Presenters

Ben Loomes
Chief Executive

Anthony Phillips
Co-Head of PPP & Greenfield Projects

Justin Bailey
Co-Head of PPP & Greenfield Projects
Agenda

1 Strategic Review
2 The Opportunity
3a Areas for Growth – PPP & Greenfield Projects
3b North America – PPP & Greenfield Projects
3c Australia – PPP & Greenfield Projects
4 Areas for Growth – Core-plus Economic Infrastructure
5 Optimise and Enhance
6 Vision and Conclusion

Ben Loomes
Anthony Phillips
Justin Bailey
Ben Loomes
Strategic Review

Positioning John Laing for sustainable growth
Value proposition

- Strong and growing infrastructure market and investment opportunity
- Leading international greenfield PPP business
- Proven investment track record
- Resilient and valuable PPP portfolio
- Strong balance sheet and liquidity
- Opportunity to optimise business and enhance returns
- Responsible and sustainable focus
Our business model

Our Capabilities

- Experienced and local teams
- Access to permanent and flexible capital
- Extensive network of partnerships
- International footprint
- Strong reputation

Our Approach

- Strong corporate governance, culture and values
- Effective risk management and robust processes
- Responsible and sustainable focus

Value creation

We actively manage our portfolio and generate strong capital returns through realisations
Generating shareholder distributions and capital to re-invest in new opportunities

Realise
Realise investments to maximise value for our shareholders

Invest
Selective and disciplined approach

Manage and Grow
Manage actively and grow value of our portfolio
Our competitive strengths

### Sourcing and winning greenfield projects
- Extensive network of partnerships with industry leaders
- Strong credentials and reputation with clients
- Recognised structuring expertise

### Project management skills
- Experienced team managing complex construction programmes
- Actively managing stakeholder relationships to ensure successful delivery

### International footprint
- Good footprint in key infrastructure markets
- Local teams and resources on the ground

### Track record
- Strong investment track record of successful PPP realisations, achieving >3x our investment
- Invested in 150 projects globally

### Balance sheet capital
- Strong balance sheet and liquidity
- Access to permanent and flexible capital

**Strong and proven greenfield projects business**
Our strong PPP investment track record

Strong track record of value creation with weighted average money multiple of over 3x
Our partners: past successes create future opportunities

<table>
<thead>
<tr>
<th>Examples of existing projects</th>
<th>Current opportunities</th>
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<td><strong>ferrovial</strong></td>
<td>• I-66</td>
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<td>• I-77</td>
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<td>• Ruta del Cacao</td>
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<td><strong>accionaa</strong></td>
<td>• I-495 &amp; I-270 Phase 1</td>
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<td>(Maryland Managed Lanes)</td>
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<td><strong>webuild</strong></td>
<td>• East Rockingham</td>
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<td>• Sydney Light Rail</td>
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<td><strong>AECOM</strong></td>
<td>• Hurontario</td>
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<td>• North East Link</td>
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<td>• Jefferson Parkway</td>
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<td>(Maryland Managed Lanes)</td>
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Extensive network of international and local partnerships
Delivering responsible infrastructure solutions

Growth underpinned by focus on sustainable investments, responsible asset management, and diverse and engaged talent
A clear vision and strategy

A leading international investor and manager of balance sheet and third-party capital across a range of infrastructure sectors, delivering attractive and sustainable shareholder returns over the longer term

- Diversified & scalable platform
- Efficient operating model
- Strong financial & funding model
- Integrated ESG principles

Positioning John Laing for sustainable growth
Vision: leading international infrastructure investment platform

Future shape of JLG – building out the platform

- **Greenfield PPP Projects**
  - Re-focus and optimise US, Australia & Colombia

- **Adjacent Greenfield Projects**
  - Further growth through adjacencies by leveraging existing platform

- **Mid-market Core-plus Businesses**
  - Significant opportunity to scale

Building a diversified and scalable platform
Strategy: developing a broader infrastructure investment platform

Building out JLG’s platform:
Adjacent Greenfield Projects and Core-plus Economic Infrastructure

Strategic objectives:

- Build range of investment mandates in complementary infrastructure sectors across risk/return spectrum
- Develop scalable and replicable model, capable of adding new teams and investment mandates
- Achieve scale and cost competitive operating platform
- Generate platform value for shareholders

