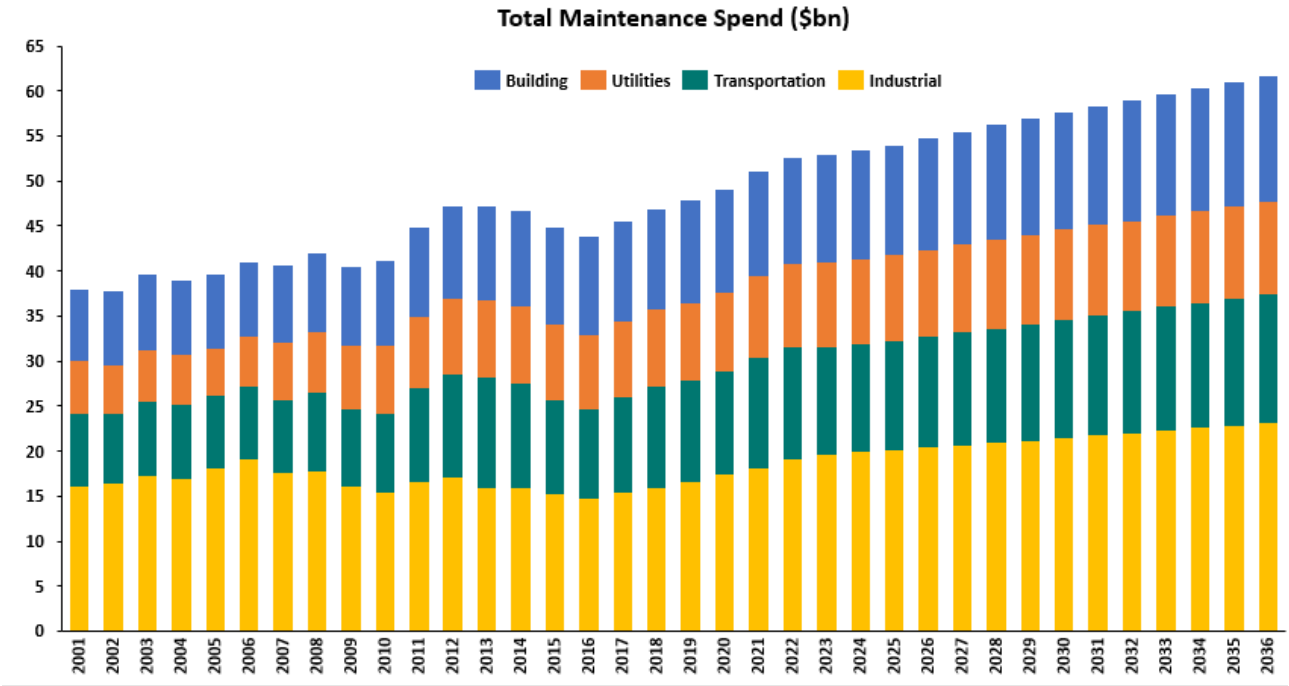
In the Group's other international markets, relatively high levels of investment in economic and social infrastructure projects, lead management to expect the continuation of a broad range of construction opportunities.

***Services market***

The Group has the capability to provide end-to-end service capabilities, offering integrated asset servicing solutions which add value by applying specialist expertise to the entire lifecycle of clients' assets – from design, construction, commissioning, manufacture and capital works, to operation, maintenance, management, upgrade, overhaul and decommissioning. CIMIC's standalone service offering, and the ability to provide complementary capabilities across the Group, present distinct advantages for clients, and position the Group to benefit from a growing services market.

A sustained increase in the level of investment committed to physical assets across transport, power, renewable energy, water, defence, telecommunications, resources and social infrastructure, to meet a rising demand and address historic underinvestment, is resulting in a greater need for maintenance to keep those assets in working order. This increase comes at a time when existing infrastructure is ageing and facing systemic maintenance underspend. Overlaying this expected market growth, asset owners are increasingly seeing the benefit of outsourcing maintenance services to pursue operational efficiencies and to deliver productivity improvements. These factors are driving a growing maintenance backlog across the Group's markets.

40 Western Australia State Budget 2022-23, Budget Speech, 12 May 2022, p. 3.
41 South Australian State Budget 2022-23, Budget Paper No. 1, 2 June 2022, p. 26.
42 Tasmanian State Budget 2022-23, Budget Paper No. 1, 27 May 2022, p. 1.
43 Australian Capital Territory 2022-23, Budget Review, February 2023, p. 98.
44 Northern Territory Budget 2022-23, Budget Paper No. 2, 4 May 2022, p. 41.
45 New Zealand Infrastructure Commission – (Te Waihanga), Te Waihanga Infrastructure Quarterly, November 2022, p.2.




*Source: BIS Oxford Economics, Maintenance in Australia 2022 Edition, April 2022*

The maintenance services market in Australia grew by 4.1% from 2019-20 to A$51.1 billion in 2020-21, approximately 59 per cent of which was outsourced to the private sector. The outsourced segment of this market is expected to grow to A$32.8 billion by 2025-26, from A$30.0 billion in 2020-21, outpacing the growth of the overall maintenance market[46].

CIMIC's strong position in the maintenance services market, and ability to deliver innovative and end-to-end construction and maintenance service solutions for clients, positions the Group to capitalise on the expanding range of opportunities presented in this market.

***PPP market***

Since the 1990s, governments across Australia, New Zealand and Asia Pacific have used PPPs to deliver transport and social infrastructure projects. Through PPPs, infrastructure users have gained access to innovative and efficient solutions from leading providers, and taxpayers have benefited from the improved value-for-money proposition that PPPs can provide. In Australia, continued support for the National PPP Policy Framework, which established that projects valued over A$50 million should be considered for PPP procurement, reflects the ongoing acceptance of the PPP procurement model[47]. The NSW Government has recently updated its PPP policy and guidelines demonstrating its commitment to the model and recognition of the benefits of such model for taxpayers[48].

In New Zealand, one of the Infrastructure Commission's (Te Waihanga) functions is to coordinate the New Zealand PPP Programme, as the government is actively pursuing non-traditional procurement options, including greater private sector involvement in the provision of both infrastructure and services, where these can demonstrate greater value for money to the public sector[49]. As at the date of this Offering Circular, the government's policy is that the PPP model may be initiated in the transport and defence sectors in particular[50].

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46 BIS Economics, Maintenance in Australia 2022 Edition, April 2022.
47 Department of Infrastructure and Regional Development, National PPP Policy Framework, October 2015, p. 7.
48 NSW Public Private Partnership Policy and Guidelines 2022.
49 New Zealand Infrastructure Commission – Infracom (Te Waihanga), Accessed 28 March 2023 - https://infracom.govt.nz/major-projects/public-private-partnerships/ppp-guidance/.
50 Te Waihanga – New Zealand Public Private Partnership Model Review, p12.

An independent research report, commissioned by Infrastructure Partnerships Australia, and conducted by the University of Melbourne and Drum Advisory, examined the performance of social infrastructure PPPs in Australia and New Zealand over the past 25 years. Supported and sponsored by the Queensland, Victorian, New South Wales and New Zealand governments, the study analysed the experiences of service providers and users of PPPs. The study found that 95 per cent of service providers said their PPP project delivered the service as promised, and there was a strong preference (95 per cent) for working in a PPP over a traditionally procured government facility. The study also found that satisfaction levels remained high over the years of operation and that the quality of service was better than that provided by a traditionally procured and operated facility[51]. This research follows an earlier independent research report, conducted by the University of Melbourne and Allen Consulting, which showed that the delivery of PPPs achieved a cost efficiency of between 11%-31% compared to traditional procurement methods[52].

In the Philippines, the Government has confirmed the critical role of the private sector and PPPs to support the national growth and development. This was documented through the Revised 2022 Implementing Rules and Regulations (IRR) of the Build-Operate-Transfer (BOT) Law which sought to address stakeholder concerns on the financial viability and bankability of PPP projects, and concerns about potential delays due to extra steps, rigid processes, or ambiguous provisions.[53]

The knowledge, acceptance and use of PPPs is continuing to create a range of opportunities for CIMIC, given the Group's demonstrated track record in this market. CIMIC is a market leader in the delivery of infrastructure through PPPs. By deploying the requisite technical, commercial, and financial resources the Group can successfully control, plan and deliver all phases of a PPP.

The Group's pipeline of PPP opportunities includes the following sectors:

- transport including a number of heavy and light rail projects, several major road projects;
- utilities including both water assets and electricity transmission infrastructure projects; and
- a range of social infrastructure projects, including schools, hospitals, precincts, defence and non-custodial correctional facilities.

Opportunities for the Group in the PPP market are likely to include varying combinations of design, construction, finance, and operation and maintenance.

***Mining and Mineral Processing market***

The Group's mining services business is exposed to commodities that are expected to continue to play a major role in the global economy. In the long-term, the Group's positive outlook for the mining services market remains underpinned by sustained population growth, increasing urbanisation and industrialisation, rising global living standards, and limited substitutes for the major commodities mined and processed by the Group. The Group has successfully transitioned from construction to operations and maintenance through various commodity cycles and is well poised to benefit from significant increases in mining maintenance due to a mixture of newly commissioned and ageing assets.

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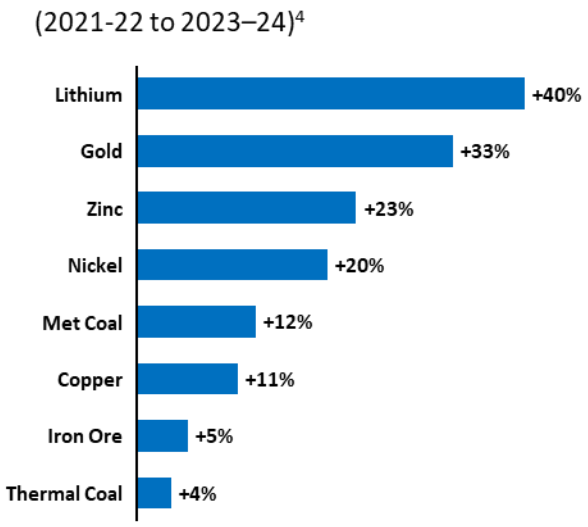
51 Infrastructure Partnerships Australia, University of Melbourne and Drum Advisory, Measuring the Value and Service Outcomes of Social Infrastructure PPPs in Australia and New Zealand, 1 April 2020, p. 3 and 6 - https://inform.infrastructure.org.au/Report/Social-Infrastructure-PPPs.

52 Infrastructure Partnerships Australia, University of Melbourne and Allen Consulting Group, Performance of PPPs and Traditional Procurement in Australia, 1 November 2007, p. 26 - https://infrastructure.org.au/wp-content/uploads/2016/12/IPA_PPP_FINAL.pdf.

53 The Revised 2022 IRR of the BOT Law is Out Now, Republic of the Philippines PPP Center, 25 November 2022.

Australia's resource and energy exports are forecast to reach a record A$459 billion in 2022-23, with export volumes expected to maintain a positive trajectory in the coming years, with volume growth broad based across most commodities. Australian coal producers are some of the most competitive in the world, and are expected to increase production over the outlook period from 2021/22 to 2023/24, as forecast by the Australian Department of Industry. Over the next two years, export volumes of Australian commodities are expected to grow substantially, including iron ore (+5.3%), metallurgical coal (+12.3%), thermal coal (+3.6%), gold (+32.7%), copper (+10.5%), lithium (+40.2%), zinc (+22.7%) and nickel (+19.7%)[54].

**Export Volume Growth**




Mining investment expenditure has risen across the board in recent quarters, and forward expectations suggest that investment in 2022–23 will be slightly higher than in 2021–22. Strong prices for gold and various minerals used in low-emissions energy generation are leading to new investment plans, including the re-opening of mines which supports this growth in investment[55]. This investment is supporting significant opportunities for the Group. As an active player in mining services, the Group expects Thiess and Sedgman to continue to benefit from this solid demand outlook.

**Competitors**

The key competitors of the Group, by activity, are set out below.

***Construction***

In Australia, the major competitors include: Acciona, John Holland (owned by China Communications Construction Company Limited), Multiplex Australia, Gamuda Engineering, Downer Group, Fulton Hogan, Watpac (owned by BESIX), Laing O'Rourke Australia, Monadelphous, BMD, McConnell Dowell (owned by Aveng Limited), Webuild, Ferrovial and Bouygues.

Internationally, key competitors include: in New Zealand, Fletcher Building, Downer Group, Fulton Hogan, McConnell Dowell, HEB (owned by Vinci); in Hong Kong, China Road and Bridge / China Harbour (both owned by China Communications Construction Company), Gammon Construction, China State Construction Engineering, Build King Holdings, Chun Wo and Hip Hing; in Singapore, Samsung C&T, Penta-Ocean Construction, GS Engineering & Construction, Woh Hup, Sato Kogyo,

54 Australian Government (Office of the Chief Economist) Department of Industry, Innovation and Science: Resources and Energy Quarterly, December 2022, p. 14.

55 Australian Government (Office of the Chief Economist) Department of Industry, Innovation and Science: Resources and Energy Quarterly, December 2022, p. 11.

Shanghai Tunnel Engineering, Koh Brothers Group and Hock Lian Seng; in India, Larsen & Toubro, Tata Projects, Sterling & Wilson, Shapoori Pallonji Construction Limited, L&W, JMC Projects, and Capacite.

***Services***

Key services competitors include: Downer Group, Service Stream, John Holland, Fulton Hogan, Gamuda Engineering, Monadelphous, Keolis-Downer, Acciona, Zinfra and MTR Corporation Limited.

***Mining and Mineral Processing***

The key Australian mining services competitors include: NRW, Byrnecut, Macmahon, Perenti, BUMA and Mineral Resources. International mining competitors include: in Indonesia, PAMA (United Tractors), BUMA (Delta Dunia), Darma Henwa, Saptaindra Sejati (SIS), Petrosea; in North America, Redpath and Thyssen; in Africa, Aveng (Moolmans) and Murray and Roberts.

Key minerals processing competitors include: Worley, Bechtel, Fluor, Hatch, Wood Group, SNC-Lavalin, Ausenco, GR Engineering, Lycopodium (including Mondium), DRA Global (including Minnovo), JDS Energy & Mining and NRW (Primero).

## SELECTED FINANCIAL INFORMATION

Summary historical financial information of the Group for financial years ended 31 December 2022 (**FY22**), 31 December 2021 (**FY21**) and 31 December 2020 (**FY20**) is included below.

In FY20, the Group entered into the Thiess Transaction. Accordingly, the transaction was recorded as a disposal of a controlled entity in accordance with AAS and the Group recognised an interest in a joint venture entity.

As a result of the disposal, Thiess was classified as a 'discontinued operation' and the financial performance of Thiess was separately disclosed under 'discontinued operations' for FY20. For FY22 and FY21, since Thiess is now an equity accounted investment, the Group's 50% share of Thiess' profit is disclosed under 'Share of profits of associates and joint ventures'. The audited statutory financial performance for the Group for FY22, FY21 and FY20 is presented in Section 1.

Appendix A presents a reconciliation from the audited statutory CIMIC Group Statement of Profit or Loss to the 'adjusted underlying' profit for the Group for FY20 as if the disposal of Thiess had occurred prior to 1 January 2020, and with the impact of one-off items excluded. This reconciliation adds back the Group's 50% share in the result of the operations of Thiess, including the adjustment to reflect the purchase price allocation (**PPA**) as recorded in the Thiess Group Holdings Pty Ltd financial report for the period ended 31 December 2020. Further to this, one-off items as recorded within the FY20 statutory profit are included as 'underlying adjustments' in order to derive the adjusted underlying profit, which reflects the Group's operational performance and is consistent with the manner in which management of the Group (**Management**) reviews the business.

CIMIC Group Profit or Loss for FY20 on an adjusted underlying basis, adjusting for the items as described above is presented in Section 1, and detailed in Appendix A. The Group's Profit or Loss for FY22 and FY21 are presented on a statutory basis with no underlying adjustments as the net impact associated with the one-off items are negligible.

Section 4 outlines the audited statutory CIMIC Group Statement of Financial Position. The 31 December 2022, 31 December 2021 and 31 December 2020 statement of financial positions represent the position of the Group with Thiess presented as an equity accounted investment since the sale completed on 31 December 2020.

Section 5 includes the cash flow information as disclosed in the audited statutory CIMIC Group Statement of Cash Flows, adjusted to exclude the impact of the Combined Cycle Power Plant (**CCPP**) contract settlement in FY22. To assess the cash flow without Thiess, cash flows for FY20 have been adjusted to exclude cash flows from discontinued operations, and to include the Group's share of Thiess profit assumed to be received as a dividend by the Group.

### 1. Statutory and Adjusted Underlying Financial Performance

The following table outlines the Group's audited statutory financial performance for FY22, FY21 and FY20. For FY22 and FY21, CIMIC's 50% share of the profits of Thiess are reflected in the share of profits of associates and joint ventures line. For FY20, 100% of Thiess results are reflected in the discontinued operations line.

For FY20, FY21 and the first quarter of FY22, CIMIC's share of the profits of Ventia are reflected in the share of profits of associates and joint ventures line. Following CIMIC's resignation from the Ventia Board in March 2022, CIMIC's investment in Ventia has been reclassified from an equity-accounted associate to a financial investment measured at fair value, with the fair value movements presented in Other Comprehensive Income (and not included in the table below), and the dividend income, received from April to December 2022, presented in the revenue line.

The table below also outlines the Group's FY20 adjusted underlying financial performance, presented in the way that Management view the Group. The FY20 statutory financial information is adjusted for Thiess as a 50% joint venture (on a comparable basis with FY22 and FY21), including its PPA adjustment, and is adjusted for other underlying one-off adjustments as recorded in the statutory results of the Group. There are no underlying adjustments to FY22 and FY21 statutory financial information.

| A$m | Results for the financial year ended 31 December | | | |
|---|---|---|---|---|
| | 2022 | 2021 | 2020 | 2020 |
| | Statutory | Statutory | Statutory | Adjusted Underlying[1] |
| *Continuing operations* | | | | |
| Revenue | 11,086.9 | 9,686.6 | 7,802.4 | 9,004.2 |
| Expenses | (11,088.3) | (9,307.1) | (9,412.8) | (8,703.3) |
| Finance income | 35.2 | 12.7 | 19.8 | 19.8 |
| Finance costs | (183.7) | (140.5) | (179.8) | (179.8) |
| Share of profits of associates and joint ventures | 169.0 | 185.7 | 69.0 | 277.1 |
| Other gains[2] | 531.7 | 60.3 | - | - |
| Profit / (loss) before tax | 550.8 | 497.7 | (1,701.4) | 418.0 |
| Income tax (expense) / benefit | (124.6) | (93.7) | 434.2 | (64.3) |
| Profit / (loss) for the year from continuing operations | 426.2 | 404.0 | (1,267.2) | 353.7 |
| *Discontinued operations* | | | | |
| Profit for the year from discontinued operations[3] | - | - | 1,883.9 | - |
| Profit for the year | 426.2 | 404.0 | 616.7 | 353.7 |
| (Profit) / loss for the year attributable to non-controlling interests | (0.6) | (1.9) | 3.4 | (3.1) |
| Profit for the year attributable to shareholders of the parent entity | 425.6 | 402.1 | 620.1 | 350.6 |

1 In order to bridge the Group's FY20 financial performance from Statutory to Adjusted Underlying, the main adjustments are summarised as follows:

– Pro forma adjustments to show the impact of the Thiess Transaction. The financial information adds back the Group's 50% share in the result of the operations of Thiess, including the adjustment to reflect the PPA as recorded in the 31 December 2020 Thiess Group Holdings Pty Ltd financial report.

– Other FY20 underlying adjustments include:

  o adjusting for the impact of the Gorgon Jetty arbitration (for further details, see "*Description of the CIMIC Group – Investigations, Disputes and Litigation*);

  o eliminating the gain on sale of the Thiess Transaction;

  o removing the impact of one-off items in FY20 in respect of the COVID-19 pandemic and restructuring costs, oil and gas vessel and property impairments, project settlements and cost provisioning.

All of the abovementioned items are numerically bridged and further detailed in Appendix A: FY20 Statutory to Adjusted Underlying.

2 Included within the pre-tax gain of A$531.7 million recognised in FY22 was the non-cash gain of A$501.7 million as a result of the change in classification of CIMIC's investment in Ventia from an associate to a financial investment in March 2022. CIMIC's investment in Ventia which was held at cost in FY21 and FY20, is now held at fair value through other comprehensive income. The pre-tax gain of A$60.3 million recognised in FY21 relates to the gain on sell down of Ventia (from 47% to 32.8%) as a result of the completion of their IPO in November 2021.

3 Included in discontinued operations for FY20 was the net profit after tax (before non-controlling interests) from Thiess' operations of A$395.7 million and the A$1,488.2 million gain on sale of Thiess.

## 2. Reconciliation of Statutory profit to EBITDA

EBITDA is earnings before interest, tax, depreciation and amortisation. For FY20, EBITDA is also adjusted for the Thiess pro forma adjustments and underlying adjustments, as outlined in Section 1 / Appendix A.

| A$m | For the financial year ended 31 December | | |
|---|---|---|---|
| | 2022 Statutory | 2021 Statutory | 2020 Adjusted Underlying |
| EBITDA | 1,010.8 | 909.2 | 818.5 |
| Depreciation and amortisation[4] | (311.5) | (283.7) | (240.5) |
| EBIT | 699.3 | 625.5 | 578.0 |
| Net finance costs | (148.5) | (127.8) | (160.0) |
| Profit before tax | 550.8 | 497.7 | 418.0 |
| Income tax expense | (124.6) | (93.7) | (64.3) |
| Profit for the year from continuing operations | 426.2 | 404.0 | 353.7 |
| Profit for the year attributable to non-controlling interests | (0.6) | (1.9) | (3.1) |
| Profit for the year attributable to the shareholders of the parent entity | 425.6 | 402.1 | 350.6 |
| Underlying adjustments[5] | - | - | 54.6 |
| Thiess proforma[6] | - | - | 214.9 |
| Statutory profit | 425.6 | 402.1 | 620.1 |

4 The FY20 adjusted underlying depreciation and amortisation expense of A$240.5 million is calculated as A$292.1 million as presented in the 2021 CIMIC Group Limited Annual Report less a A$51.6 million underlying adjustment with respect to impairments of the offshore oil & gas vessels (which has been included in the A$54.6 million (post-tax) underlying profit adjustment).

5 The A$54.6 million FY20 underlying post tax profit adjustments consists of: the statutory gain on Thiess divestment of A$1,488.2 million offset by A$(50.0) million in relation to tax losses previously recognised within continuing operations which following the completion of the sale are no longer expected to be utilised, A$(805.3) million with respect to the resolution of the Gorgon Jetty arbitration, A$(116.1) million impairments relating to offshore oil and gas vessels and impairments in the property business, A$(188.9) million COVID-19 pandemic and related restructuring costs, A$(182.3) million of project settlements, A$(126.0) million additional cost provision and A$35.0 million in relation to 50% of Thiess' one-off COVID-19 pandemic and restructuring costs.

6 The FY20 Thiess pro forma adjustments can be found in the 2020 financial performance table of Appendix A.

## 3. Work in hand

The table below sets out work in hand for FY22, FY21 and FY20 from the audited consolidated financial statements for the Group, adjusted to reflect the Group's investment in Ventia as a financial investment in FY21 and FY20 being, the Group's share of work in hand from Ventia at 31 December 2021 and 31 December 2020 was removed from the Investments line.

| Work in hand<br>A$m | 31 December 2022 | 31 December 2021 | 31 December 2020 |
|---|---|---|---|
| Construction (CPB and Leighton Asia) | 15,870 | 15,660 | 12,526 |
| Services (UGL and Sedgman) | 9,631 | 9,284 | 8,825 |
| Investments[7,8] (including Thiess) | 4,925 | 2,724 | 3,712 |
| **Total Work in hand** | 30,426 | 27,668 | 25,063 |

7 Investments work in hand includes work in hand from CIMIC's share of investments at their ownership percentage, including Thiess.

8 The Investments work in hand balance was A$8.2bn at 31 December 2021 with Ventia at the Group's ownership share of 32.8% and A$8.7 billion at 31 December 2020 with Ventia at 47% (or A$6.8bn as at 31 December 2020 adjusted for Ventia at 32.8%).

## 4. Statement of Financial Position

The tables below summarise the Group's balance sheet as at 31 December 2022, 31 December 2021 and 31 December 2020. The 31 December 2022 and 2021 statement of financial positions have been derived from the audited consolidated financial statements for the Group for the year ended 31 December 2022, and the 31 December 2020 statement of financial position has been derived from the audited consolidated financial statements for the Group for the year ended 31 December 2021.

| **Assets** | **As at** | | |
|---|---|---|---|
| A$m | **31 December** 2022 | **31 December** 2021 | **31 December** 2020 |
| **Current assets** | | | |
| Cash and cash equivalents | 2,569.0 | 1,939.7 | 3,082.5 |
| Short term financial assets and investments | - | - | 4.5 |
| Trade and other receivables | 2,806.5 | 2,312.7 | 1,929.8 |
| Current tax assets | 154.2 | 126.6 | 1.0 |
| Inventories: consumables and development properties | 269.4 | 232.4 | 185.2 |
| Asset held for sale | 44.1 | 44.3 | - |
| **Total current assets** | **5,843.2** | **4,655.7** | **5,203.0** |
| | | | |
| **Non-current assets** | | | |
| Trade and other receivables | 414.1 | 123.5 | 89.8 |
| Inventories: development properties | 68.4 | 80.6 | 84.8 |
| Investments accounted for using the equity method | 1,817.3 | 1,700.5 | 1,378.2 |
| Other investments | 915.8 | 84.2 | 57.1 |
| Deferred tax assets | 234.1 | 608.9 | 757.9 |
| Property, plant and equipment | 566.7 | 639.6 | 814.2 |
| Intangibles | 941.4 | 915.4 | 912.3 |
| **Total non-current assets** | **4,957.8** | **4,152.7** | **4,094.3** |
| | | | |
| **Total assets** | **10,801.0** | **8,808.4** | **9,297.3** |

| **Liabilities and equity** | **As at** | | |
|---|---|---|---|
| **A$m** | **31 December 2022** | **31 December 2021** | **31 December 2020** |
| **Current liabilities** | | | |
| Trade and other payables | 5,203.7 | 4,344.2 | 4,569.8 |
| Current tax liabilities | 14.1 | 63.8 | 16.5 |
| Provisions | 268.9 | 249.0 | 218.3 |
| Financial liability | 33.7 | 68.9 | 151.2 |
| Interest bearing liabilities | 110.1 | 275.7 | 210.0 |
| Lease liabilities | 75.3 | 70.1 | 69.7 |
| **Total current liabilities** | **5,705.8** | **5,071.7** | **5,235.5** |
| | | | |
| **Non-current liabilities** | | | |
| Trade and other payables | 216.1 | 253.7 | 195.3 |
| Provisions | 18.2 | 30.3 | 42.7 |
| Interest bearing liabilities | 3,235.2 | 2,166.4 | 2,686.6 |
| Lease liabilities | 189.3 | 207.1 | 245.1 |
| **Total non-current liabilities** | **3,658.8** | **2,657.5** | **3,169.7** |
| | | | |
| **Total liabilities** | **9,364.6** | **7,729.2** | **8,405.2** |
| | | | |
| **Equity** | **1,436.4** | **1,079.2** | **892.1** |

## 5. Cash flow information

The tables below set out the net cash from operating activities, cash from investing activities and cash from financing activities for FY22, FY21 and FY20, each derived from the audited consolidated financial statements for the Group. FY22 operating cash flows has been adjusted to exclude the impact of the CCPP contract settlement during the year. FY20 cash flows include 100% of the cash flows of Thiess, and are subsequently adjusted to a pro forma basis by excluding cash flows from the discontinued operations of Thiess. The pro forma net cash from operating activities for FY20 is also adjusted to include 50% of the NPAT of the Thiess joint venture in the year, assumed to be received as a dividend by the Group. No adjustment is made to FY21 cash flows.

| **Cash flows from operating activities**<br>**A$m** | **For the financial year ended 31 Dec**<br>**2022** | **2021** | **2020** |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash receipts in the course of operations (including Goods and services tax (**GST**)) | 11,888.9 | 10,739.4 | 13,807.5 |
| Cash payments in the course of operations (including GST) | (11,225.3) | (10,764.9) | (13,754.4) |
| Cash flows from operating activities | 663.6 | (25.5) | 53.1 |
| Interest received | 32.0 | 10.6 | 22.7 |
| Finance costs paid | (148.3) | (107.1) | (167.5) |
| Income taxes paid | (73.1) | (15.8) | (173.5) |
| **Net cash from operating activities** | **474.2** | **(137.8)** | **(265.2)** |
| **Pro forma underlying net cash from operating activities** | | | |
| Less: cash flows from discontinued operations[9] | - | - | (113.5) |
| Add back: 50% of Thiess' distribution[10] | - | - | 173.1 |
| Add back: CCPP contract settlement[11] | 192.5 | - | - |
| **Pro forma underlying net cash from operating activities** | **666.7** | **(137.8)** | **(205.6)** |

| **Cash flows from investing activities**<br>A$m | **For the financial year ended 31 Dec**<br>**2022** | **2021** | **2020** |
|---|---|---|---|
| Payments for intangibles | (16.0) | (4.6) | (18.4) |
| Payments for property, plant and equipment | (178.1) | (63.3) | (579.7) |
| Payments for investments in controlled entities and businesses | - | - | (10.9) |
| Proceeds from sale of property, plant and equipment | 17.4 | 28.9 | 30.5 |
| Proceeds from sale of investments | 60.9 | 32.0 | 2,223.4 |
| Cash acquired from acquisition of investments | 0.7 | - | 16.3 |
| Cash disposed from sale of investments | (14.9) | - | (127.7) |
| Dividends from investments[12] | 20.9 | - | - |
| Payments for investments | (244.3) | (50.3) | - |
| **Net cash from investing activities** | **(353.4)** | **(57.3)** | **1,533.5** |
| **Pro forma cash flows from investing activities** | | | |
| *Add back*: cash flows from discontinued operations[9] | - | - | 405.7 |
| **Pro forma cash flows from investing activities** | **(353.4)** | **(57.3)** | **1,939.2** |

9 Cash flows from discontinued operations for FY20 are taken from the 2021 CIMIC Group Limited Annual Report.

10 This represents the Group's share of NPAT in the Thiess joint venture in FY20 assumed to be received as a dividend by the Group. This assumes that the dividend is received within the same financial year.

11 On 11 April 2022, CIMIC entered into a conditional, confidential commercial agreement with its consortium partners and JKC resulting in a full and final settlement of all matters in connection with the CCPP contract. CIMIC paid an amount of A$192.5 million in April 2022 and an additional amount of A$300 million in March 2023, as its contribution to the settlement.

12 This relates to the dividend received from Ventia on 7 October 2022.

| Cash flows from financing activities | For the financial year ended 31 Dec | | |
|---|---|---|---|
| A$m | 2022 | 2021 | 2020 |
| Cash payments for share buybacks | - | - | (281.3) |
| Repayment of financial liability | (38.9) | (84.5) | (1,398.4) |
| Payments to acquire non-controlling interest | - | (15.6) | - |
| Proceeds from borrowings | 2,678.8 | 2,188.3 | 4,910.0 |
| Repayment of borrowings | (1,815.7) | (2,655.7) | (2,752.9) |
| Repayment of leases | (91.8) | (88.5) | (317.8) |
| Dividends paid to shareholders of the Company | (233.5) | (317.5) | - |
| Dividends paid to non-controlling interests | - | - | (11.4) |
| **Net cash from financing activities** | **498.9** | **(973.5)** | **148.2** |
| **Pro forma cash flows from financing activities** | | | |
| *Less*: cash flows from discontinued operations[13] | - | - | (223.7) |
| **Pro forma cash flows from financing activities** | **498.9** | **(973.5)** | **(75.5)** |

13 Cash flows from discontinued operations for FY20 are taken from the 2021 CIMIC Group Limited Annual Report.

## Appendix A. Reconciliation of FY20 Statutory results to Adjusted Underlying results

The below table sets out the reconciliation from the Group's audited statutory results to the Group's 'adjusted underlying' results for FY20, adjusting for the disposal of Thiess as if it had occurred on 1 January 2020 (Thiess pro-forma adjustments) and adjusting for one-off items deemed appropriate by management (Underlying adjustments).

The reconciliation includes, as a pro forma adjustment, the Group's 50% share in the reported result of the operations of Thiess, including the adjustment to reflect the pro forma take up of 50% of the PPA as recorded in the Thiess Group Holdings Pty Ltd financial report for the period ended 31 December 2020. The pro-forma adjustment also removes 100% of the Thiess profit for the year from discontinued operations in 2020 since Thiess is now equity accounted, as reflected in the 50% take up pro-forma adjustment. The reported result of the operations of Thiess has been derived from the CIMIC Group Limited Annual Report for the year ended 31 December 2021.

Further to this, the one-off items as recorded within the statutory profit of the CIMIC Group in FY20 are included as 'underlying adjustments' in order to derive the adjusted underlying profit, which reflects the Group's operational performance and is consistent with the manner in which Management reviews the business.

### 2020 Financial Performance

| A$m | Results for the year ended 31 December 2020 | | | | |
|---|---|---|---|---|---|
| | Historical CIMIC Group | Thiess Pro forma adjustments | CIMIC Group Pro forma with Thiess as 50% JV | Underlying Adjustments | Adjusted Underlying |
| *Continuing operations* | | | | | |
| Revenue[14] | 7,802.4 | - | 7,802.4 | 1,201.8 | 9,004.2 |
| Expenses[15] | (9,412.8) | - | (9,412.8) | 709.5 | (8,703.3) |
| Finance income | 19.8 | - | 19.8 | - | 19.8 |
| Finance costs | (179.8) | - | (179.8) | - | (179.8) |
| Share of profits of associates and joint ventures[16,17] | 69.0 | 173.1 | 242.1 | 35.0 | 277.1 |
| (Loss) / profit before tax | (1,701.4) | 173.1 | (1,528.3) | 1,946.3 | 418.0 |
| Income tax benefit / (expense)[18] | 434.2 | - | 434.2 | (498.5) | (64.3) |
| (Loss) / profit for the year from continuing operations | (1,267.2) | 173.1 | (1,094.1) | 1,447.8 | 353.7 |
| *Discontinued operations* | | | | | |
| Profit for the year from discontinued operations[16,19] | 1,883.9 | (395.7) | 1,488.2 | (1,488.2) | - |
| Profit / (loss) for the year | 616.7 | (222.6) | 394.1 | (40.4) | 353.7 |

| A$m | Results for the year ended 31 December 2020 | | | | |
|---|---|---|---|---|---|
| | Historical CIMIC Group | Thiess Pro forma adjustments | CIMIC Group Pro forma with Thiess as 50% JV | Underlying Adjustments | Adjusted Underlying |
| Loss / (profit) for the year attributable to non-controlling interests[20,21] | 3.4 | 7.7 | 11.1 | (14.2) | (3.1) |
| **Profit / (loss) for the year attributable to shareholders of the parent entity** | **620.1** | **(214.9)** | **405.2** | **(54.6)** | **350.6** |

14 The A$1,201.8 million underlying adjustment to revenue consists of A$1,150.4 million with respect to the Gorgon Jetty contract asset following the resolution of the arbitration and other FY20 items of A$51.4 million in respect of property business impairments.

15 The A$709.5 million underlying adjustment to expenses is with respect to one-off impairments of offshore oil and gas vessels and property business of A$99.0 million, COVID-19 pandemic and restructuring costs of A$170.0 million (after excluding Thiess costs of A$99.8 million) following clients' requests to keep project sites open with heightened COVID-19 pandemic safety measures which resulted in increased costs and in work being executed over longer timeframes, project settlements costs of A$260.5 million and additional cost provision of A$180.0 million in order to complete the Group's existing contracts driven by the uncertainty of the COVID-19 pandemic.

16 Following the completion of the Thiess Transaction, Thiess is accounted for as an equity accounted joint venture therefore A$194.0 million, being 50% of Thiess' Statutory Net Profit After Tax (**NPAT**) of A$388.0 million, is added back through share of profits of associates and joint ventures, and is then reduced by A$(20.9) million to reflect the pro forma take up of 50% of the PPA adjustments. The 50% share of the PPA adjustments are as follows: a post-tax reduction in the depreciation charge of A$(5.1) million, a post-tax amortisation expense of A$13.7 million and a post-tax interest expense of A$12.3 million. The Thiess pro-forma adjustment also removes 100% of the Thiess profit for the year from discontinued operations since Thiess is now equity accounted, as reflected in the 50% take up pro-forma adjustment.

17 In FY20, Thiess' Statutory NPAT was impacted by one-off COVID-19 pandemic and restructuring costs of A$70.0 million. An 'underlying adjustment' of A$35.0 million, representing 50% of the Group's on-going investment in Thiess, has been included to reconcile to the adjusted underlying position.

18 The A$498.5 million underlying income tax expense adjustment has been determined by calculating the tax impact on each of the underlying adjustments.

19 The A$1,488.2 million gain on sale of Thiess has been removed from the Group's results to reflect the underlying operational performance.

20 Included in the Group's loss / (profit) for the year attributable to non-controlling interests is an amount of A$7.7 million attributable to the non-controlling interests in Thiess. This has been removed to reflect the pro forma structure of the Group.

21 Included in the underlying adjustments is an amount of A$14.2 million for loss / (profit) for the year attributable to non-controlling interests which represents the loss from the above adjustments attributable to the Group's non-controlling interests.

## BOARD OF DIRECTORS AND MANAGEMENT OF THE CIMIC GROUP

### Board of Directors

The Parent Guarantor's Board of Directors is the governing body of the Parent Guarantor. Members of the Board of Directors are appointed and removed by shareholder vote. As at the date of this Offering Circular, the Board of Directors comprises the following persons:

**Juan Santamaria**, Executive Chairman, MEng (Civil).

Appointed Executive Chairman of CIMIC Group on 6 November 2020. Mr Santamaria was Chief Executive Officer and Managing Director of CIMIC between February 2020 and June 2022. Mr Santamaria formerly held positions as the Managing Director of CPB Contractors (CIMIC's construction business) with responsibility for CPB Contractors, Leighton Asia and Broad in all geographies including Australia, New Zealand, Papua New Guinea, India and Asia. Prior to that, Mr Santamaria held roles as the Managing Director of UGL (CIMIC's services business) and Executive General Manager of Public Private Partnerships and Construction West at CPB Contractors.

Mr Santamaria also holds positions as Chief Executive Officer of ACS Group, a global civil and engineering construction group listed on Spain's IBEX 35 and Chief Executive Officer of HOCHTIEF AG, a global infrastructure company listed on the German SDAX.

He was Chief Executive Officer of Iridium (an ACS Group Company) between 2014 and 2015, and he was Chief Executive Officer and Chief Operating Officer of ACS Infrastructure North America and Canada between 2006 and 2013. Mr Santamaria holds a Master of Science in Civil Engineering from the Polytechnic University of Madrid and has held a variety of positions in the construction industry for the past 20 years.

Mr Santamaria has extensive international experience in the delivery of large and complex construction, services and PPP projects and has been responsible for projects and businesses in Australia, Europe, North America, Latin America and South Africa.

**Russell Chenu**, Independent Non-executive Director, BCom, MBA, CPA.

Appointed Independent Non-executive Director in June 2014. Mr Chenu is a member of the Ethics, Compliance and Sustainability Committee.

Mr Chenu has a Bachelor of Commerce from the University of Melbourne and an MBA from the Macquarie Graduate School of Management.

Mr Chenu is an experienced corporate and finance professional executive who previously held senior finance and management positions with a number of ASX-listed companies. In a number of these senior roles, Mr Chenu was engaged in significant strategic business planning and business change, including several turnarounds, new market expansions and management leadership initiatives.

Mr Chenu was Chief Financial Officer (**CFO**) of James Hardie Industries plc from 2004 to 2013. As CFO, he was responsible for accounting, treasury, taxation, corporate finance, information technology and systems and procurement. Mr Chenu is a director of the following additional ASX-listed entities: Reliance Worldwide Corporation Limited (since April 2016) and Vulcan Steel Limited (since June 2021).