Platform benefits:

- Shared sector expertise and relationship networks
- Capitalise on international footprint
- Allocation of balance sheet across range of mandates, combined with third-party funds
- Attraction of broader talent
- ESG embedded across business and processes
- Common support infrastructure

Building a diversified and scalable platform
Market segmentation and investment focus

Greenfield projects and Core-plus businesses generate similar financial returns

Value creation:

- **Projects**: return shift between greenfield (development and construction risk) to brownfield (operational and yielding)
- **Core-plus businesses**: return shift between growth businesses or platforms (potentially with a greenfield element) to larger and lower risk Core assets

Large and growing pool of capital seeking secondary infrastructure assets with long-term stable yield
**Vision:** attractive balance of capital returns and income

<table>
<thead>
<tr>
<th>Business line</th>
<th>PPP &amp; Projects</th>
<th>Economic Infrastructure</th>
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<tr>
<td>Investment mandate</td>
<td>Greenfield PPP &amp; Projects</td>
<td>Brownfield PPP &amp; Projects</td>
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<tr>
<td>Primary return type</td>
<td>Capital return</td>
<td>Income yield</td>
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<td>Value creation strategy</td>
<td>Development and construction of project through to operation</td>
<td>Maximise value: Hold for yield, or Exit to secondary market or managed funds</td>
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<td>Illustrative funding model and capital allocation</td>
<td>Balance sheet: Third-party:</td>
<td>Growth and de-risking of business over time to develop into Core economic infrastructure</td>
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<tr>
<td>Financial model: return drivers for JLG</td>
<td>Capital return</td>
<td>Income yield Fee income</td>
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**Providing an attractive financial model with a balance of capital return and income to shareholders**
Context for the strategic review – my assessment

- Growth and scale
- Focus and centralisation
- Add and develop capabilities and talent
- Improve consistency of performance
- Strengthen financial and funding model
Actions taken in first six months

**Strategy**
- Strategy and future vision defined

**Capabilities**
- Detailed capabilities and talent review completed
- Change of management structure implemented and new talent recruitment progressing well
- Material reduction in PPP team in UK & Europe as part of restructuring and re-allocation of costs to growth initiatives

**Processes**
- Detailed review of processes completed across investment, asset management, divestment
- Improvement initiatives substantially implemented
- Strengthened Investment Committee composition and review process
- Implemented new monthly asset reviews and early warning monitoring
- Implemented new divestment asset-by-asset planning and portfolio management review

Focus is on execution
Seeing improvement in performance since first half
Actions taken in first six months (cont.)

Costs

- Costs review completed and largely implemented by end of 2020
- Annualised run-rate cost savings of £6m – 13% of run-rate operating costs; to be re-allocated to growth initiatives

Capital management

- Strong realisation activity in H2 with £565m of total proceeds agreed at uplifts to book value
- Good reduction in Renewable Energy exposure to 25% during 2020
- Strong balance sheet; RCF re-stocked with over £500m of funds available for new investment opportunities
- Recent announcement of additional investment in I-77 project

Disclosure

- Disclosure enhanced at interim results, more to come at year-end
- KPIs aligned with new strategy being introduced in 2021 to measure progress

Focus is on execution
Seeing improvement in performance since first half
## Our strategic pillars and priorities

### GROW
- Re-focus and optimise core greenfield PPP business
- Grow adjacent greenfield Projects alongside PPP
- Build Core-plus investment capabilities
- Assess opportunities to grow platform inorganically

### OPTIMISE
- Portfolio and capital management
- Operating costs and efficiencies
- Processes and operating model

### ENHANCE
- Organisation and capabilities
- ESG strategy and integration
- Financial and funding model
2

The Opportunity
Positive market and investment outlook

- Strong structural growth in Infrastructure investment
  - Fundamental drivers of new infrastructure investment remain as strong as ever
  - Material investment needs in JLG’s core markets

- Greater need for private sector
  - Post-COVID Government stimulus plans set to accelerate growth
  - Need for private sector investment due to record government debt levels

- Mega trends driving future opportunities
  - Supportive structural mega trends shaping future opportunities
  - Acceleration of trends due to COVID-19