**José-Luis del Valle Pérez**, Non-executive Director, LLB.

Appointed Non-executive Director in March 2014. Mr del Valle Pérez is a member of the Ethics, Compliance and Sustainability Committee.

Mr del Valle Pérez completed a degree in Law from the University Complutense of Madrid in 1971 and since 1974, has been Abogado del Estado de España (State Attorney of Spain). He has been a Member of the Bar Association of Madrid since 1976.

As Spanish State Attorney he performed his duties in the Delegations of the Ministry of Finance and the Courts of Justice of Burgos and of Toledo and in the Legal Departments of the Ministry of Health and of the Ministry of Labour and Social Security.

Mr del Valle Pérez was previously a Director of the legal department of the political party UCD (from 1977 to 1981) and a Member of the Parliament (Congreso de los Diputados) of Spain (from 1979 to 1982). He was also Deputy Minister for Territorial Administration from 1981 to 1982.

Since 1983 Mr del Valle Pérez has been a director of and/or legal adviser to many Spanish companies, including Banesto (merged with Banco Santander), Continental Industrias del Caucho (a subsidiary of Continental AG), Fococafé and Continental Hispánica (a subsidiary of Continental Grain Inc).

Mr del Valle Pérez is a member and Board Secretary of ACS Group and a number of its subsidiaries, is a Director and Board Secretary of Dragados, S.A., of ACE Servicios, Communicaniones y Energia S.A., of Cobra Gestión de Infraestructuras, S.A. and of ACS Servicios y Concesiones S.A. and is currently a member of the Supervisory Board of HOCHTIEF AG.

**Pedro López Jiménez**, Non-executive Director, MEng (Civil), MBA.

Appointed Non-executive Director in March 2014. Mr López Jiménez is a member of the Ethics, Compliance and Sustainability Committee.

Mr López Jiménez is Ingeniero de Caminos Canales y Puertos and holds an MBA from IESE Business School, Madrid. He has been awarded the Grand Cross of Isabel La Católica.

Mr López Jiménez has held the following positions throughout his career: General Director of Ports for the Ministry of Public Works (Spain), Secretary of State of Urban Affairs and Public Works (Spain), Board Member of Instituto Nacional de Industria (State owned holding company), Manager of the Thermal Plant Constructions in Hidroelectrica Española, CEO of Empresarios Agrupados (thermal and nuclear plants engineering and construction management), Chairman and CEO of Endesa S.A., Board Member of Unión Eléctrica S.A. and Empresa Nacional Hidroelectrica de la Ribagorçana, Chairman of Unión Fenosa S.A., Vice Chairman of Indra Sistemas S.A., Board Member of CESPA, Board Member of ENCE S.A., Board Member of Keller Group plc, and Chairman of Gtceisu Construcción S.A.

Additionally, Mr López Jiménez was the founder of CEOE (Confederation of Spanish Industries), and Member of its first Executive Committee, founder and first Chairman of FEIE (Federation of Spanish Utility Companies), Board Member of Club Español de Energía (Spanish Energy Association) and Board Member of the Alcala University and Vice Chairman of the European Club Association (E.C.A).

Mr López Jiménez is currently a Board Member of ACS Group and Vice Chairman of its Executive Committee and Member of the Nomination Committee, Chairman of Dragados S.A., Chairman of ACS Services y Concesiones S.A., Chair of the Supervisory Board of HOCHTIEF AG and Board Member of Abertis as well as a member of its Audit and Control and Appointment and Remuneration Committee.

Mr López Jiménez is also Chairman of the Royal Board of the National Library of Spain, Board Member of the Malaga Picasso Museum and Vice Chairman of the Real Madrid Football Club.

**David Robinson**, Non-executive Director, MCom, BEc, FCA, CTA.

Appointed Non-executive Director in December 1990.

Mr Robinson is a Member of the Ethics, Compliance and Sustainability Committee. He was previously an Alternate Director for Mr López Jiménez (from June 2014 to 31 October 2017) and Mr Peter Sassenfeld (from November 2011 to June 2013).

Mr Robinson is a graduate of the University of Sydney and a registered company auditor and tax agent. He is a chartered accountant and Partner of ESV Accounting and Business Advisors, which advises local and overseas companies with interests in Australia. He is also principal of Harveys Consulting. Mr Robinson is a Director of Catholic Schools NSW Limited.

Mr Robinson is a Director of HOCHTIEF Australia and was a former Director of Leighton Properties from May 2000 to August 2012. He was a Trustee of Mary Aikenhead Ministries, the responsible entity for the health, aged care and education works of the Sisters of Charity in Australia.

Mr Robinson is the Chairman of ASX-listed entity Devine Limited from January 2016 until it was delisted in 2021.

**Peter-Wilhelm Sassenfeld**, Non-executive Director, MBA.

Appointed Non-executive Director in November 2011.

Mr Sassenfeld has an MBA from the University of Saarland. Mr Sassenfeld was appointed as the CFO of HOCHTIEF AG in November 2011 and is also the CFO of HOCHTIEF Solutions AG. Mr Sassenfeld is a Director of HOCHTIEF Australia, The Turner Corporation and Flatiron Holding Inc.

Mr Sassenfeld has previously worked as the CFO of Ferrostaal AG and Krauss Maffei AG and in senior finance roles at Bayer AG and the Mannesmann Group.

**Robert Seidler AM**, Alternate Director, LLB.

Appointed Alternate Director for Mr del Valle Pérez in June 2014. Mr Seidler AM was previously an Alternate Director for Mr Sassenfeld (from June 2014 to 31 October 2017). Mr Seidler AM has served as an Alternate Director for a number of HOCHTIEF AG-nominated directors dating back to November 2003.

Mr Seidler AM has a degree in Law from the University of Sydney and is a former partner of Ashurst. Mr Seidler AM has over 40 years' experience as a lawyer, non-executive director on listed and unlisted companies in industries as diverse as funds management, banking, investment banking, hotel management as well as serving on government committees in both Australia and Japan.
Mr Seidler AM is the Vice President of the Australia Japan Business Cooperation Committee and was previously Chairman of the Australian Olympic Committee Tokyo 2021 Advisory Committee, Chairman of Hunter Philip Japan Limited and the New South Wales Government's Special Envoy to Japan. Mr Seidler AM has also been made a member of the Order of the Rising Sun by the Emperor of Japan.

Mr Seidler AM was appointed as a Director of HOCHTIEF Australia in November 2011. He was a Director of Investa Office Fund Management (from July 2016 to December 2018) and Investa Listed Funds Management Limited (from April 2016 to December 2018). He was the Chairman of Leighton

Asia (from November 2011 to September 2012) and a Director of Leighton Properties (from May 2010 to August 2012) and Leighton International (from November 2009 to November 2011).

**Kathryn Spargo**, Independent Non-executive Director, LLB (Hons), BA, FAICD.

Appointed Non-executive Director in September 2017. Ms Spargo is Chairman of the Ethics, Compliance and Sustainability Committee.

Ms Spargo holds a Bachelor of Law with Honours and an Arts degree from the University of Adelaide. She is a fellow of the Australian Institute of Company Directors.

Ms Spargo has broad commercial experience, both in advisory roles (having worked in legal practice in the public and private sectors) and as a director of listed and unlisted companies.

Ms Spargo is a Director of the following additional ASX-listed companies: Sigma Healthcare Limited (since December 2015), Sonic Healthcare Limited (since July 2010) and Adairs Limited (since May 2015).

She is also a director of the Geelong Football Club, Jellis Craig and Future Fuels Cooperative Research Centre. Ms Spargo's previous Board positions include Chairman of UGL, as well as directorships at Xenith IP, Fulton Hogan, SMEC Holdings, Fletcher Building, Pacific Hydro, Suncorp Portfolio Services, IOOF, Investec Bank and Transfield Services Infrastructure Fund.

**Executive team**

**Juan Santamaria**, Executive Chairman MEng (Civil).

Appointed Executive Chairman of CIMIC on 6 November 2020. Mr Santamaria was Chief Executive Officer and Managing Director of CIMIC between February 2020 and June 2022.

Mr Santamaria formerly held positions as the Managing Director of CPB Contractors (CIMIC's construction business) with responsibility for CPB Contractors, Leighton Asia and Broad in all geographies including Australia, New Zealand, Papua New Guinea, India and Asia. Prior to that, Mr Santamaria held roles as the Managing Director of UGL (CIMIC's services business) and Executive General Manager of Public Private Partnerships and Construction West at CPB Contractors.

Mr Santamaria also holds positions as Chief Executive Officer of ACS Group, a global civil and engineering construction group listed on Spain's IBEX 35 and Chief Executive Officer of HOCHTIEF AG, a global infrastructure company listed on the German Dax.

Mr Santamaria was Chief Executive Officer of Iridium (an ACS Group Company) between 2014 and 2015, and he was Chief Executive Officer and Chief Operating Officer of ACS Infrastructure North America and Canada between 2006 and 2013.

Mr Santamaria holds a Master of Science in Civil Engineering from the Polytechnic University of Madrid and has held a variety of positions in the construction industry in the past 20 years.

Mr Santamaria has extensive international experience in the delivery of large and complex construction, services and PPP projects and has been responsible for projects and businesses in Australia, Europe, North America, Latin America and South Africa.

**Pedro Vicente**, Chief Executive Officer, MEng, ICCP.

Appointed as Chief Executive Officer in June 2022. Mr Vicente formerly held roles as Executive General Manager Operations of CIMIC and Managing Director of Leighton Asia. Mr Vicente joined Leighton Asia in 2015 as Executive General Manager South East Asia and India and became responsible for all of Leighton Asia in 2016. Prior to Leighton Asia, Mr Vicente held key management roles within the ACS Group. His roles included Dragados S.A. Area Manager and Director; Dragados Canada as Executive Vice President; and Dragados Australia as Executive Director. Mr Vicente holds a Master of Civil Engineering from the Universidad Politecnica de Madrid, Spain and is a member of the Spanish Association of Civil Engineers.

**Ignacio Segura**, Deputy Chief Executive Officer and Chief Operating Officer, MEng (Civil).

Appointed Deputy Chief Executive Officer and Chief Operating Officer in 2018. Mr Segura was formerly the Chief Executive Officer of Dragados (2012-2017), an ACS Group company. Mr Segura joined ACS Group in 1999 and held roles including General Manager of Galicia in ACS Proyectos, Obras y Construcciones (1999-2004), Executive General Manager for Building In Spain of Dragados (2004-2006), and Managing Director of Dragados (2006-2012). Mr Segura is a civil engineer with 27 years of international experience in the construction sector.

**Emilio Grande**, Chief Financial Officer, LLB BA MFin.

Appointed Chief Financial Officer in January 2021. Mr Grande has worked with CIMIC Group since 2018, having held roles as Chief Financial Officer of UGL and Deputy Chief Financial Officer of CIMIC. Prior to that, Mr Grande served as Chief Financial Officer of Iridium (a leading global infrastructure developer in the PPP space). Mr Grande has 20 years of international experience across banking and infrastructure in various finance roles. He holds Bachelor's degrees in Law and Business Administration.

**Jason Spears**, CPB Contractors Managing Director, BEng (Civil) Hon.

Appointed as Managing Director of CPB Contractors in November 2020. Mr Spears was formerly Managing Director of UGL. He has 25 years' experience working in Australia and internationally as a professional engineer and business leader in the resource, civil infrastructure and building sectors. Mr Spears, who joined CIMIC Group in 1999, was previously Executive General Manager, Major Projects and NSW at CPB Contractors. Prior to that Mr Spears held roles at Thiess. Mr Spears has led successful outcomes on major projects and demonstrated exceptional leadership and management skills across all phases of strategy, business development, tendering and project delivery. Mr Spears' strong focus on safety and disciplined project controls has resulted in project certainty and value for money outcomes for clients, as well as business growth and improved profitability for the company.

**Brad Davey**, Leighton Asia Managing Director, Bjuris, LLB.

Appointed as Leighton Asia Managing Director in March 2022. Mr Davey was formerly the Chief Legal and Risk Officer and the General Manager Risk of CIMIC Group. Since 2010, Mr Davey has held various commercial and operational positions for CPB Contractors in the capacity of Commercial Director and Project Director. Prior to that, Mr Davey was a Senior Partner in a law firm in the Republic of South Africa. Mr Davey has more than 20 years' experience in commercial and construction law. He holds a Bachelor of Jurisprudence and a Bachelor of Law from the University of Port Elizabeth in the Republic of South Africa. In 2012, Mr Davey converted his law degree through the University of Sydney.

**Grant Fraser**, Sedgman Managing Director, NHD Eng (Mechanical) GAICD.

Mr Fraser was appointed as Managing Director of Sedgman in December 2017, having acted in the role since September 2017. During 20 years with CIMIC Group, Mr Fraser has held a number of senior management positions including EIC Activities General Manager, Thiess Sedgman Joint Venture Manager and most recently Thiess General Manager. Mr Fraser's previous experience includes 18 years with Thiess where he was responsible for the delivery of engineering, procurement and construction projects. Mr Fraser has engineering and construction experience in the resources and energy industry, working on oil and gas and minerals processing projects globally. Mr Fraser has delivered major projects and demonstrated skills in strategy, business development, tendering and project delivery.

**Doug Moss,** UGL Managing Director, BE Civil (Hons), MEng Sc.

Appointed as Managing Director of UGL in November 2020. Mr Moss was formerly Executive General Manager of Transport & Technology for UGL. With more than 25 years in management positions in the infrastructure industry, Mr Moss has a wealth of expertise in construction and operations and maintenance as well as extensive knowledge across the telecommunications, transport, water, property, power, industrial and resources sectors throughout Australia. Prior to Mr Moss' role as Managing Director of Lendlease Services, Mr Moss held senior roles in the Thiess Services business for over 20 years, successfully growing the utilities, telecommunications, transportation and remediation businesses, and moving Thiess into long term operations and maintenance contracts in water, transport and hospitals through a number of major PPPs.

**Simon Nicholls**, Pacific Partnerships Managing Director, BEng (Mech).

Appointed Pacific Partnerships Managing Director in 2021. Mr Nicholls has more than 20 years' experience in transport and social infrastructure projects with a track record of leading successful teams and delivering major infrastructure projects under traditional and PPP structures. Mr Nicholls' engineering and technical expertise spans strategy, development and operations phases of both transport (including heavy rail, metro, light rail and freight) and social infrastructure projects. In particular this experience includes PPP projects such as Canberra Light Rail, Cross River Rail, Regional Rail Fleet Program and Waikeria Corrections Treatment Facility. Prior to joining Pacific Partnerships, Mr Nicholls worked with companies including John Holland, SERCO, Downer and Alstom Transport.

**Geoff Sewell**, EIC Activities Managing Director, BE (Civil), Graduate Diploma Business Administration.

Appointed as Managing Director of EIC Activities in October 2020. Mr Sewell was formerly EIC Activities' General Manager, NSW. Mr Sewell is EIC Activities' sponsor for services to CIMIC Group companies Leighton Asia and Pacific Partnerships. Mr Sewell has over 35 years consulting design and construction experience across the building, civil infrastructure, rail, marine and energy and resources sectors in Australia and South East Asia. Mr Sewell was previously Manager, Engineering Services – Specialist Engineering with John Holland. Prior to that Mr Sewell was Project Director and Principal Structural Engineer, GHD. Mr Sewell is a Chartered Professional Engineer (Civil and Structural), a Member of Engineers Australia and a Registered Professional Engineer, Queensland.

## FORM OF THE NOTES

*Sections 1 to 4 below do not apply to AMTNs. Section 5 applies to AMTNs only*.

### 1. Initial Issue of Notes

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary.

Upon the initial deposit of a Global Note with a common depositary for Euroclear and Clearstream, Luxembourg (the **Common Depositary**) or registration of a Global Certificate in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of such Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with or delivered to the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with or delivered to any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Each Bearer Note, Talon and Coupon issued by with a maturity of more than one year will bear the following legend:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, Talons or Coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition or payment of principal in respect of Bearer Notes, Talons or Coupons.

### 2. Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (**Alternative Clearing System**) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the relevant Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the relevant Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the relevant Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

## 3. Exchange

### 3.1 Temporary Global Notes

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with TEFRA C or in a transaction to which TEFRA is not applicable (as to which, see "*Overview of the Programme – Selling Restrictions*"), in whole, but not in part, for the Definitive Notes defined and described below; and

(ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

### 3.2 Permanent Global Notes

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not in part for Definitive Notes:

(i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or

(ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Issuing and Paying Agent of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

### 3.3 Global Certificates

If the Pricing Supplement states that the Notes are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system while they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2.2 (Transfer of Registered Notes) may only be made in part:

(i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

(ii) if principal in respect of any Notes is not paid when due; or

(iii) with the consent of the relevant Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) or 3.3(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

**3.4 Delivery of Notes**

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the relevant Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes. In this Offering Circular, **Definitive Notes** means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Note, the relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

**3.5 Exchange Date**

**Exchange Date** means, in relation to a Temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

**4. Amendment to Conditions**

The Temporary Global Notes, and Permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Offering Circular. The following is a summary of certain of those provisions:

**4.1 Payments**

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with TEFRA D before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence

that such payment has been made in respect of the Notes. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of **business day** set out in Condition 7.8 (*Non-Business Days*).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "Clearing System Business Day" means Monday to Friday inclusive except 25 December and 1 January.

### 4.2 Prescription

Claims against the relevant Issuer in respect of Notes that are represented by a Permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8 (*Taxation*)).

### 4.3 Meetings

The holder of a Permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

### 4.4 Cancellation

Cancellation of any Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant Permanent Global Note.

### 4.5 Purchase

Notes represented by a Permanent Global Note may only be purchased by the relevant Issuer, the Guarantors or any of their respective subsidiaries if they are purchased together with the rights to receive all future payments of interest (if any) thereon.

### 4.6 Issuer's Option

Any option of the relevant Issuer provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note shall be exercised by the relevant Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the relevant Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg or any other clearing system (as the case may be).

### 4.7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Permanent Global Note to the Issuing and Paying Agent, for notation.

### 4.8 Trustee's Powers

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

### 4.9 Notices

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate.

## 5. AMTNs

### 5.1 Austraclear

On issue of any AMTNs, CIMIC Finance may, as specified in the applicable Pricing Supplement, procure that the AMTNs are entered into the clearance and settlement system (Austraclear System) operated by Austraclear. On entry, Austraclear will become the sole registered Noteholder and legal owner of the AMTNs. Subject to the rules and regulations known as the Austraclear Regulations established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System, together with any directions or instructions, participants of the Austraclear System (**Accountholders**) may acquire rights against Austraclear in relation to those AMTNs as beneficial owners and Austraclear is required to deal with the AMTNs in accordance with the directions and instructions of the Accountholders. Any potential investors who are not Accountholders would need to hold their interest in the relevant AMTNs through a nominee who is an Accountholder. All payments by CIMIC Finance in respect of AMTNs entered in the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear Regulations.

### 5.2 Holding of AMTNs through Euroclear and Clearstream, Luxembourg

On entry in the Austraclear System, interests in the AMTNs may be held through Euroclear or Clearstream, Luxembourg. In these circumstances, entitlements in respect of holdings of interests in the AMTNs in Euroclear would be held in the Austraclear System a nominee of Euroclear (currently by HSBC Custody Nominees (Australia) Limited), while entitlements in

respect of holdings of interests in the AMTNs in Clearstream, Luxembourg would be held in the Austraclear System by a nominee of JPMorgan Chase Bank, N.A. as custodian for Clearstream, Luxembourg (currently operated by J.P. Morgan Nominees Australia Limited). The rights of a holder of interests in AMTNs held through Euroclear or Clearstream, Luxembourg are subject to the respective rules and regulations of Euroclear and Clearstream, Luxembourg, the arrangements between Euroclear and Clearstream, Luxembourg and their respective nominees and the Austraclear Regulations.

### 5.3 Transfers

Any transfer of AMTNs will be subject to the Corporations Act and the other requirements set out in the Terms and Conditions of the AMTNs and, where the Notes are entered in the Austraclear System, the Austraclear Regulations. Secondary market sales of AMTNs settled in the Austraclear System will be settled in accordance with the Austraclear Regulations.

### 5.4 Relationship of Accountholders with Austraclear

Accountholders who acquire an interest in AMTNs entered in the Austraclear System must look solely to Austraclear for their rights in relation to such Notes and will have no claim directly against CIMIC Finance in respect of such Notes although under the Austraclear Regulations, Austraclear may direct CIMIC Finance to make payments direct to the relevant Accountholders.