- Strong secondary market
  - Long-term cash yields from secondary assets continue to attract institutional investors in a low interest rate environment
  - JLG has a valuable secondary portfolio

**Significant requirement for new infrastructure investment in our core markets**

*Our strong balance sheet and differentiated greenfield capabilities mean we are well positioned*
Mega trends shaping our business and future opportunities

Demographic change

Urbanisation

Digital connectivity

Climate change and energy transition

Technology

Mega trends will shape our future markets over the next 10+ years
These represent fundamental drivers for the development and building of new infrastructure
COVID-19 is also shaping future infrastructure investment

**Critical role for private sector**
- Increase in near-term government spending
- Need for private sector capital and expertise

**Acceleration of mega trends**
- Accelerated digitisation
- Low carbon economy

**Adaptation and resilience**
- Adaptation of transport
- Domestic resilience
Strong secondary market

- Secondary market continues to be very strong in a low interest rate environment
- Long-term stable cash yields from secondary infrastructure assets continue to attract institutional investors
- Significant dry powder to be deployed: US$98 billion\(^1\) raised in 2019 – a record

IEP East: a recent case study
- Availability-based asset under long-term concession
- Sold to a large European pension fund
- >5.8x cash money multiple achieved

\(^1\) Source: Preqin
Positioning JLG for sustainable growth

Capitalise on our strong balance sheet and build on our solid existing PPP portfolio with embedded value

- Re-focus and grow core greenfield PPP business
- Grow adjacent greenfield projects alongside PPP
- Build Core-plus investment capabilities
- Assess opportunities to grow platform inorganically

Significant opportunity to grow our business
Areas for Growth

PPP & Greenfield Projects
**Strong and resilient PPP business**

**Strong local teams and expertise**
- PPP business focused on US, Australia and Colombia where we have competitive advantage and see good opportunities
  - Strong local teams and partnerships
  - Good pipeline of future opportunities; government spending programmes supportive of PPP

**Resilient portfolio and good performance**
- c.75% of total portfolio value invested in PPP; majority availability-based revenues
- Resilient PPP portfolio performance during COVID-19 lock-downs
  - Minimal delays to construction and project delivery
  - Continued good project availability
- During first 9 months of 2020, PPP portfolio delivered 7% NAV growth

**Embedded portfolio value**
- Value creation as existing greenfield projects move towards operation and receive lower discount rates
- Valuation reflects cautious macro-economic assumptions
- Strong secondary market demand and valuations for PPPs
Strong project delivery and availability during 2020

**IEP East**
Availability-based rolling stock project in the UK
65th and final train accepted in September

**I-75**
Availability-based highway project in Detroit
Drilling started on the project’s key 4 mile long storage and drainage tunnel in September

**Melbourne Metro**
Major enhancement of Melbourne’s rail network
Tunnelling works on the project’s twin rail tunnels passed the halfway mark

**New Generation Rollingstock**
Rolling stock project in South East Queensland
Acceptance of 75th and final train
Acquisition of additional stake in I-77

- New investment of £29 million to acquire additional 7.45% stake in I-77 Mobility Partners, taking total shareholding to 17.45%
- Asset with good opportunity for further value creation and growth, working in conjunction with our existing partners
- Modestly accretive to NAV, expected to complete by end of 2020

We can access investment opportunities over and above what is reflected in our preferred bidder and short-listed positions
Adjacent greenfield projects opportunity

Waste-to-Energy
Campus Energy
Specialised Accommodation
Water
Decarbonisation of Transport

We are already actively pursuing a number of adjacent greenfield projects
North America PPP & Greenfield Projects

Anthony Phillips
Market outlook: North America

Key statistics for US

Infrastructure investment¹
- Current: c.1.5% of GDP (c.US$300 billion p.a.)
- c.2.2% of GDP required to address investment gap
- 2015–40 spend at current levels: US$8.5 trillion
- 2015–40 funding requirement: US$12.4 trillion

Role of PPPs in North America
- US: role of PPPs expanding
- Canada: mature, well-established and steady PPP market

Estimated infrastructure funding gap from 2016 to 2025 (US$ trillion)

- Surface transportation
- Power
- Airports
- Water/Wastewater
- Port and waterways