Where Austraclear is registered as the Noteholder of any AMTNs that are lodged in the Austraclear System, Austraclear may, where specified in the Austraclear Regulations, transfer the AMTNs to the person in whose Security Record (as defined in the Austraclear Regulations) those AMTNs are recorded and, as a consequence, remove those AMTNs from the Austraclear System.

Potential investors in AMTNs should inform themselves of, and satisfy themselves with, the Austraclear Regulations and (where applicable) the rules of Euroclear and Clearstream, Luxembourg and the arrangements between them and their nominees in the Austraclear System.

## 6. Electronic Consent and Written Resolution

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

(a) approval of a resolution proposed by the relevant Issuer, the Guarantors or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent in nominal amount of the Notes outstanding (an **Electronic Consent** as defined in the Trust Deed) shall for all purposes take effect as an Extraordinary Resolution, and shall be binding on all Noteholders and holders of Coupons and Talons whether or not they participated in such Written Resolution and/or Electronic Consent; and

(b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the relevant Issuer, the Guarantors and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the relevant Issuer and/or the Trustee, as the case may be, by (a) accountholders in the clearing system(s) with entitlements to such Global Note or Global Certificate and/or, where (b) the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction

by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the relevant Issuer, the Guarantors and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the **relevant clearing system**) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the relevant Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

## 7. SGX-ST

For so long as any Notes (except in relation to AMTNs) are listed on the SGX-ST and the rules of the SGX-ST so require, the relevant Issuer shall appoint and maintain a paying agent in Singapore, where such Notes may be presented or surrendered for payment or redemption, in the event that the Global Note(s) representing such Notes is exchanged for definitive Notes. In addition, in the event that the Global Note(s) is exchanged for definitive Notes, an announcement of such exchange will be made by or on behalf of the relevant Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the applicable Pricing Supplement, shall be applicable to the Notes (other than AMTNs (as defined below)) in definitive form (if any) issued in exchange for the Global Note(s) or the Global Certificate(s) representing each Series or the AMTNs. Other than in relation to any AMTNs, either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes (as referred to below) or on the Certificates (as referred to below) relating to such Registered Notes (as referred to below). In the case of any AMTNs, a copy of the Pricing Supplement will be kept with the Australian Register (as defined below) in respect of the Tranche (as defined below) of which this Note forms part. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the applicable Pricing Supplement. Other than in relation to any AMTNs, those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes (other than the AMTNs) are constituted by a Trust Deed (as amended or supplemented from time to time, the **Trust Deed**) dated 29 March 2021 between CIMIC Finance (USA) Pty Ltd (ABN 76 132 500 684) (**CIMIC USA**) and CIMIC Finance Limited (ABN 43 002 323 373) (**CIMIC Finance**) (each an **Issuer**, and together the **Issuers**), CIMIC Group Limited (ABN 57 004 482 982) (the **Parent Guarantor**), the Subsidiary Guarantors (as defined in the Trust Deed) and The Bank of New York Mellon, London Branch (the **Trustee**, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). References to the **Issuer** in these Conditions shall refer either to the Issuer specified as such in the applicable Pricing Supplement and issuing the relevant Series of Notes, unless the context otherwise requires.

The Notes and the Coupons (as referred to below) have the benefit of a guarantee given by the Parent Guarantor, the Subsidiary Guarantors and the Additional Guarantors (as defined in Condition 3.3, and together (in the case of the Subsidiary Guarantors and the Additional Guarantors) with the Parent Guarantor, to the extent they have not been released as guarantors in accordance with the terms of the Trust Deed, the **Guarantors**) pursuant to and on the terms of the Guarantee (as defined in Condition 3.1) set out in the Trust Deed.

AMTNs are registered uncertificated (or inscribed) notes which are constituted by a deed poll (as amended or supplemented from time to time, the **Australian Deed Poll**) dated 29 March 2021 made by CIMIC Finance in favour of the Trustee and the Noteholders in respect of the AMTNs. The original of the Australian Deed Poll is held by the Australian Registrar (as defined below). The particular provisions of these terms and conditions (**Conditions**) relating to Certificates, Bearer Notes, Registered Notes (unless otherwise specifically noted or the context requires), Coupons and Talons (as referred to below) do not apply to AMTNs.

These Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Certificates, Bearer Notes, Registered Notes, Coupons and Talons referred to below, and, in respect of the AMTNs, the Australian Deed Poll. An Agency Agreement (as amended or supplemented from time to time, the **Agency Agreement**) dated 29 March 2021 has been entered into in relation to the Notes (other than AMTNs) between the Issuers, the Parent Guarantor, the Subsidiary Guarantors, the Trustee, The Bank of New York Mellon, London Branch as initial issuing and paying agent, The Bank of New York Mellon SA/NV, Luxembourg Branch as Registrar and the other agents named in it. An agency agreement (as amended or supplemented from time to time, the **Australian Agency Agreement**) dated 29 March 2021 has been entered into in relation to the AMTNs between the Issuers, the Parent Guarantor, the Subsidiary Guarantors, the Trustee and BTA Institutional Services Australia Ltd (ABN 48 002 916 396) (the **Australian Agent**, which expression shall include

any successor agent) and the other paying agents named therein and BTA Institutional Services Australia Ltd (ABN 48 002 916 396) as registrar (the **Australian Registrar**, which expression shall include any successor registrar). The Australian Registrar will maintain a register of holders of the AMTNs (the **Australian Register**). The issuing and paying agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the **Issuing and Paying Agent**, the **Paying Agents** (which expression shall include the Issuing and Paying Agent), the **Registrar**, the **Transfer Agents** (which expression shall include the Registrar) and the **Calculation Agent(s)**, respectively. References to the Issuing and Paying Agent, the Paying Agents, the Registrar and the Register shall, in relation to AMTNs, be a reference to the Australian Agent, the Australian Agent, the Australian Registrar and the Australian Register (as the case may be). Copies of the Trust Deed, the Australian Deed Poll, the Agency Agreement and the Australian Agency Agreement are available for inspection by the Noteholders upon written request and with satisfactory of proof of holding at all reasonable times during normal business hours at the principal office of the Trustee (presently at One Canada Square, London E14 5AL, United Kingdom), the registered office of the Issuers and at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders, the holders of the interest coupons (the **Coupons**) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the **Talons**) (the **Couponholders**) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed (and, in the case of the AMTNs, the Australian Deed Poll) and are deemed to have notice of those provisions applicable to them of the Agency Agreement (other than in the case of AMTNs) and the Australian Agency Agreement (in the case of AMTNs).

As used in these Conditions, **Tranche** means Notes that are identical in all respects. A reference in these Conditions to a matter being specified hereon shall in the context of the AMTNs be construed as a matter specified in the applicable Pricing Supplement.

Words and expressions defined in the Agency Agreement, Australian Agency Agreement, Trust Deed and Australian Deed Poll, or used in the applicable Pricing Supplement, shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between:

(a) the Trust Deed and the Agency Agreement, the Trust Deed will prevail;

(b) the Australian Deed Poll and the Australian Agency Agreement, the Australian Deed Poll will prevail; and

(c) either the Agency Agreement, the Trust Deed or the Australian Deed Poll and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

## 1. FORM, DENOMINATION AND TITLE

The Notes (other than the AMTNs) are issued in bearer form (**Bearer Notes**) or in registered form (**Registered Notes**). Notes may also be issued in registered uncertificated form pursuant to the Australian Deed Poll (**AMTNs**). Notes are issued in the Specified Denomination(s) shown in the applicable Pricing Supplement. In these Conditions, a reference to Bearer Notes or Registered Notes does not include AMTNs.

The Notes are a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown in the applicable Pricing Supplement.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest

(other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (**Certificates**) and, save as provided in Condition 2.3, each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes (other than AMTNs) shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the **Register**). Title to the AMTNs shall pass by registration in the Australian Register. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, **Noteholder** means the bearer of any Bearer Note or the person in whose name a Registered Note or an AMTN is registered (as the case may be), **holder** (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note or an AMTN is registered (as the case may be) and capitalised terms have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Notes.

In the case of AMTNs, the following provisions shall apply and shall prevail over the foregoing provisions of this Condition 1 in the event of any inconsistency.

AMTNs will be debt obligations of the Issuer constituted by the Australian Deed Poll and will take the form of entries in the Register to be established and maintained by the Registrar in New South Wales, or such other place specified in the applicable Pricing Supplement or as otherwise agreed by the Issuer with the Registrar. The Issuer will arrange for the Registrar to maintain the Register so as to show at all times such details of the Noteholders and the AMTNs as are required to be shown on the Register by or for the effective operation of these Conditions or by law or which the Issuer and Registrar determine should be shown in the Register. Although AMTNs will not be constituted by the Trust Deed (instead being constituted by the Australian Deed Poll), AMTNs will have the benefit of the Trust Deed. The Agency Agreement is not applicable to AMTNs.

AMTNs will not be serially numbered. Each entry in the Register constitutes a separate and individual acknowledgement to the Trustee on behalf of, and to, the relevant Noteholder of the indebtedness of the Issuer to the Trustee on behalf of, and to, the relevant Noteholder. The obligations of the Issuer in respect of each AMTN constitute separate and independent obligations which the Noteholder and the Trustee are entitled to enforce in accordance with (and subject to) these Conditions, the Trust Deed and the Australian Deed Poll. No certificate or other evidence of title will be issued by or on behalf of the Issuer to evidence title to an AMTN unless the Issuer determines that certificates should be made available or it is required to do so pursuant to any applicable law or regulation.

No AMTN will be registered in the name of more than four persons. AMTNs registered in the name of more than one person are held by those persons as joint tenants. AMTNs will be registered by name only, without reference to any trusteeship and an entry in the Register in relation to an AMTN constitutes conclusive evidence that the person so entered is the absolute owner of such Note, subject to rectification for fraud or manifest or proven error.

Title to an AMTN and all rights and entitlements arising by virtue of the Australian Deed Poll or the Trust Deed in respect of that AMTN vest absolutely in the registered owner of the AMTN, subject to rectification of the Register for fraud or error, such that no person who has previously been registered as the holder of the AMTN has or is entitled to assert against the Issuer or the Registrar or the registered holder of the AMTN for the time being and from time to time any rights, benefits or entitlements in respect of the AMTN.

## 2. NO EXCHANGE OF NOTES AND TRANSFERS OF REGISTERED NOTES AND AMTNS

### 2.1 No Exchange of Notes

Registered Notes may not be exchanged for Bearer Notes or AMTNs. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes or AMTNs. AMTNs may not be exchanged for Bearer Notes or Registered Notes.

### 2.2 Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

### 2.3 Additional Provisions relating to transfer of AMTNs

(a) AMTNs may be transferred in whole but not in part. Unless lodged in the Austraclear System, AMTNs will be transferred by duly completed and (if applicable) stamped transfer and acceptance forms in the form specified by, and obtainable from, the Registrar or by any other manner approved by the Issuer and the Registrar. Each transfer and acceptance form must be signed by the transferor and transferee and be accompanied by such evidence (if any) as the Registrar may require to prove the title of the transferor or the transferor's right to transfer the AMTNs and that the form has been properly executed by both the transferor and transferee. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in the schedule to the Australian Agency Agreement).

(b) AMTNs lodged in the Austraclear System will be transferable only in accordance with the Austraclear Regulations. While an AMTN is lodged in the Austraclear System, neither the Issuer nor the Registrar will recognise any such interest other than the interest of Austraclear as the Noteholder.

(c) Application for the transfer of AMTNs must be made by the lodgement of a transfer and acceptance form with the Registrar.

(d) The transferor of an AMTN remains the Noteholder of that AMTN until the name of the transferee is entered in the Register in respect of that AMTN.

(e) AMTNs may only be transferred if (i) the aggregate consideration payable by the transferee at the time of transfer is at least A$500,000 (or the equivalent in another currency, in either case, disregarding moneys lent by the transferor or its associates) or the offer or invitation giving rise to the transfer otherwise does not constitute an offer or invitation for which disclosure is required to be made to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act 2001 (Cth) of the Commonwealth of Australia, as amended (**Corporations Act**), (ii) the transferee is not a "retail client" as defined in section 761G of the Corporations Act and (iii) the transfer is in compliance with all applicable laws, regulations or directives (including, without limitation, the laws of the jurisdiction in which the transfer takes place).

(f) A transfer of AMTNs to an unincorporated association is not permitted.

(g) A person becoming entitled to an AMTN as a consequence of the death or bankruptcy of a Noteholder or of a vesting order or a person administering the estate of a Noteholder may, upon producing such evidence as to that entitlement or status as the Registrar considers sufficient, transfer the AMTN or, if so entitled, become registered as the holder of the AMTN.

(h) Where the transferor executes a transfer of less than all AMTNs registered in its name, and the specific AMTNs to be transferred are not identified, the Registrar may register the transfer in respect of such of the AMTNs registered in the name of the transferor as the Registrar thinks fit, provided the aggregate principal amount of the AMTNs registered as having been transferred equals the aggregate principal amount of the AMTNs expressed to be transferred in the transfer.

**2.4 Exercise of Options or Partial Redemption in respect of Registered Notes**

In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

**2.5 Delivery of New Certificates**

Each new Certificate to be issued pursuant to Condition 2.2 or 2.4 shall be available for delivery within seven business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6.5) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify.

In this Condition 2.5, **business day** means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

### 2.6 Transfers Free of Charge

Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

### 2.7 Closed Periods

No Noteholder may require the transfer of a Registered Note or AMTN to be registered (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6.4, (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7.2 for Notes other than AMTNs and as defined in Condition 7.3 for the AMTNs).

## 3. GUARANTEE AND STATUS

### 3.1 Guarantee

The Guarantors have unconditionally and irrevocably guaranteed, on a joint and several basis, the due payment of all sums expressed to be payable by the Issuer under the Trust Deed or the Australian Deed Poll (as applicable), the Notes and the Coupons (the **Guarantee**). The Guarantors' obligations in that respect are contained in the Trust Deed.

### 3.2 Status of Notes and Guarantee

The Notes and Coupons relating to them constitute direct, general, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Coupons relating to them and of each Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable statute, law or legislation and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and each Guarantor respectively, present and future.

### 3.3 Joining and Releasing of Guarantors

(a) For so long as any Note remains outstanding (as defined in the Trust Deed):

(i) if any corporation whose Tangible Assets (determined by reference to its most recently prepared Accounts audited or reviewed by the auditors of the Group) exceed 5 per cent of Total Tangible Assets becomes a new Wholly-Owned Subsidiary, the Issuer and the Parent Guarantor shall cause that Wholly-Owned Subsidiary to become an Additional Guarantor;

(ii) if any Wholly-Owned Subsidiary acquires assets which cause that Wholly-Owned Subsidiary to hold Tangible Assets (determined by reference to its most recently prepared Accounts audited or reviewed by the auditors of the Group) which exceed 5

per cent of Total Tangible Assets, the Issuer and the Parent Guarantor shall cause that Wholly-Owned Subsidiary to become an Additional Guarantor; and

(iii) if the Tangible Assets held in aggregate of the Guarantors (determined by reference to their most recently prepared Accounts audited or reviewed by the auditors of the Group) at any time falls below 80 per cent of Total Tangible Assets, the Issuer and the Parent Guarantor shall cause sufficient other Wholly-Owned Subsidiaries to become Additional Guarantors to ensure that the Tangible Assets in aggregate of the Guarantors (determined by reference to their most recently prepared Accounts audited or reviewed by the auditors of the Group) are at least 80 per cent of Total Tangible Assets.

(b) For so long as any Note remains outstanding (as defined in the Trust Deed), if a Guarantor (other than the Parent Guarantor):

(i) ceases to be a Wholly-Owned Subsidiary as a result of a share sale (or, in the case of a Trust, a transfer of units) on arm's length terms; or

(ii) is wound up and the only creditors of the Guarantor are other Group Members,

that Guarantor will, provided that the requirements of Condition 3.3(a) are satisfied at the time of the release and will continue to be satisfied immediately following the release, and no Event of Default is subsisting as at the time of release or would result from the release, upon and by virtue of that event be deemed to have been irrevocably and unconditionally released and discharged from all of its obligations and liabilities, actual and contingent, present or future, in any capacity, under or in connection with the Trust Deed without the need for the execution or delivery of any other document, or the consent or the taking of any other action by any other person.

(c) In the case of:

(i) the Guarantor to be released ceasing to be a Wholly-Owned Subsidiary as a result of a share sale (or, in the case of a Trust, a transfer of units) on arm's length terms, the release takes effect no earlier than the completion of that sale or transfer; and

(ii) the Guarantor to be released being wound up and the only creditors of the Guarantor are other Group Members, the release takes effect no earlier than the application for winding up being made.

(d) For so long as any Note remains outstanding (as defined in the Trust Deed), if the Issuer or the Parent Guarantor gives written notice to the Trustee that it wishes a Guarantor (other than the Parent Guarantor) to cease to be a Guarantor for any reason other than the events described in Condition 3.3(b) and has certified within that notice that the requirements of Condition 3.3(a) will be satisfied on the date specified within that notice and will continue to be satisfied immediately following the date specified within that notice, and that no Event of Default is subsisting as at the time of the release or would result from the release, that Guarantor will, upon the requested date of the release, be deemed to have been irrevocably and unconditionally released and discharged from all of its obligations and liabilities, actual and contingent, present or future, in any capacity, under or in connection with the Trust Deed without the need for the execution or delivery of any other document, or the consent or the taking of any other action by any other person.

(e) Notwithstanding Condition 3.3(a), the Issuer and the Parent Guarantor will not be obliged to cause a Wholly-Owned Subsidiary to become an Additional Guarantor if:

(i) that Wholly-Owned Subsidiary is not a corporation; or

(ii) that Wholly-Owned Subsidiary is prohibited under Part 2E of the Corporations Act or otherwise by law becoming a Guarantor.

(f) The Issuer shall promptly provide written notice to the Trustee and each Paying Agent following the accession or release of any Guarantor as described in Conditions 3.3(a) and 3.3(b).

(g) The Trustee shall not be required to monitor compliance by the Issuer or the Parent Guarantor with this Condition 3.3 and in no circumstances will the Trustee be responsible for any loss caused by any failure to do so.

(h) The Issuer and the Parent Guarantor shall maintain a list of the current Guarantors, and shall make such list available for inspection by Noteholders at the registered offices of the Issuer and the Parent Guarantor and the specified office of the Trustee.

In these Conditions:

**Accounts** means an income statement, balance sheet and statement of cash flows together with any statements, declarations, reports and notes (including a directors' declaration, a directors' report and auditors' report (if any)) attached to or intended to be read with any of them;

**Additional Guarantor** means a Wholly-Owned Subsidiary which becomes an Additional Guarantor in accordance with Condition 3.3(a) and shall guarantee the Notes pursuant to the Trust Deed and be deemed to be a Guarantor thereunder in accordance with and within the timeframes specified in the Trust Deed;

**Annual Accounts** means the audited accounts of the Parent Guarantor, and the audited consolidated Accounts of the Group, for a Financial Year;

**Financial Year** means each year period of 12 months ending on 31 December;

**Group** means all of the Group Members;

**Group Member** means each corporation or other entity or trust (other than a superannuation or pension fund) controlled by the Parent Guarantor (within the meaning of accounting standard AASB 127 "Separate Financial Statements" or any accounting standard Standby syndicated facility agreement which replaces AASB 127 "Separate Financial Statements" for the purposes of accounting standards in Australia) and includes the Parent Guarantor;

**Guarantee** means the guarantee referred to in Condition 3.1 and more fully set out in the Trust Deed pursuant to which the Guarantors jointly and severally guarantee to the Trustee and the Noteholders the due and punctual payment of all sums which may be payable in respect of the Notes and under the Trust Deed;

**Half Yearly Accounts** the consolidated Accounts of the Group for the six-month period ending on each 30 June audited or reviewed by the auditors of the Group;

**Latest Consolidated Accounts** means the more recent from time to time of either the most recently prepared Annual Accounts or the most recently prepared Half Yearly Accounts;

**Relevant Trust** means in respect of:

(a) Leighton Holdings Infrastructure Nominees Pty Ltd (ABN 63 123 608 462), the Leighton Holdings Infrastructure Trust (ABN 61 147 411 821) constituted under a trust deed dated 28 February 2007;

(b) Leighton Contractors Infrastructure Nominees Pty Ltd (ABN 49 124 180 632), the Leighton Contractors Infrastructure Trust constituted under a trust deed dated 5 March 2007;

(c) BCJHG Nominees Pty Ltd (formerly John Holland Infrastructure Nominees Pty Ltd) (ABN 72 123 866 973), the BCJHG Trust (formerly the John Holland Infrastructure Trust) constituted under a trust deed dated 13 March 2007; and

(d) Thiess Infrastructure Nominees Pty Ltd (ABN 68 123 866 955), the Thiess Infrastructure Trust constituted under a trust deed dated 6 March 2007;

**Subsidiary** has the meaning given in the Corporations Act;

**Tangible Assets** means all assets other than goodwill (except goodwill identified by virtue of the application of the equity method of accounting), patents, trademarks, underwriting and formation expenses and other items of a like nature classified as such in the Annual Accounts or Half Yearly Accounts (as applicable);

**Total Tangible Assets** means, at any time, the aggregate of the book values of all Tangible Assets of all Wholly-Owned Subsidiaries, as determined by the Parent Guarantor on the basis of the Latest Consolidated Accounts;

**Trust** means:

(a) each Relevant Trust; and

(b) each trust in respect of which the trustee becomes an Additional Guarantor in its capacity as trustee of that trust; and

**Wholly-Owned Subsidiary** means:

(a) any Group Member which is a wholly owned Subsidiary of the Parent Guarantor; and

(b) PT Leighton Contractors Indonesia, to the extent that the Parent Guarantor directly or indirectly retains power of sale and voting rights and all economic rights accruing from all of the shares in it.

## 4. NEGATIVE PLEDGE

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), neither the Issuer nor any Guarantor will create, or have outstanding, any Security Interest other than a Permitted Security Interest (each as defined below) upon, or with respect to, the whole or any part of their present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined below) of the Issuer or any Guarantor, unless the Issuer or any Guarantor, in the case of the creation of a Security Interest other than a Permitted Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

(a) all amounts payable by the Issuer or a Guarantor under the Notes and Coupons are secured by the Security Interest equally and rateable with the Relevant Indebtedness; or

(b) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

In this Condition 4:

**Permitted Security Interest** means any Security Interest to secure any Relevant Indebtedness of a Guarantor which becomes a Wholly-Owned Subsidiary after the Issue Date which Relevant Indebtedness existed when the Guarantor became a Wholly-Owned Subsidiary and was not incurred in contemplation of the Guarantor becoming a Wholly-Owned Subsidiary;

**Relevant Indebtedness** means: (i) any present or future indebtedness (whether being principal, premium, interest or other amounts) of the Issuer and a Guarantor which is in the form of, or represented or evidenced by, bonds, notes, debentures, debenture stock, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or ordinarily dealt in or traded on any stock exchange, over-the-counter or other securities market; and (ii) any guarantee or indemnity in respect of any such indebtedness; and

**Security Interest** means any mortgage, charge, lien, pledge or other security interest (including any "security interest" as defined in the Personal Property Securities Act 2009 (Cth) of Australia) or other encumbrance or other security arrangement of any kind, whether or not filed, recorded or otherwise perfected under applicable law.

## 5. INTEREST AND OTHER CALCULATIONS

### 5.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding principal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5.6.

### 5.2 Interest on Floating Rate Notes

#### (a) Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding principal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined by the Calculation Agent in accordance with Condition 5.6. Such Interest Payment Date(s) is/are either shown in the applicable Pricing Supplement as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the applicable Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period shown in the applicable Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(b) **Business Day Convention**

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(c) **Rate of Interest for Floating Rate Notes**

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined by the Calculation Agent in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.

(i) ***ISDA Determination for Floating Rate Notes***

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (i), **ISDA Rate** for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(A) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(B) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

(C) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (i), **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity**, **Reset Date** and **Swap Transaction** have the meanings given to those terms in the ISDA Definitions.

(ii) ***Screen Rate Determination for Floating Rate Notes***

(A) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

I. the offered quotation; or

II. the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(B) If the Relevant Screen Page is not available or if sub-paragraph (A)I above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (A)II above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent. In the case of any AMTNs to which Screen Rate Determination is specified in the applicable Pricing Supplement, as applicable, the applicable Pricing Supplement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if sub-paragraph (A)I above applies and no such offered quotation appears on the Relevant Screen Page, or if sub-paragraph (A)II above applies and fewer than three such offered quotations appear, in each case as at the time specified above.

(C) If paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case

may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph (c), the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(iii) ***BBSW Determination for AMTNs***

Where, in relation to an issue of AMTNs, BBSW Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will be the relevant BBSW Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any).

For the purposes of this sub-paragraph (iii) **BBSW Rate**, for an Interest Accrual Period, means the rate for prime bank eligible securities having a tenor closest to the Interest Accrual Period which is designated as the "AVG MID" on the Reuters Screen BBSW Page (or any designation which replaces that designation on that page, or any replacement page) at approximately 10.30 a.m. Sydney time (or such other time at which such rate customarily appears on that page, including, if corrected, as recalculated and republished by the relevant administrator) on the first day of that Interest Accrual Period. However, if such rate does not appear on the Reuters Screen BBSW Page (or any replacement page) by 10.45 a.m. Sydney time on that day (or such other time that is 15 minutes after the then prevailing time), or if it does appear but the Calculation Agent determines that there is an obvious error in that rate or the rate is permanently or indefinitely discontinued, **BBSW Rate** means such other successor rate or alternative rate for BBSW rate-linked floating rate notes at such time determined by the Issuer (acting in good faith and in a commercially reasonable manner) or, an alternate financial institution appointed by the Issuer (in its sole discretion) to assist in determining the rate (in each case, a **Determining Party**), which rate is notified in writing to the Calculation Agent (with a copy to the Issuer) if determined by such Determining Party, together with such adjustment spread (which may be a positive or negative value or zero) that is customarily applied to the relevant successor rate or alternative rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for BBSW rate-linked floating rate notes at such time (together with such other adjustments to the Business Day

Convention, Interest Determination Dates and related provisions and definitions, in each case that are consistent with accepted market practice for the use of such successor rate or alternative rate for BBSW rate-linked floating rate notes at such time), or, if no such industry standard is recognised or acknowledged, the method for calculating or determining such adjustment spread determined by such Determining Party (in consultation with the Issuer) to be appropriate. The rate determined by such Determining Party will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001 per cent).

Each Noteholder shall be deemed to acknowledge, accept and agree to be bound by, and consents to, such determination of, substitution for and adjustments made to the BBSW Rate, as applicable, in each case as described above (in all cases without the need for any Noteholder consent). Any determination of, substitution for and adjustments made to the BBSW Rate, as applicable, in each case described above will be binding on the Issuer, the Noteholders and each Agent.

(iv) ***Linear Interpolation***

Where Linear Interpolation is specified in the applicable Pricing Supplement as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified in the applicable Pricing Supplement as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified in the applicable Pricing Supplement as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period, provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

**Applicable Maturity** means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate; and (b) in relation to ISDA Determination, the Designated Maturity.

## 5.3 Zero Coupon Notes

Where a Note the Interest Basis of which is specified in the applicable Pricing Supplement to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6.2(a)).

## 5.4 Accrual of Interest

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

**5.5 Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding**

(i) If any Margin is specified in the applicable Pricing Supplement (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5.2 by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified in the applicable Pricing Supplement, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified) (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes **unit** means the lowest amount of such currency that is available as legal tender in the country of such currency.

**5.6 Calculations**

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the applicable Pricing Supplement, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

**5.7 Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts**

The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, the Registrar (in the case of AMTNs) and any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such

exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5.2(b), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 5.7 but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

**5.8 Determination or Calculation by agent appointed by Issuer**

If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Issuer may, failing whom the Parent Guarantor, appoint an agent on its behalf to do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall apply the foregoing provisions of this Condition 5, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

**5.9 Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

**Austraclear** means Austraclear Ltd (ABN 94 002 060 773).

**Austraclear Regulations** means rules and regulations known as the Austraclear Regulations established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System.

**Austraclear System** means the system operated by Austraclear for holding securities and the electronic recording and settling of transactions in those securities between members of that system.

**Australian Tax Act** means the *Income Tax Assessment Act 1936* (Cth) of Australia as amended and replaced.

**Business Day** means:

(i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency (and if the currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively); and/or

(ii) in the case of euro, a day on which the TARGET System is operating (a **TARGET Business Day**); and/or

(iii) in the case of a currency and/or one or more Additional Business Centres as specified in the applicable Pricing Supplement, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the Specified Currency in each of the Additional Business Centre(s).

**Day Count Fraction** means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the **Calculation Period**):

(i) if **Actual/Actual** or **Actual/Actual - ISDA** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if **Actual/365** (**Fixed**) is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(iii) if **Actual/365 (Sterling)** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(iv) if **Actual/360** is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(v) if **30/360**, **360/360** or **Bond Basis** is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\ x\ (Y_2 - Y_1)] + [30\ x\ (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

$\mathbf{Y_1}$ is the year, expressed as a number, in which the first day of the Calculation Period falls;

$\mathbf{Y_2}$ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

$\mathbf{M_1}$ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

$\mathbf{M_2}$ is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

$\mathbf{D_1}$ is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case $D_1$ will be 30; and

$\mathbf{D_2}$ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and $D_1$ is greater than 29, in which case $D_2$ will be 30;

(vi) if **30E/360** or **Eurobond Basis** is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\ x\ (Y_2 - Y_1] + [30\ x\ (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

**$Y_1$** is the year, expressed as a number, in which the first day of the Calculation Period falls;

**$Y_2$** is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

**$M_1$** is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

**$M_2$** is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

**$D_1$** is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case $D_1$ will be 30; and

**$D_2$** is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case $D_2$ will be 30;

(vii) if **30E/360 (ISDA)** is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\ x\ (Y_2 - Y_1] + [30\ x\ (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

**$Y_1$** is the year, expressed as a number, in which the first day of the Calculation Period falls;

**$Y_2$** is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

**$M_1$** is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

**$M_2$** is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

**$D_1$** is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case $D_1$ will be 30; and

**$D_2$** is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case $D_2$ will be 30;

(viii) if **Actual/Actual-ICMA** is specified in the applicable Pricing Supplement:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(1) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(2) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

**Determination Date** means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Interest Payment Date(s); and

**Determination Period** means the period from and including a Determination Date in any year to but excluding the next Determination Date.

**Euro-zone** means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

**Interest Accrual Period** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

**Interest Amount** means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

**Interest Commencement Date** means the Issue Date or such other date as may be specified in the applicable Pricing Supplement.

**Interest Determination Business Day** means, unless otherwise specified hereon, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the Specified Currency in London.

**Interest Determination Date** means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Interest Determination Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

**Interest Period** means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date unless otherwise specified in the applicable Pricing Supplement.

**Interest Period Date** means each Interest Payment Date unless otherwise specified in the applicable Pricing Supplement.

**ISDA Definitions** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the applicable Pricing Supplement.

**Offshore Associate** means, in relation to a payment of interest in respect of a Note or an interest in a Note, an associate (within the meaning of section 128F(9) of the Australian Tax Act) of an entity that is either:

(i) a non-resident of Australia (as defined in section 6 of the Australian Tax Act) and the payment is not received by the associate in carrying on a business in Australia at or through a permanent establishment of the associate in Australia; or

(ii) a resident of Australia (as defined in section 6 of the Australian Tax Act) and the payment is received by the associate in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country;

and, in either case, does not receive the payment in the capacity of a clearing house, paying agent, custodian, funds manager or "responsible entity" of a "registered scheme" (within the meaning of the Corporations Act).

**Rate of Interest** means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the applicable Pricing Supplement.

**Reference Banks** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent (acting on the instructions of the Issuers) or as specified in the applicable Pricing Supplement.

**Reference Rate** means the rate specified as such in the applicable Pricing Supplement.

**Relevant Screen Page** means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Pricing Supplement (or any successor or replacement page, section, caption, column or other part of a particular information service).

**Specified Currency** means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Notes are denominated.

**TARGET System** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

### 5.10 Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the applicable Pricing Supplement and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

## 6. REDEMPTION, PURCHASE AND OPTIONS

### 6.1 Final Redemption

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the applicable Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided in the applicable Pricing Supplement, is its principal amount).

### 6.2 Early Redemption

### (a) Zero Coupon Notes

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6.3, Condition 6.4 or Condition 6.5 or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified in the applicable Pricing Supplement.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the applicable Pricing Supplement, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6.3, Condition 6.4 or Condition 6.5 or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5.3.

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the applicable Pricing Supplement.

**(b) Other Notes**

The Early Redemption Amount payable in respect of any Note (other than Notes described in paragraph (a) above), upon redemption of such Note pursuant to Condition 6.3, Condition 6.4 or Condition 6.5 or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified in the applicable Pricing Supplement.

**6.3 Redemption for Taxation Reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6.2) (together with interest accrued to the date fixed for redemption), if the Issuer (or, if the Guarantee were called, the Guarantors) has confirmed to the Trustee by giving the certificate described below immediately before the giving of such notice that:

(a) it has or will become obliged to pay Additional Amounts (as defined in Condition 8) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 8 (*Taxation*)) or, in each case, any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

(b) such obligation cannot be avoided by the Issuer (or the Guarantors, as the case may be) taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantors, as the case may be) would be obliged to pay such Additional Amounts were a payment in respect of the Notes (or the Guarantee, as the case may be) then due. Prior to the publication of any notice of redemption pursuant to this Condition 6.3, the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer (or the Guarantors, as the case may be) stating that the obligation referred to in paragraph (a) above cannot be avoided by the Issuer (or the Guarantors, as the case may be) taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out in

paragraphs (a) and (b) above, in which event it shall be conclusive and binding on Noteholders and Couponholders.

**6.4 Redemption at the Option of the Issuer**

If Call Option is specified in the applicable Pricing Supplement, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Pricing Supplement), redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified in the applicable Pricing Supplement (which may be the Early Redemption Amount (as described in Condition 6.2)), together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a principal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Pricing Supplement and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Pricing Supplement.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6.4.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, taking account of prevailing market practices and subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

**6.5 Redemption at the Option of Noteholders**

If Put Option is specified in the applicable Pricing Supplement, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified in the applicable Pricing Supplement) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified in the applicable Pricing Supplement (which may be the Early Redemption Amount (as described in Condition 6.2)), together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice (**Exercise Notice**) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

**6.6 Redemption for a Change of Control Put Event**

(a) If a Change of Control Put Event (as defined below) is specified as Applicable in the applicable Pricing Supplement and occurs, the holder of any such Note will have the option (a **Change of Control Put Option**) (unless prior to the giving of the relevant Change of Control Put Event Notice (as defined below) the Issuer has given notice of redemption under Condition 6.4) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) all, but not some only, of such holder's Notes on the Change of Control Put Date (as defined below)

at the Change of Control Redemption Amount, together with interest accrued and unpaid to (but excluding) the Change of Control Put Date.

(b) Not later than seven days after becoming aware of the occurrence of a Change of Control Put Event, the Issuer shall notify the Trustee in writing and give notice (a **Change of Control Put Event Notice**) to the Noteholders in accordance with Condition 17 specifying: (A) the nature of the Change of Control Put Event, (B) the procedure for exercising the Change of Control Put Option; (C) that a Change of Control Put Notice once given may not be revoked; (D) the last day of the Change of Control Put Period and (E) the Change of Control Put Date.

(c) To exercise the Change of Control Put Option:

(i) the holder of a Bearer Note must deliver such Note to the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the period (the **Change of Control Put Period**) of 30 days after a Change of Control Put Event Notice is given, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a **Change of Control Put Notice**). The Note should be delivered together with all Coupons appertaining thereto maturing after the date which is seven days after the expiration of the Change of Control Put Period (the **Change of Control Put Date**), failing which the Paying Agent will deduct an amount equal to the face value of any such missing unmatured Coupons from the Change of Control Redemption Amount. Any amount so deducted from the Change of Control Redemption Amount will be paid to the Couponholder against presentation and surrender of the relevant missing Coupon (or any replacement therefor issued pursuant to Condition 14) at any time after such payment, but before the expiry of the period of five years from the date on which such Coupon would have become due, but not thereafter.

The Paying Agent to which such Note and Change of Control Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Change of Control Put Notice to which payment is to be made, on the Change of Control Put Date by transfer to that bank account and, in every other case, on or after the Change of Control Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent.

(ii) the holder of a Registered Note must deposit the Certificate evidencing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly signed and completed Change of Control Put Notice obtainable from the Registrar or any Transfer Agent within the Change of Control Put Period. Payment in respect of any Certificate so deposited will be made on the Change of Control Put Date by transfer to the bank account specified in the Change of Control Put Notice.

(d) A Change of Control Put Notice, once given, shall be irrevocable, except where, prior to the Change of Control Put Date, an Event of Default has occurred and is continuing in which event the relevant Noteholder, at its option, may elect by notice to the Issuer to withdraw the Change of Control Put Notice and instead to instruct the Trustee to give notice that the relevant Notes the subject of the Change of Control Put Notice are immediately due and payable under Condition 10. The relevant Notes shall then become immediately due and payable if the Trustee declares all of the Notes immediately due and payable in accordance with Condition 10.

(e) The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

(f) The Trustee is under no obligation to ascertain whether a Change of Control Put Event or any event which could lead to the occurrence of or could constitute a Change of Control Put Event has occurred and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Put Event or other such event has occurred.

In this Condition 6.6:

**Change of Control** occurs when

(i) an entity which does not control the Parent Guarantor as at the Issue Date gains control of the Parent Guarantor, where the question of whether an entity controls another is to be determined in accordance with section 50AA of the Corporations Act; or

(ii) the Parent Guarantor ceases to directly own all of the outstanding share capital of the Issuer;

**Change of Control Put Event** occurs if either:

(i) in anticipation of a Change of Control; or

(ii) during the Change of Control Put Period;

one or more credit ratings assigned to the Notes are changed so that less than two Rating Agencies rate the Notes Investment Grade, provided that:

(A) where a rating has been changed, the relevant Rating Agency announces publicly or confirms in writing to the Parent Guarantor that such change resulted, in whole or in part, in anticipation of, or as a result of the occurrence of, the Change of Control;

(B) in the case of an anticipated Change of Control, a Change of Control Put Event will be deemed to have occurred only if and when a Change of Control subsequently occurs and that occurrence takes place within 90 days after the negative change in credit rating; and

(C) if there is only one credit rating assigned to the Notes, a Change of Control Put Event can only occur if that credit rating changes so that the relevant Rating Agency does not rate the Notes Investment Grade.

**Investment Grade** means in relation to the Notes:

(i) BBB- or higher by S&P (or its equivalent under any successor rating category of S&P);

(ii) Baa3 or higher by Moody's (or its equivalent under any successor rating category of Moody's); or

(iii) an equivalent rating to either BBB- or Baa3, or higher, by any other Rating Agency.

**Moody's** means Moody's Investors Service Pty Ltd and its successors.

**Ratings Agencies** means:

(i) S&P;

(ii) Moody's; or

(iii) another international recognised rating agency that provides a rating for the Notes.

**S&P** means S&P Global Ratings Australia Pty Ltd and its successors.

### 6.7 Purchases

The Issuer, the Parent Guarantor and their respective Subsidiaries may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

### 6.8 Cancellation

All Notes (other than AMTNs) purchased by or on behalf of the Issuer, the Parent Guarantor or any of their respective Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). All AMTNs purchased by or on behalf of the Issuer, the Parent Guarantor or any of their respective Subsidiaries may be cancelled, and such cancellation of an AMTN will be taken to have occurred upon redemption of the Note or an entry being made in the Register that the Note has been redeemed or cancelled or transferred to the Issuer. Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantors in respect of any such Notes shall be discharged.

## 7. PAYMENTS AND TALONS

### 7.1 Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7.5(vi)) or Coupons (in the case of interest, save as specified in Condition 7.5(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by transfer to an account denominated in such currency with a Bank.

**Bank** means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

### 7.2 Registered Notes

(a) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (b) below.

(b) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the 15th day before the due date for payment thereof (the **Record Date**). Payments of interest on each Registered Note shall be made in the relevant currency by transfer to an account in the relevant currency maintained by the payee with a Bank.

### 7.3 Payments in respect of AMTNs

(a) Payments of principal and interest in respect of AMTNs will be made in Australian dollars to the persons registered in the Register on the relevant Record Date (as defined below) as the holders of such AMTNs or (if so required by the Trustee by notice in writing following the occurrence of an Event of Default or Potential Event of Default (as defined in the Trust Deed) or following receipt by the Trustee of any money which it proposes to pay under clause 10 of the Trust Deed) to the Trustee. Payments to holders in respect of each AMTN will be made: (i) if the AMTN is held by Austraclear and entered in the Austraclear System, by crediting on the relevant Interest Payment Date, the Maturity Date or other date on which payment is due the amount then due to the account or accounts to which payments should be made in accordance with the Austraclear Regulations or as otherwise agreed with Austraclear; and (ii) if the AMTN is not held by Austraclear and entered in the Austraclear System, by crediting on the Interest Payment Date, the Maturity Date or other date on which payment is due, the amount then due to an account in Australia previously notified by the Noteholder(s) of the AMTN to the Issuer and the Registrar.

(b) Payment of an amount due in respect of an AMTN to the holder or otherwise in accordance with this Condition 7.3 or to the Trustee discharges the obligation of the Issuer to all persons to pay that amount.

(c) Payments will for all purposes be taken to be made when the Issuer or the Agent gives irrevocable instructions for the making of the relevant payment by electronic transfer, being instructions which would be reasonably expected to result, in the ordinary course of banking business, in the funds transferred reaching the account to which the payment is to be made on the same day as the day on which the instructions are given.

(d) If, following the application of Condition 7.8 (*Non-Business Days*), a payment is due to be made under an AMTN to an account on a Payment Day on which banks are not open for general banking business in the city in which the account is located, the Noteholder is not entitled to payment of such amount until the next Payment Day on which banks in such city are open for general banking business and is not entitled to any interest or other payment in respect of any such delay.

(e) Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto but without prejudice to the provisions of Condition 8 (*Taxation*).

(f) In these Conditions in relation to AMTNs, **Record Date** means, in the case of payments of principal or interest, close of business in Sydney and Melbourne on the date which is the eighth calendar day before the due date for the relevant payment of principal or interest.

### 7.4 Payments subject to Laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

### 7.5 Appointment of Agents

The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantors and their respective specified offices are listed in the Agency Agreement or the Australian Agency Agreement (as the case may be). Subject to the terms of the Trust Deed, the Agency Agreement and the

Australian Agency Agreement, the Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantors and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantors reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, and (v) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

**7.6 Unmatured Coupons and Unexchanged Talons:**

(a) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes, such Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).

(b) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(c) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(d) Where any Bearer Note that provides that the relevant unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(e) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

### 7.7 Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

### 7.8 Non-Business Days

If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7.8, **business day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in Sydney and the relevant place of presentation, in such other jurisdictions as shall be specified as **Financial Centres** in the applicable Pricing Supplement and:

(a) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency (which if the currency is New Zealand dollars shall be Auckland); or

(b) (in the case of a payment in euro) which is a TARGET Business Day.

## 8. TAXATION

All payments of principal and interest by or on behalf of the Issuer or a Guarantor in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**) imposed, levied, collected, withheld or assessed by any Tax Jurisdiction, unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the relevant Guarantor shall pay such additional amounts (**Additional Amounts**) as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable in relation to any payment with respect to any Note or Coupon:

(i) **Other connection:** to, or to a third party on behalf of, a holder who is liable for Taxes in respect of such Note or Coupon by reason of such holder or any beneficial owner having some connection with the Tax Jurisdiction other than the mere holding of the Note or Coupon provided that such a holder shall not be regarded as being connected with the Commonwealth of Australia for the reason that such a holder is a resident of the Commonwealth of Australia within the meaning of the Australian Tax Act where, and to the extent that, such tax is payable by reason of section 128B(2A) of the Australian Tax Act; or

(ii) **Other taxes:** to, or to a third party on behalf of, a Noteholder or Couponholder, as the case may be, where the Tax is calculated having regard to, the overall net income, overall net gains or overall profits of a Noteholder or Couponholder, as the case may be, or imposed on the taxable income of a Noteholder or Couponholder, as the case may be; or

(iii) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Amounts on presenting it for payment on the 30th day or, in the case of an AMTN, a claim for payment being made after, such 30th day assuming that day to have been a business day (as defined in Condition 7.8 (Non-Business Days)); or

(iv) **Associate**: on account of Taxes which are payable by reason of the holder being an Offshore Associate of the Issuer for the purposes of section 128F of the Australian Tax Act; or

(v) **Provision of information**: in respect of a payment to, or to a third party on behalf of, a holder, in circumstances where such withholding or deduction would not have been required if the holder or any person acting on the holder's behalf had provided to the Issuer an appropriate tax file number, Australian business number or details of an exemption from providing those numbers; or

(vi) **Tax exemption**: held by or on behalf of a holder or beneficial owner who could lawfully avoid (but has not so avoided) such deduction or withholding by complying, or procuring that any third party complies with any statutory requirements, by complying with a request by the Issuer to provide information concerning the nationality, residence, identity, tax identification number or address of such holder, or beneficial owner, or by making or procuring that any third party makes a declaration of non-resident or other similar claim for exemption to any Tax authority; or

(vii) **Presentation**: presented for payment in a Tax Jurisdiction or presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent; or

(viii) **Tax authority direction**: on account of the Issuer, or a third party acting on behalf of the Issuer, receiving a direction under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 to the *Taxation Administration Act 1953* (Cth) of Australia or any similar law in relation to any other Taxes; or

(ix) **Combination**: for or on account of any combination of any Taxes referred to in the proceeding clauses (i) to (viii) above.

Nor shall Additional Amounts be paid to a holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent that a beneficiary or settlor of such fiduciary or partnership or beneficial owner would not have been entitled to such Additional Amounts had such beneficiary, settlor or beneficial owner been the holder of the Note.

Notwithstanding any other provision in these Conditions, any amounts to be paid by or on behalf of the Issuers on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 to 1474 of the Code, as amended, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (or any law implementing such an intergovernmental agreement) (a **FATCA Withholding Tax**). Neither the Issuer nor any other person will be required to pay additional amounts on account of any FATCA Withholding Tax.

As used in these Conditions:

(a) **Relevant Date** means, in respect of any Note or Coupon, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relevant Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation; and

(b) **Tax Jurisdiction** means the Commonwealth of Australia, or, in respect of payments to be made by a Guarantor incorporated in another jurisdiction, such jurisdiction or, in each case, any political subdivision or any authority thereof or therein having power to tax.

References in these Conditions to:

(i) **principal** shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it;

(ii) **interest** shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it; and

(iii) **principal** and/or **interest** shall be deemed to include any additional amounts that may be payable under this Condition 8 or any undertaking given in addition to or in substitution for it under the Trust Deed.

## 9. PRESCRIPTION

Claims against the Issuer and/or the Guarantors for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) of the appropriate Relevant Date in respect of them.

## 10. EVENTS OF DEFAULT

If any of the following events (**Events of Default**) occurs and is continuing, the Trustee at its discretion may, and if so requested by holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (provided in any such case that the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest to the date of payment as provided in the Trust Deed (but in the case of the occurrence of any of the events described in paragraphs (b) to (g) below, only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders):

(a) **Non-Payment:** the Issuer fails to pay any amount of principal in respect of the Notes within 7 days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within 14 days of the due date for the payment thereof; or

(b) **Breach of Other Obligations:** the Issuer or any Guarantor fails to observe or perform any obligation (other than a payment obligation covered by paragraph (a) above) under the Notes, the Trust Deed or the Australian Deed Poll and, if such failure is capable of remedy, it is not remedied within 30 days of notice from the Trustee to the Issuer and the Guarantors requiring the failure to be remedied; or

(c) **Cross-Default:** (A) any Financial Indebtedness in aggregate in excess of A$50,000,000 (or its equivalent in any other currency or currencies) of the Issuer, Parent Guarantor or any Significant Subsidiary becomes due and payable prior to its stated maturity as a result of a default and is not paid forthwith, or (B) the Issuer, Parent Guarantor or any Significant Subsidiary fails to pay when due or upon expiration of any applicable grace period any Financial Indebtedness in excess of A$50,000,000 (or its equivalent in any other currency or currencies); or

(d) **Insolvency Event:** an Insolvency Event occurs with respect to the Issuer, Parent Guarantor or any Significant Subsidiary; or

(e) **Controller:** a controller (as defined in the Corporations Act) is appointed in respect of the whole or a material part of the property of the Issuer, Parent Guarantor or any Significant Subsidiary (unless the appointment is being disputed or defended in good faith); or

(f) **Enforcement Proceedings:** a distress, attachment or other execution in excess of A$50,000,000 (or its equivalent in any other currency or currencies) is levied or enforced upon or against any asset or assets of the Issuer, Parent Guarantor or any Significant Subsidiary and is not stayed or remedied within 30 days; or

(g) **Security Enforced:** any Security Interest securing a principal (or corresponding) amount exceeding A$50,000,000 (or its equivalent in any other currency or currencies) over any asset or assets of the Issuer, Parent Guarantor or any Significant Subsidiary becomes enforceable or is enforced (unless the same is being disputed or defended in good faith); or

(h) **analogous event:** anything analogous or having a substantially similar effect to any of the events specified in paragraphs (e) to (g) above occurs in relation to the Issuer, Parent Guarantor or any Significant Subsidiary under the law of any applicable jurisdiction; or

(i) **vitiation:** (A) all or any part of a Note, the Trust Deed or the Australian Deed Poll becomes void, illegal, invalid, unenforceable or of limited force and effect, other than as a result of an act or omission of the Trustee, (B) the Issuer or any Guarantor becomes entitled to terminate, rescind or avoid all or part of a Note, the Trust Deed or the Australian Deed Poll and has not validly and irrevocably waived such entitlement, or (C) the Issuer, Parent Guarantor or a Significant Subsidiary alleges or claims that an event described in sub-paragraph (A) has occurred or that it is entitled as described in sub-paragraph (B).

For the purposes of this Condition 10:

**Financial Indebtedness** means any indebtedness, present or future, actual or contingent, in respect of moneys borrowed or raised or any financial accommodation whatsoever, including under or in respect of any guarantee or indemnity in respect of any such indebtedness or any finance lease.

**Insolvency Event** means the happening of any of the following events:

(a) an application is made (other than an application which is withdrawn or struck out within 15 Business Days or is demonstrated to be frivolous or vexatious) to a court for an order, or an order is made, that the Issuer, Parent Guarantor or a Significant Subsidiary be wound-up;

(b) an application is made (other than an application which is withdrawn or struck out within 15 Business Days or is demonstrated to be frivolous or vexatious) to a court for an order, or an order is made, appointing a liquidator or provisional liquidator in respect of the Issuer, Parent Guarantor or a Significant Subsidiary;

(c) the Issuer, Parent Guarantor or a Significant Subsidiary enters into, or resolves to enter into, a scheme of arrangement or composition with, or assignment for the benefit of, all or any class of its creditors, or calls a meeting to consider a reorganisation, moratorium or other administration involving any of them, other than for the purposes of a reconstruction or amalgamation on terms approved by the Trustee or approved by an Extraordinary Resolution of the Noteholders;

(d) the Issuer, Parent Guarantor or a Significant Subsidiary (not being a Group Member whose only creditors are other Group Members) resolves to wind itself up, or otherwise dissolve itself, or gives notice of intention to do so, or calls a meeting to consider doing so, other than for the purposes of a reconstruction or amalgamation on terms approved by the Trustee or approved by an Extraordinary Resolution of the Noteholders;

(e) the Issuer, Parent Guarantor or a Significant Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or ceases or suspends or threatens to cease or suspend payment all or substantially all of its debts generally;

(f) the Issuer, Parent Guarantor or a Significant Subsidiary is or states that it is unable to pay its debts when they fall due;

(g) as a result of the operation of section 459F(1) of the Corporations Act, the Issuer, Parent Guarantor or a Significant Subsidiary is taken to have failed to comply with a statutory demand for an amount exceeding A$50,000,000 (or its equivalent in any other currency or currencies) (other than as a result of an action by a trade creditor and contested in good faith by the Issuer, Parent Guarantor or the Significant Subsidiary);

(h) the Issuer, Parent Guarantor or a Significant Subsidiary takes any step to obtain protection or is granted protection from its creditors under any applicable legislation;

(i) an administrator is appointed to the Issuer, Parent Guarantor or a Significant Subsidiary; or

(j) anything analogous or having a substantially similar effect to any of the events specified above happens to the Issuer, Parent Guarantor or a Significant Subsidiary under the law of any applicable jurisdiction.

**PPSA** means the Personal Property Securities Act 2009 (Cth).

**PPSA Security Interest** means any "security interest" as defined in sections 12(1) or (2) of the PPSA.

**Security Interest** means any mortgage, charge, pledge, lien, preferential right, title retention arrangement, trust or other encumbrance, given or created as security for the payment of any money obligation or the performance or observance of any other obligation including any PPSA Security Interest.

**Significant Subsidiary** means the Issuer, any Guarantor (other than the Parent Guarantor) and any Subsidiary of the Parent Guarantor whose Tangible Assets (determined by reference to its most recently prepared Accounts audited or reviewed by the auditors of the Group) for the time being exceeds A$100,000,000 or its equivalent in any other currency or currencies.

A certificate prepared by a director or an authorised representative of the Parent Guarantor, stating that in his or her opinion, a Subsidiary is or is not, or was or was not, a Significant Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

## 11. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

### 11.1 Meetings of Noteholders

The Trust Deed and the Australian Deed Poll (in the case of AMTNs) each contain provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed or the Australian Deed Poll (as applicable). Such a meeting may be convened by Noteholders holding not less than 10 per cent in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing not less than 50 per cent in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown in the applicable Pricing Supplement, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (viii) to modify or cancel the Guarantee, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent, or at any adjourned meeting not less than 25 per cent, in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed or the Australian Deed Poll (as applicable) provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

*These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the applicable Pricing Supplement in relation to such Series.*

**11.2 Modification of the Trust Deed**

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed, the Australian Deed Poll, the Agency Agreement or the Australian Agency Agreement that is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with any mandatory provision of law and (ii) any other modification (except as mentioned in the Trust Deed or the Australian Deed Poll), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, the Australian Deed Poll, the Agency Agreement or the Australian Agency Agreement that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and Couponholders and, if the Trustee so requires, such modification shall be notified by the Issuer to the Noteholders as soon as practicable.

**11.3 Substitution**

The Trustee may agree (but is not obliged to), without the consent of the Noteholders or the Couponholders, to the substitution of the Issuer's successor in business or any Subsidiary of the Issuer or its successor in business or of each Guarantor or its successor in business or any Subsidiary of such Guarantor or its successor in business in place of the Issuer or such Guarantor, or of any previous substituted company, as principal debtor or such Guarantor under the Trust Deed and (in the case of AMTNs) the Australian Deed Poll and the Notes subject to (i) any amendment of the Trust Deed and the Australian Deed Poll as may be required to be made, (ii) certain other conditions set out in the Trust Deed being complied with, and (iii) the Trustee being satisfied that the interests of the Noteholders or the Couponholders will not be materially prejudiced by the substitution.

**11.4 Entitlement of the Trustee**

In connection with the exercise of its functions (including but not limited to those referred to in this Condition 11), the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or the Parent Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

**12. ENFORCEMENT**

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantors as it may think fit to enforce the terms of the Trust Deed, the Australian Deed Poll, the Notes and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in principal amount of the Notes outstanding and (b) it shall have been indemnified, secured and/or pre-funded to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer or the Guarantors unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement, the Australian Agency Agreement or the Australian Deed Poll or these Conditions

to exercise any discretion or power, take any action, make any decision or give any direction or notice or provide any consent (the **Trustee Powers**), the Noteholders acknowledge and agree that:

(a) the Trustee may, prior to exercising any Trustee Powers, seek directions or instructions from the Noteholders by way of Extraordinary Resolution; and

(b) the Trustee is required or entitled (as the case may be) to exercise such Trustee Powers and each Noteholder acknowledges and consents to the Trustee exercising Trustee Powers as required of it under the Trust Deed, the Agency Agreement, the Australian Agency Agreement or the Australian Deed Poll or these Conditions.

## 13. INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantors and any entity related to the Issuer or the Guarantors without accounting for any profit.

The Trustee may rely without liability to Noteholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Guarantors, the Trustee and the Noteholders.

## 14. REPLACEMENT OF NOTES, CERTIFICATES, COUPONS AND TALONS

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent in Luxembourg (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

## 15. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with an outstanding Series. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 15 and forming a single series with the Notes.

## 16. NOTICES

Notices to the holders of Registered Notes or AMTNs shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Alternatively, notices to holders of AMTNs may be given by being published in a leading daily newspaper of general circulation in Australia. It is expected that such notices will normally be published in the *Australian Financial Review*. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*). If, in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

*So long as the Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg, or any other clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note.*

## 17. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 but does not affect any right or remedy of any person which exists or is available apart from that Act.

## 18. GOVERNING LAW AND JURISDICTION

### 18.1 Governing Law

The Trust Deed, the Agency Agreement, the Guarantee, the Notes (other than the AMTNs), the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

The Australian Deed Poll, the Australian Agency Agreement and the AMTNs are governed by, and shall be construed in accordance with, the laws of New South Wales, Australia.

### 18.2 Jurisdiction of the Courts of England

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, the Agency Agreement, any Notes (other than the AMTNs) , Coupons or Talons or the Guarantee (as it applies to Notes other than AMTNs) and accordingly any legal action or proceedings arising out of or in connection with any Notes (other than the AMTNs), Coupons or Talons or the Guarantee (as it applies to Notes other than AMTNs) (**Proceedings**) may be brought in such courts. Each of the Issuers and the Guarantors shall have irrevocably submitted to the jurisdiction of such courts in the Trust Deed.

### 18.3 Service of Process

The Parent Guarantor has irrevocably appointed an agent in England to receive, for it and on behalf of the Issuers and other Guarantors, service of process in any Proceedings in England in the Trust Deed.

For so long as any AMTNs are outstanding, each of the Issuer and the Guarantors shall agree that the registered office of the Issuer of such AMTNs is in New South Wales, Australia and shall accept service of process on its behalf in New South Wales, Australia in respect of any Australian Proceedings (as defined below).

### 18.4 Jurisdiction of the Courts of New South Wales

In the case of the AMTNs, the Issuer has irrevocably agreed for the benefit of Noteholders that the courts of New South Wales, Australia are to have jurisdiction to settle any disputes which may arise out of or in connection with the AMTNs, the Guarantee (as it applies to AMTNs), the Australian Deed Poll and the Australian Agency Agreement and that, accordingly, any suit, action or proceeding arising out of or in connection with the AMTNs, the Guarantee (as it applies to the AMTNs) the Australian Deed Poll or the Australian Agency Agreement (together referred to as **Australian Proceedings**) may be brought in such courts.

### 18.5 Submission to Jurisdiction

The Issuer, the Guarantors and the Noteholders in relation to any Proceedings or Australian Proceedings, as the case may be, submit to the jurisdiction of the courts noted in Conditions 18.2 and 18.4 (as the case may be) and waive any objection to those courts on the grounds that they are inconvenient or an inappropriate forum.

## FORM OF PRICING SUPPLEMENT

*Set out below is the form of Pricing Supplement which will be completed for each Tranche of Notes issued under the Programme.*

**Pricing Supplement dated [ ]**

**[CIMIC Finance (USA) Pty Ltd (ABN 76 132 500 684)/[CIMIC Finance Limited (ABN 43 002 323 373)]**
Issue of **[Aggregate Nominal Amount of Tranche] [Title of Notes]**
guaranteed inter alia by

**CIMIC Group Limited (ABN 57 004 482 982)**
**under the USD 3,000,000,000**
**Euro Medium Term Note Programme**

## PART A – CONTRACTUAL TERMS

This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the Offering Circular dated 4 April 2023 [and the supplement to it dated [●]] (the **Offering Circular**). Full information on the Issuer, the Guarantors and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. [Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Offering Circular dated [*original date*] [and the supplement dated [●]] which are incorporated by reference in the Offering Circular.][1]

[**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** — Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MIFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[1] Only include this language where it is a fungible issue and the original Tranche was issued under an Offering Circular with a different date.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the **EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended **MiFID II**)]/[MiFID II]; or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended (**Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the **UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the **FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[**NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE (THE SFA) -** [*To insert notice if classification of the Notes is not "prescribed capital markets products", pursuant to Section 309B of the SFA or Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)*][2]

[*Insert the following language for an issue of AMTNs:*

The Notes will be constituted by a deed poll (the **Australian Deed Poll**) dated 29 March 2021 executed by CIMIC Finance Limited and will be issued in uncertificated registered form by inscription on a register. The Notes are AMTNs for the purposes of the Offering Circular dated 29 March 2021 and the Conditions.

Notes will be offered in Australia only in the wholesale capital markets and on the basis that no disclosure to investors is required under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of the Commonwealth of Australia.]

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]*

| | | | |
|---|---|---|---|
| 1. | (i) | Issuer: | [CIMIC Finance (USA) Pty Ltd]/[CIMIC Finance Limited] |

[2] Relevant Dealer(s) to consider whether it/they shall have received the necessary product classification from the relevant Issuer prior to the launch of the offer, pursuant to Section 309B of the Securities and Futures Act. If there is a change as to product classification for the relevant drawdown, from the upfront classification embedded in the programme documentation, then the legend is to be completed and used (if no change as to product classification, then the legend may be deleted in its entirety).

| | | | |
|---|---|---|---|
| | (ii) | Parent Guarantor: | CIMIC Group Limited |
| | (iii) | Guarantors | [●] |
| 2. | [(i)] | Series Number: | [●] |
| | (ii) | [Tranche Number: | [●]][3] |
| | (iii) | [Date on which the Notes become fungible: | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [*insert description of the Series*] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 22 below [which is expected to occur on or about [*insert date*]]].] |
| 3. | Specified Currency or Currencies: | | [●] |
| 4. | Aggregate Nominal Amount: | | [●] |
| | (i) | [Series:] | [●] |
| | (ii) | [Tranche: | [●]] |
| 5. | Issue Price: | | [●] per cent of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)] |
| 6. | (i) | Specified Denominations: | [●] |
| | (ii) | Calculation Amount: | [●] |
| 7. | (i) | Trade Date: | [●] |
| | (ii) | Issue Date: | [●] |
| | (iii) | Interest Commencement Date: | [*Specify*/Issue Date/Not Applicable] |
| 8. | Maturity Date: | | [*insert date for Fixed Rate Notes*]/[*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*] |
| 9. | Interest Basis: | | [●] [per cent Fixed Rate]<br><br>[[*specify reference rate*] +/– [●] per cent Floating Rate]<br><br>[Zero Coupon]<br><br>[Other (*specify*)]<br><br>(further particulars specified below) |

[3] If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.

| | | | |
|---|---|---|---|
| | | | (*N.B. It is expected that BBSW Rate will only be selected where "BBSW Determination" is marked as "Applicable" below*) |
| 10. | Redemption/Payment Basis: | | [Redemption at par]<br><br>[Other (*specify*)] |
| 11. | Change of Interest or Redemption/Payment Basis: | | [*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*]<br><br>[Not Applicable] |
| 12. | Put/Call Options: | | [Investor Put]<br><br>[Issuer Call]<br><br>[(further particulars specified below)] |
| 13. | (i) | [Status of the Notes:] | [Senior] |
| | (ii) | [Status of each Guarantee:] | [Senior] |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

| | | | |
|---|---|---|---|
| 14. | Fixed Rate Note Provisions: | | [Applicable/Not Applicable]<br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Rate[(s)] of Interest: | [●] per cent per annum payable in arrear on each Interest Payment Date |
| | (ii) | Interest Payment Date(s): | [●] in each year |
| | (iii) | Fixed Coupon Amount[(s)]: | [●] per Calculation Amount |
| | (iv) | Broken Amount(s): | [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●] |
| | (v) | Day Count Fraction: | [30/360 / Actual/Actual (ICMA) / specify other] |
| | (vi) | [Determination Dates: | [●] in each year *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*] |
| | (vii) | [Ratings Step-up/Step-down: | [Applicable/Not Applicable] |
| | | [Step-up/Step-down Margin: | [●] per cent per annum]] |

| | | | |
|---|---|---|---|
| | (viii) | Other terms relating to the method of calculating interest for Fixed Rate Notes: | [Not Applicable/give details] |
| 15. | Floating Rate Note Provisions: | | [Applicable/Not Applicable]<br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Interest Period(s): | [●] [[, subject to adjustment in accordance with the Business Day Convention set out in (iv) below]/[, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]]] |
| | (ii) | Specified Interest Payment Dates: | [[●] in each year[, subject to adjustment in accordance with the Business Day Convention set out in (iv) below]/[, not subject to any adjustment[, as the Business Day Convention in (iv) below is specified to be Not Applicable]]] |
| | (iii) | Interest Period Date: | [[Not Applicable]/[●][in each year[, subject to adjustment in accordance with the Business Day Convention set out in (v) below]/[, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]]] |
| | (iv) | First Interest Payment Date: | [●] |
| | (v) | Business Day Convention: | [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)][Not Applicable] |
| | (vi) | Additional Business Centre(s): | [●] |
| | (vii) | Manner in which the Rate(s) of Interest is/are to be determined: | [Screen Rate Determination/ISDA Determination/BBSW Determination/other (*give details*)] |
| | (viii) | Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Issuing and Paying Agent): | [●] (the **Calculation Agent**) |
| | (ix) | Screen Rate Determination: | |
| | | – Reference Rate: | [●] |

| | | | |
|---|---|---|---|
| | – | Interest Determination Date(s): | [●] |
| | – | Relevant Screen Page: | [●] |
| | – | Reference Banks: | [●] |
| | – | Financial Centre: | [●] |
| (x) | ISDA Determination: | | |
| | – | Floating Rate Option: | [●] |
| | – | Designated Maturity: | [●] |
| | – | Reset Date: | [●] |
| | – | ISDA Definitions: | [2000/2006] |
| (xi) | Linear Interpolation: | | Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*) |
| (xii) | Margin(s): | | [+/-][●] per cent per annum |
| (xiii) | Minimum Rate of Interest: | | [●] per cent per annum |
| (xiv) | Maximum Rate of Interest: | | [●] per cent per annum |
| (xv) | Day Count Fraction: | | [●] |
| (xvi) | [Ratings Step-up/Step-down: | | [Applicable/Not Applicable] |
| | [Step-up/Step-down Margin: | | [●] per cent per annum]] |
| (xvii) | Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from | | [●] |

| | | | |
|---|---|---|---|
| | | those set out in the Conditions: | |
| 16. | Zero Coupon Note Provisions: | | [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) | Amortisation Yield: | [●] per cent per annum |
| | (ii) | [Day Count Fraction in relation to Early Redemption Amounts: | [[30/360][Actual/360][Actual/365]][*specify other*]][4] |
| | (iii) | Any other formula/basis of determining amount payable: | [●] |

**PROVISIONS RELATING TO REDEMPTION**

| | | | |
|---|---|---|---|
| 17. | Call Option | | [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Optional Redemption Date(s): | [●] |
| | (ii) | Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): | [●] per Calculation Amount |
| | (iii) | If redeemable in part: | |
| | | (a) Minimum Redemption Amount: | [●] per Calculation Amount |
| | | (b) Maximum Redemption Amount: | [●] per Calculation Amount |
| | (iv) | Notice period | [●] days |
| 18. | Put Option | | [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) | Optional Redemption Date(s): | [●] |
| | (ii) | Optional Redemption Amount(s) of each Note | [●] per Calculation Amount/specify other/see Appendix |

[4] Consider applicable day count fraction if not U.S. dollar denominated.

| | | | |
|---|---|---|---|
| | | and method, if any, of calculation of such amount(s): | |
| | (iii) | Notice period: | [●] days |
| 19. | Change of Control Put Option/Put Event | | [Applicable (see Appendix)/Not Applicable] |
| | (i) | [Optional Redemption Amount(s) of each Note: | [●] per Calculation Amount] |
| | (ii) | [Put Period: | [●]] |
| | (iii) | [Put Date: | [●]] |
| 20. | Final Redemption Amount of each Note: | | [●] per Calculation Amount |
| 21. | Early Redemption Amount | | [●] |
| | Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): | | [●] |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

| | | |
|---|---|---|
| 22. | Form of Notes: | **Bearer Notes:**<br><br>[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]<br><br>[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]<br><br>[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]<br><br>**Registered Notes:**<br><br>[Global Certificate registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg]]<br><br>**[AMTNs** |

| | | |
|---|---|---|
| | | The Notes are AMTNs as referred to in the Offering Circular and will be issued in registered uncertificated form, constituted by the Australian Deed Poll and take the form of entries on a register to be maintained by the Australian Registrar (as defined below). Copies of the Australian Deed Poll are available from the Australian Registrar at its principal office in New South Wales, Australia.]<br><br>[*Note: AMTNS will only be issued by CIMIC Finance Limited and will be in registered form only*] |
| 23. | Additional Financial Centre(s) or other special provisions relating to payment dates: | [Not Applicable/*give details. Note that this paragraph relates to the date of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which sub-paragraphs 15(v) and [please review] relate*] |
| 24. | Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | [No/Yes. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made.] |
| 25. | Other terms or special conditions: | [Not Applicable/*give details*] |

**RESPONSIBILITY**

The Issuer and the Guarantors accept responsibility for the information contained in this Pricing Supplement. [(*Relevant third party information*) has been extracted from (*specify source*). Each of the Issuer and the Guarantors confirm that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.][5]

Signed on behalf of **[CIMIC Finance (USA) Pty Ltd]/[CIMIC Finance Limited]**:

[By: .....
Duly authorised]

[5] Consider including if third party information is provided

## PART B – OTHER INFORMATION

**1. LISTING**

[Application has been made by the Issuer (or on its behalf) for the Notes to be listed on Singapore Exchange Securities Trading Limited with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on Singapore Exchange Securities Trading Limited with effect from [●].] [Not Applicable.]

*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*

**2. [RATINGS**

Ratings: The Notes to be issued have been rated:

[S & P: [●]]

[Moody's: [●]]

[[Other]: [●]]

(*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*)

[*Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 (Cth) and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive the relevant document and anyone who receives the relevant document must not distribute it to any person who is not entitled to receive it.*]

**3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantors and their affiliates in the ordinary course of business. (Amend as appropriate if there are other interests)]

**4. OPERATIONAL INFORMATION**

ISIN: [●]

| | |
|---|---|
| Common Code: | [●] |
| CFI: | [[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available] |
| FISN: | [[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available] |
| Legal Entity Identifier (**LEI**): | [●] |
| Any clearing system(s) other than Austraclear, Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): | [Not Applicable/*give name(s)* and *number(s)*] |
| Delivery: | Delivery [against/free of] payment |
| Names and addresses of additional Paying Agent(s) (if any): | [●] |

**5. DISTRIBUTION**

| | | |
|---|---|---|
| (i) | Method of distribution: | [Syndicated/Non-syndicated] |
| (ii) | If syndicated, names of Managers: | [Not Applicable/give names] |
| (iii) | Stabilisation Manager(s) (if any): | [Not Applicable/give names] |
| (iv) | If non-syndicated, name of Dealer: | [Not Applicable/give name] |
| (v) | U.S. Selling Restrictions: | Reg. S Compliance Category 2<br>[TEFRA C/TEFRA D/TEFRA not applicable] |
| (vi) | Additional selling restrictions: | [Not Applicable/*give details*] |
| (vii) | Prohibition of Sales to EEA Retail Investors: | [Applicable/Not Applicable]<br>(*If Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not* |

*Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.*)

| | | |
|---|---|---|
| (viii) | Prohibition of Sales to UK Retail Investors: | [Applicable/Not Applicable]<br><br>(*If Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.*) |

## 6. HONG KONG SFC CODE OF CONDUCT

| | | |
|---|---|---|
| (i) | Rebates: | [A rebate of [●] bps is being offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.] / [Not Applicable] |
| (ii) | Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: | [*Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent – OCs to provide] / [Not Applicable*] |
| (iii) | Marketing and Investor Targeting Strategy: | [*If different from the OC*] |

# TAXATION

*The information provided below does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase Notes. In particular, the information does not consider any specific facts or circumstances that may apply to a particular purchaser. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing in the Notes or on any tax implications arising from the acquisition, sale or other dealings in the Notes. The statements do not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules.*

*Prospective investors of the Notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of the Notes, including the effect of any state or local taxes, under the tax laws of Australia and the United States and each country of which they are residents or countries of purchase, holding or disposition of the Notes.*

*Additionally, in view of the number of different jurisdictions where local laws may apply, this Offering Circular does not discuss the local tax consequences to a potential holder, purchaser or seller arising from the acquisition, holding or disposition of the Notes. Prospective investors must, therefore, inform themselves as to any tax, exchange control legislation or other laws and regulations in force relating to the subscription, holding or disposition of the Notes at their place of residence and in the countries of which they are citizens or countries of purchase, holding or disposition of the Notes.*

## Australian Taxation

*The following taxation summary is of a general nature only and addresses only some of the key Australian tax implications that may arise for a prospective Noteholder as a result of acquiring, holding or transferring a Note. The following is not intended to be and should not be taken as a comprehensive taxation summary for a prospective Noteholder.*

*The taxation summary is based on the Australian taxation laws in force and the administrative practices of the Australian Taxation Office (the **ATO**) generally accepted as at the date of this Offering Circular. Any of these may change in the future without notice and legislation introduced to give effect to announcements may contain provisions that are currently not contemplated and may have retroactive effect.*

*Prospective Noteholders should also be aware that particular terms of issue of any Series or Tranche of Notes may affect the tax treatment of that and other Series or Tranches of Notes. Noteholders should consult their professional advisers in relation to their tax position. Noteholders who may be liable to taxation in jurisdictions other than Australia in respect of their acquisition, holding or disposal of Notes are particularly advised to consult their professional advisers as to whether they are so liable (and, if so, under the laws of which jurisdictions), since the following comments relate only to certain Australian taxation aspects of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of Australia.*

***Taxation of interest on Notes***

*Australian Noteholders*

Noteholders who are Australian tax residents or who are non-residents that hold the Notes in carrying on business at or through a permanent establishment in Australia will be taxable by assessment in respect of any interest income derived in respect of the Notes. Such Noteholders will generally be required to lodge an Australian income tax return. The timing of assessment of the interest (such as cash receipts or accruals basis) will depend upon the tax status of the particular Noteholder, the Conditions and the potential application of the "Taxation of Financial Arrangements" provisions of the *Income Tax Assessment Act 1997* (Cth) (together with the *Income Tax Assessment Act 1936* (Cth), the **Tax Act**).

Tax at the current rate of 47 per cent may be deducted from payments to such a Noteholder if the Noteholder does not provide a tax file number (**TFN**) or an Australian Business Number (**ABN**) (where applicable), or proof of a relevant exemption from quoting such numbers.

Section 126 of the Tax Act imposes a type of withholding tax at the rate of 45 per cent on the payment of interest on Bearer Notes, if the relevant Issuer fails to disclose the names and addresses of the relevant Noteholders to the ATO (or in the case of a Bearer Note held by a clearing house, the name and address of the clearing house). These rules generally only apply to Noteholders who are Australian tax residents or non-residents that hold the Notes in carrying on business at or through a permanent establishment in Australia.

*Offshore Noteholders*

Interest (which for the purposes of interest withholding tax is defined in section 128A(1AB) of the Tax Act to include amounts in the nature of, or in substitution for, interest and certain other amounts, including premiums on redemption or for a Note issued at a discount, the difference between the amount repaid and the issue price) on debentures and certain other debt interests will be subject to interest withholding tax at a current rate of 10 per cent, where the interest is paid to a non-resident of Australia and not derived in carrying on business at or through an Australian permanent establishment, or to an Australian resident who derived the interest in carrying on business at or through a permanent establishment outside Australia. Australian interest withholding tax does not apply to interest incurred by the Issuer through a branch outside Australia.

Depending on their terms, Notes could in some cases be characterised as equity interests for tax purposes and be subject to different rules (such as Notes with returns contingent on the relevant Issuer's performance or discretion, or convertible into shares in an Issuer). The Issuers do not intend to issue any Notes that would be characterised as equity interests for tax purposes.

Various exemptions are available from interest withholding tax, including the "public offer" exemption, tax treaty exemptions, and pension fund exemption (each discussed further below).

*Public offer exemption*

An exemption from Australian interest withholding tax will be available under section 128F of the Tax Act in respect of the Notes if the Issuers remain Australian resident companies both at the time they issue the relevant Series or Tranche of Notes and at the time interest is paid in respect of the Notes, and the Series or Tranche of Notes is issued in a manner which satisfies the "public offer test".

There are five principal methods of satisfying the public offer test, being broadly:

(a) offers to 10 or more unrelated financial institutions or securities dealers or entities that carry on the business of investing in securities;

(b) offers to 100 or more potential investors of certain types;

(c) offers of listed Notes;

(d) offers via publicly available electronic or other information sources; and

(e) offers to a dealer, manager or underwriter who offers to sell those Notes within 30 days by one of the preceding methods.

The public offer test will not be satisfied in respect of an issue of a Series or Tranche of Notes if, at the time of issue, the relevant Issuer knew, or had reasonable grounds to suspect, that any of the Notes, or an interest in any of the Notes, would be acquired either directly or indirectly by an Offshore Associate (as defined below) of such Issuer, other than in the capacity of a dealer, manager or underwriter in relation to the placement of the Notes, or in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme.

**Accordingly, the Notes should not be acquired by any Offshore Associate of the Issuer, subject to the exceptions referred to above.**

Even if the public offer test is initially satisfied in respect of a Series or Tranche of Notes, if such Notes later come to be held by an Offshore Associate of the relevant Issuer, and at the time of payment of interest on those Notes, such Issuer knows or has reasonable grounds to suspect that such person is an Offshore Associate of the Issuer, the exemption under section 128F does not apply to interest paid by the Issuer to such Offshore Associate in respect of those Notes, unless the Offshore Associate receives the payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme.

For the purposes of this section, an **Offshore Associate** is an "associate" of the relevant Issuer as defined in section 128F(9) of the Tax Act who is:

(a) a non-resident of Australia that does not acquire the Notes or an interest in the Notes in carrying on a business in Australia at or through a permanent establishment of the associate in Australia; or

(b) a resident of Australia that acquires the Notes or an interest in the Notes in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country.

The definition of **associate** includes, among other things, persons who have a majority voting interest in the relevant Issuer, or who are able to influence or control such Issuer, and persons in whom the Issuer has a majority voting interest, or whom the Issuer is able to influence or control (however this is not a complete statement of the definition).

Unless otherwise specified in any applicable Pricing Supplement (or another relevant supplement to this Offering Circular), the Issuers intend to issue the Notes in a manner which will satisfy the requirements of section 128F of the Tax Act.

*Tax treaty exemption*

Various Australian double tax agreements, including those with the United States of America, the United Kingdom, the Republic of France, Germany, Switzerland, Norway, Finland, Japan, New

Zealand and the Republic of South Africa (each, a **Specified Country**), include exemptions from interest withholding tax for interest derived by:

(a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; and

(b) certain unrelated banks, and financial institutions which substantially derive their profits by carrying on a business of raising and providing finance, which are resident in the Specified Country, and which are dealing wholly independently with the Issuer (however, interest paid under a back-to-back loan or economically equivalent arrangement will not qualify for this exemption).

The Australian government is progressively amending its other double tax agreements to include similar kinds of interest withholding tax exemptions. The availability of relief under Australia's double tax agreements may be limited by Australia's adoption of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting in circumstances where a Noteholder has an insufficient connection with the relevant jurisdiction. Prospective Noteholders should obtain their own independent tax advice as to whether any of the exemptions under the relevant double tax agreements may apply to their particular circumstances.

*Pension fund exemption*

An exemption is available in respect of interest paid to a non-resident superannuation fund where that fund is a superannuation fund maintained only for foreign residents and the interest arising from the Notes is exempt from income tax in the country in which such superannuation fund is resident. However, this exemption may not apply if the fund has either (i) an ownership interest (direct and indirect) of 10 per cent or more in the relevant Issuer, or (ii) influence over the relevant Issuer's key decision making.

***Payment of additional amounts***

As set out in more detail in the Conditions, if an Issuer is at any time required by law to deduct or withhold an amount in respect of any taxes imposed or levied by the Commonwealth of Australia in respect of the Notes or Coupons, the relevant Issuer must, subject to certain exceptions (as set out in Condition 8), pay such additional amounts as shall result in receipt by the Noteholders or Couponholders of such amounts as would have been received by them had no such deduction or withholding been required. If there is a change in law or regulation as set out in Condition 6.3, requiring the Issuer to pay such additional amounts in relation to any Notes, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on giving not less than 30 nor more than 60 days' notice in accordance with Condition 16 (see further Condition 6.3).

***Taxation of gains on disposal or redemption***

*Australian Noteholders*

Noteholders who are Australian tax residents, or who are non-residents that hold the Notes in carrying on business at or through a permanent establishment in Australia, will be required to include any gain or loss on disposal or redemption of the Notes in their assessable income.

The determination of the amount and timing of any gain or loss on disposition or redemption of the Notes may be affected by the "Taxation of Financial Arrangements" provisions of the Tax Act, which provide for a specialised regime for the taxation of financial instruments, and, where the Notes are denominated in a currency other than Australian Dollars, the foreign currency rules. Prospective

Noteholders should obtain their own independent tax advice in relation to the determination of any gain or loss on disposal or redemption of the Notes.

*Offshore Noteholders*

A Noteholder who is a non-resident of Australia and who has never held the Notes in the course of carrying on a business at or through a permanent establishment in Australia will not be subject to Australian income tax on gains realised on the disposal or redemption of the Notes, provided such gains do not have an Australian source.

A gain arising on the sale of the Notes by a non-Australian resident holder to another non-Australian resident where the Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia, should generally not be regarded as having an Australian source. In certain cases, a non-Australian resident holder may be able to claim an exemption from Australian income tax on Australian sourced gains pursuant to the terms of an applicable double tax agreement.

Special rules can apply to treat a portion of the purchase price of the Notes as interest for withholding tax purposes where certain deferred-return Notes (for example, Notes which pay a return that is deferred by more than 12 months) are sold to an Australian resident. Any deemed interest under these rules is able to qualify for an exemption from withholding tax as described above.

***Collection powers***

The ATO and other revenue authorities in Australia have wide powers for the collection of unpaid tax debts. This can include issuing a notice to an Australian resident (such as an Issuer or a Guarantor) requiring a deduction from any payment to a Noteholder in respect of any unpaid tax liabilities of that Noteholder.

***Stamp duty***

No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer or redemption of the Notes.

***Goods and Services Tax (GST)***

Neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore non-resident subscriber) a GST-free supply. Furthermore, neither the payment of principal nor interest on the Notes would give rise to a GST liability.

***Payments under the Guarantee***

If an Issuer fails to pay an amount of principal or interest on the Notes, then a Guarantor may be required to make payments to the holders of Notes under a Guarantee. Where such payments relate to interest (including premiums on redemption or, for a Note issued at a discount, the difference between the amount repaid and the issue price), it is not clear whether such payments would also be treated as interest for interest withholding tax purposes. The definition of interest for interest withholding tax purposes in subsection 128A(1AB) of the Tax Act is very broad and includes amounts in the nature of interest and amounts in substitution for interest.

The Australian Taxation Office has expressed the view (in *Taxation Determination* TD 1999/26) that such payments under a guarantee would be interest for Australian withholding tax purposes. Based on this approach, interest withholding tax would be imposed at the rate of 10 per cent in relation to any

payments made by a Guarantor in respect of interest on the Notes subject to such relief as may be available under the provisions of any applicable double tax treaty or to any other exemption that may apply.

As discussed above, the exemption that is commonly relied upon by Australian debt issuers is the public offer exemption in section 128F of the Tax Act. The ATO states in TD 1999/26 that guarantee payments would be treated as exempt from withholding tax under section 128F of the Tax Act if the requirements of that section are satisfied with respect to the underlying notes. If the requirements of section 128F of the Tax Act are satisfied with respect to the Notes, then payments by a Guarantor should not be subject to interest withholding tax.

In the event that payments of principal or interest by a Guarantor are subject to any withholding or deduction for or on account of any taxes imposed or levied by the Commonwealth of Australia, such Guarantor must, subject to certain exceptions (as set out in Condition 8), pay such additional amounts as shall result in receipt by the Noteholders or Couponholders of such amounts as would have been received by them had no such deduction or withholding been required.

**FATCA Withholding**

Certain provisions of U.S. law commonly referred to as "FATCA" may require a "foreign financial institution" to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or related requirements. A number of jurisdictions (including Australia) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, Coupons and Talons including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, Coupons and Talons, are uncertain and may be subject to change.

If withholding would be required with respect to foreign passthru payments on Notes, such withholding is not expected to apply on payments made before the date that is two years after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register. Additionally, Notes that are treated as debt for U.S. federal income tax purposes and are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are published generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. However, if additional notes (as described under "*Terms and Conditions – Further Issues*") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes, Coupons and Talons. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, Coupons and Talons, no person will be required to pay additional amounts as a result of the withholding.

## SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement dated 4 April 2023 (as amended and/or supplemented and/or restated from time to time, the **Programme Agreement**), agreed with the Issuers and the Guarantors a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*". In the Programme Agreement, the Issuers and the Parent Guarantor have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any further update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe for Notes in certain circumstances prior to payment for such Notes being made to the relevant Issuer.

The Issuers and the Parent Guarantor may also from time to time agree with the relevant Dealer(s) that the relevant Issuer (failing whom the Parent Guarantor) may pay certain third party commissions (including, without limitation, rebates to private banks as specified in the applicable Pricing Supplement).

If a jurisdiction requires that the offering be made by a licensed broker dealer and any of the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealers or such affiliate on behalf of the relevant Issuer in such jurisdiction.

In order to facilitate the offering of any Tranche of the Notes (other than the AMTNs or in circumstances where such action could reasonably be expected to affect the price of Notes or other securities traded in Australia or on a financial market (as defined in the Corporations Act) operated in Australia), a nominated Dealer participating in the offering of the Tranche may engage in transactions that stabilise, maintain or otherwise affect, which support the market price of the relevant Notes during and after the offering of the Tranche. Specifically, such persons may over-allot or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the relevant Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may stabilise or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilisation transactions or otherwise. The effect of these transactions may be to stabilise or maintain the market price of the Notes at a level higher than that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof.

The Dealers and certain of their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. In connection with each Tranche of Notes issued under the Programme, the Dealers or certain of their affiliates may purchase Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution. Further, in the ordinary course of their business activities, the Dealers or their respective affiliates may make or hold (on their own account, on behalf of their clients or in their capacity as investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the account of their customers, and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Notes and/or other securities of the Issuers, the Parent Guarantor or their respective subsidiaries or affiliates at the same time as the offer and sale of each Tranche of Notes or in secondary market transactions. Such transactions, investments and securities activities may involve securities and instruments of the Issuers, the Parent Guarantor or of their subsidiaries, including Notes under the Programme, may be entered into at the same time or proximate to offers and sales of Notes or at other times in the secondary market

and be carried out with counterparties that are also purchasers, holders or sellers of Notes. As a result of such transactions, a Dealer or its affiliates may hold long or short positions relating to the Notes.

Each of the Dealers and its affiliates may also engage in investment or commercial banking and other dealings in the ordinary course of business with the Issuers, the Parent Guarantor or their respective affiliates from time to time and may receive fees and commissions for these transactions. In addition to the transactions noted above, each Dealer and its affiliates may engage in other transactions with, and perform services for, the Issuers, the Parent Guarantor or their affiliates in the ordinary course of their business. While each Dealer and its affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause a Dealer or its affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Notes. Each Dealer may receive returns on such transactions and has no obligation to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Notes.

**Australia**

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Programme or any Notes has been, or will be, lodged with the ASIC. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it:

(a) has not (directly or indirectly) offered, and will not offer for issue or sale and has not made or invited, and will not make or invite, applications for issue, or offers to purchase, the Notes in, to or from Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, any offering circular or any other offering material or advertisement relating to the Notes in Australia,

unless

(a) the aggregate consideration payable by each offeree or invitee is at least A$500,000 (or its equivalent in other currencies disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors under Part 6D.2 or Part 7.9 of the Corporations Act;

(b) such action complies with all applicable laws, regulations and directives;

(c) such action does not require any document to be lodged with ASIC; and

(d) the offer or invitation is not made to a "retail client" within the meaning of section 761G of the Corporations Act.

**United States of America**

The Notes and the Guarantees have not been and will not be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States, subject to certain exceptions, and may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from, or not being subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to or for the account or benefit of, a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the **Code**), and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has offered and sold and, in the case of Bearer Notes, delivered, and shall offer and sell and, in the case of Bearer Notes, delivered, any Series (1) as part of their distribution at any time and (2) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part only in accordance with Rule 903 of Regulation S under the Securities Act and not within the United States or to, or for the account or benefit of U.S. persons. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and shall comply with the offering restrictions requirement of Regulation S. Each Dealer agrees to notify the Trustee and the Issuing and Paying Agent or, in the case of a syndicated issue, the lead manager when it has completed the distribution of its portion of the Notes of any identifiable tranche so that the Trustee and the Issuing and Paying Agent or, in the case of a syndicated issue, the lead manager may determine the completion of the distribution of all Notes of that tranche and notify the other relevant Dealers of the end of the distribution compliance period. Each Dealer agrees that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the United States Securities Act of 1933 (the **Securities Act**) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of Notes of which such Notes are a part, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meaning given to them by Regulation S under the Securities Act."

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not entered and agrees that it will not enter into any contractual arrangement with any distributor (as such term is defined in Regulation S) with respect to the distribution or delivery of the Notes, except with its affiliates or with the prior written consent of the relevant Issuer and the Parent Guarantor.

Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such tranche of Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each issuance of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement.

**Prohibition of Sales to EEA Retail Investors**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or

(b) a customer within the meaning of Directive (EU) 2016/97, as amended (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

**United Kingdom**

***Prohibition of sales to UK Retail Investors***

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); or

(b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

***Other regulatory restrictions***

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) by the relevant Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any

Notes in circumstances in which Section 21(1) of the FSMA does not apply to the relevant Issuer and the Guarantors; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

**Italy**

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (**CONSOB**) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Offering Circular or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any application provision of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Italian CONSOB regulations; or

(b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-*ter* of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and any other applicable Italian laws and regulations.

Any offer, sale or delivery of the Notes or distribution of copies of this Offering Circular or any other document relating to the Notes in the Republic of Italy under (a) or (b) above must:

(i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the Banking Act) and any other applicable laws or regulations; and

(ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

**Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the **FIEA**). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

**Hong Kong**

In relation to each Tranche of Notes issued by the relevant Issuer, each Dealer has represented, and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (the **SFO**) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the **C(WUMP)O**) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

**Singapore**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be

transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Any person who may be in doubt as to the restrictions set out in the SFA or the laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers the Notes or any interest therein or rights in respect thereof and the consequences arising from a contravention thereof should consult his own professional advisers and should make his own inquires as to the laws, regulations and directives in force or applicable in any particular jurisdiction at any relevant time.

**General**

Each Dealer understands that no action has been taken in any jurisdiction that would permit a public offering of the Notes or possession or distribution of the Offering Circular or any other document, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuers, the Parent Guarantor, the Trustee nor any of the other Dealers shall have any responsibility therefor.

None of the Issuers, the Guarantors, the Trustee, the Arranger and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

These selling restrictions may be modified by the agreement of the Issuers and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the relevant Issuer and the relevant Dealer and set out in the applicable Pricing Supplement.

**Important Notice to CMIs (Including Private Banks)**

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks. Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional

requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealers in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of an Issuer the Guarantor, a CMI or its group companies would be considered under the SFC Code as having an Association with the relevant Issuer, the Guarantor, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the relevant Issuer, the Guarantor or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIs are informed that, unless otherwise notified in the applicable Pricing Supplement, the marketing and investor targeting strategy for the relevant CMI Offering may include institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Circular and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the relevant Issuer or the Guarantor. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors prior to the launch of an offering.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate. In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- the name of each underlying investor;
- a unique identification number for each investor;
- whether an underlying investor has any "Associations" (as used in the SFC Code);
- whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code); and
- whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuers, the Guarantor, the relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

# GENERAL INFORMATION

## Authorisation

The establishment and the update of the Programme, and the issue of Notes, have been duly authorised by resolutions of the Board of Directors of each of the Issuers. The establishment and the update of the Programme, and the guarantee of Notes, have been duly authorised by resolutions of the Board of Directors of each of the Guarantors and will be authorised by each Additional Guarantor at the time such entity becomes a Guarantor.

## Listing

Approval in-principle has been received from the SGX-ST in connection with the Programme and application will be made for permission to deal in and for the listing of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the SGX-ST. There is no assurance that the application to the Official List of the SGX-ST will be approved. The approval in-principle from, admission to the Official List of, and listing and quotation of, any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuers, the Guarantors, the Programme or such Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes listed on the SGX-ST will be traded on the SGX-ST in a board lot size of at least S$200,000 (or its equivalent in other currencies).

Unlisted Notes may be issued under the Programme. The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the relevant Issuer and the relevant Dealer in relation to each Series of Notes. The Pricing Supplement relating to each Series of Notes will state whether or not the Notes of such Series will be initially listed on any stock exchange(s) and, if so, on which stock exchange(s) the Notes are to be initially listed.

So long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the relevant Issuer will appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that the Global Notes or Global Certificates representing such Notes are exchanged for definitive Notes. In addition, if such event occurs, an announcement of such exchange will be made through the SGX-ST and such announcement shall include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore.

## Clearing Systems

Each Series of Bearer Notes will be initially represented by either a Temporary Global Note or a Permanent Global Note that will be deposited on the issue date thereof with a common depositary on behalf of Euroclear and Clearstream, Luxembourg or any other agreed clearance system compatible with Euroclear and Clearstream, Luxembourg. Each Series of Registered Notes will be initially represented by interests in a Global Certificate and deposited on the issue date thereof with a common depositary for, and registered in the name of a nominee of a common depositary for, Euroclear and Clearstream, Luxembourg. Each Series of AMTNs will (unless otherwise specified in the applicable Pricing Supplement) be registered in the name of Austraclear Ltd and entered in the Austraclear System. The appropriate Common Code and the ISIN for each series of Bearer Notes or Registered Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Pricing Supplement. If the Notes are to be cleared through an additional or alternative clearing system, the appropriate information will be specified in the applicable Pricing Supplement.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

**Legal Entity Identifier**

The legal entity identifiers of the Issuers are as follows:

CIMIC Finance (USA) Pty Ltd: 213800GNWSV32LXHCZ50.

CIMIC Finance Limited: 213800SWJBM5VMCQJW54.

**Conditions for Determining Price**

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer, the Guarantors and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

**No significant or material change**

Save as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of the Guarantors or each of the Issuers and there has been no material adverse change in the financial or trading position or prospects of the Guarantors or each of the Issuers since 31 December 2022.

**Litigation**

Save as disclosed in this Offering Circular, there are no governmental, legal or arbitration proceedings pending or known to be contemplated that would in the future have or have had, in the 12 months preceding the date of this Offering Circular, a material effect on the financial position or profitability of the Issuer or any other member of the Group. The members of the Group are party to various other litigation matters in the ordinary course of business. The Parent Guarantor cannot estimate with certainty the ultimate legal and financial liability with respect to those litigation matters but believes that any ultimate liability in those other litigation matters will not be materially adverse to its financial position or profitability.

**Independent Auditors**

The Group's audited consolidated financial statements for the years ended 31 December 2022 and 31 December 2021 were audited by Deloitte Touche Tohmatsu, in accordance with AUAS.

**Documents Available**

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available for inspection at the registered office of each of the Issuers, the Parent Guarantor and from the specified office of the Paying Agent:

(a) the constitutional documents of each of the Issuers and the Guarantors;

(b) the Group's audited consolidated financial statements in respect of the financial years ended 31 December 2022 and 31 December 2021;

(c) the most recently published audited consolidated annual financial statements of the Parent Guarantor and if published later the most recently published unaudited unconsolidated interim

financial statements of the Parent Guarantor, in each case together with any audit or review reports prepared in connection therewith (where relevant);

(d) the Trust Deed, the Australian Deed Poll, the Agency Agreement, the Australian Agency Agreement, and the forms of the Temporary Global Notes, the Permanent Global Notes, the Definitive Bearer Notes, the Coupons, the Talons, the Global Certificates and the Definitive Registered Notes;

(e) any guarantor assumption deeds executed by any additional guarantors pursuant to the Trust Deed;

(f) a copy of this Offering Circular; and

(g) any future offering circulars, prospectuses, information memoranda and supplements including Pricing Supplements (save that a Pricing Supplement relating to an unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer, the Parent Guarantor and the Paying Agent as to its holding of Notes and identity) to this Offering Circular and any other documents incorporated herein or therein by reference.

## PARENT GUARANTOR

**CIMIC Group Limited**
Level 25, 177 Pacific Highway
North Sydney
NSW 2060
Australia

## ISSUERS

**CIMIC Finance (USA) Pty Ltd**
Level 25, 177 Pacific Highway
North Sydney
NSW 2060
Australia

**CIMIC Finance Limited**
Level 25, 177 Pacific Highway
North Sydney
NSW 2060
Australia

## ARRANGER

**SMBC Nikko Capital Markets Limited**
100 Liverpool Street
London EC2M 2AT
United Kingdom

## DEALERS

**Australia and New Zealand Banking Group Limited**
Level 5, ANZ Tower
242 Pitt Street
Sydney NSW 2000
Australia

**Commonwealth Bank of Australia**
Commonwealth Bank Place South
Level 1, 11 Harbour Street
Sydney NSW 2000
Australia

**Deutsche Bank AG, London Branch**
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

**HSBC Bank plc**
8 Canada Square
London E14 5HQ
United Kingdom

**Intesa Sanpaolo S.p.A.**
Divisione IMI Corporate & Investment Banking
Via Manzoni 4
20121 Milan
Italy

**MUFG Securities Asia Limited**
11/F, AIA Central
1 Connaught Road Central
Hong Kong

**Natixis**
7, promenade Germaine Sablon
75013 Paris
France

**RBC Europe Limited**
100 Bishopsgate
London EC2N 4AA
United Kingdom

**SMBC Nikko Capital Markets Limited**
100 Liverpool Street
London EC2M 2AT
United Kingdom

**Société Générale**
29, boulevard Haussmann
75009 Paris
France

**Standard Chartered Bank**
One Basinghall Avenue
London EC2V 5DD
United Kingdom

**Westpac Banking Corporation**
ABN 33 007 457 141
Level 3, Westpac Place
275 Kent Street
Sydney NSW 2000
Australia

**TRUSTEE**

**The Bank of New York Mellon, London Branch**

160 Queen Victoria Street
London EC4V 4LA
United Kingdom

**ISSUING AND PAYING AGENT**

**The Bank of New York Mellon, London Branch**
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

**REGISTRAR**

**The Bank of New York Mellon SA/NV, Luxembourg Branch**
Vertigo Building - Polaris – 2-4
rue Eugène Ruppert - L-2453
Luxembourg

**AUSTRALIA PAYING AGENT AND REGISTRAR**

**BTA Institutional Services Australia Ltd (ABN 48 002 916 396)**

Level 2, 1 Bligh Street
Sydney, NSW 2000
Australia

## LEGAL ADVISERS

*To the Issuers and the Guarantors as to Australian law and English law*

**Allen & Overy**

Level 25
85 Castlereagh Street
Sydney NSW 2000
Australia

*To the Dealers as to Australian law*

**Hogan Lovells**

Level 17
20 Martin Place
Sydney NSW 2000
Australia

*To the Dealers as to English law*

**Hogan Lovells Lee & Lee**

50 Collyer Quay
#10-01 OUE Bayfront
Singapore 049321

*To the Trustee as to English law*

**Hogan Lovells**
Atlantic House
Holborn Viaduct
London EC1A 2FG
United Kingdom

## AUDITORS

**Deloitte Touche Tohmatsu**

Level 9, Grosvenor Place
225 George Street
Sydney NSW 2000
Australia

## LISTING AGENT

**Allen & Overy**

50 Collyer Quay
#09-01 OUE Bayfront
Singapore 049321