Role of PPPs in North America
- Federal infrastructure spend has halved since 1960’s, population has doubled
- Investment needs to rise c.45% versus current levels to address the gap¹
- Acute need to invest in transport
- Funding gap: state budget deficits compounded by COVID-related revenue loss
- Biden: ‘Build Back Better’ US$2 trillion over 4 years

¹ Source: Oxford Economics

US is one of the most exciting infrastructure markets in the world and JLG is well placed to capitalise
A market-leading business

Market leader in winning North American transport PPPs

Current portfolio

North American PPP portfolio

Value: £346 million

48%

52%

Primary
Secondary

Market-leading PPP business

• Short-listed for every major US transport PPP since establishing US offices in 2014

1 Portfolio as at 30 September 2020, adjusted for increased stake in I-77
Strong project delivery during 2020

**I-4 Ultimate**
Availability-based highway project in Florida
- Schedule extension agreed in February 2020
- Key interchange opened ahead of schedule in May 2020

**Hurontario**
Availability-based light rail project in Ontario
- Construction works started in March 2020

**Denver Eagle**
First transit PPP in the US
- Final Completion Certificate issued in November 2020

**I-75**
Availability-based highway project in Michigan
- Start of tunnel boring on the project’s key 4 mile long drainage and storage tunnel in September

**Active asset management**
- CEO, CTO
- CCO, Technical Manager

- CEO
- CTO, Technical Manager
- CEO, CFO, CTO
Project overview

- **JLG stake:** 40%
- **Partners:** AECOM, Ajax Paving Industries, Dan’s Excavating, Jay Dee Constructors, CA Hull
- **Concession:** 25 years
- **Location:** Metro Detroit, Michigan
- **Description:** reconstruction of a 5.5 mile section of road, the addition of capacity and construction of a new 4 mile long drainage and storage tunnel

### Active asset management

- Consortium formation and bid process
- Strong project delivery team at SPV level
- Governance: two JLG directors (including Chair)

### Preserving and enhancing value

- Securing and closing committed financing
- Minimising long-term operational and maintenance costs

### Responsible infrastructure

- Critical north-south corridor for local communities, commuters and tourists
- Large maintenance backlog, prone to flooding and congestion, compromised safety
- Recycled construction materials, community engagement, wildlife protection

### Attractive secondary market asset

- Critical infrastructure with strong ESG credentials
- Availability-based revenue model; low risk, cash yielding asset
**PPP: strong short-listed positions**

**Transport projects driving our short-listed positions**

- Jefferson Parkway
- Georgia SR-400 Express Lanes
- I-495 & I-270 P3 Program (Maryland Managed Lanes) Phase 1
- Sepulveda Transit Corridor
- Confidential social infrastructure project

**Managed Lanes: an attractive class**

- Significant barriers to entry
- Attractive risk-adjusted returns

**Existing Managed Lanes projects**

**Maryland Managed Lanes opportunity**

- The largest PPP Managed Lanes project in North America, estimated capex of US$7.8bn over two phases
- JLG is part of the Capital Express Mobility Partners consortium (Ferrovial, Meridiam, Aecom)
## Concluding remarks

- Market-leading North American PPP business
- US set for significant future infrastructure investment
- Active asset management approach to create value
- Extensive partner network is key to success
- Responsible investment and asset management
Australia PPP & Greenfield Projects

Justin Bailey
**Market outlook: Australia**

### Key statistics for Australia

**Infrastructure investment:**
- Current spend: c.3.6% of GDP (c.US$50 billion p.a.)
- c.4% of GDP required to address investment gap
- 2016-40 spend at current levels: US$1.5 trillion
- 2016-40 funding requirement: US$1.7 trillion

*Source: Oxford Economics*

### Role of infrastructure in post-COVID-19 stimulus

- Since November 2019, Australian authorities have brought forward or injected additional investment of almost AUD9.3 billion
- Targeting a 50% reduction in assessment and approval times for major projects (from an average of 3.5 years to 21 months)

### Australian infrastructure market backdrop:
- Commonwealth Government committed to spend nearly AUD180 billion on economic infrastructure over the next decade
- Strong fundamentals: population expected to increase by 40% during 2016-40

### The role of PPP in Australian greenfield infrastructure:
- Mature PPP framework with transport dominating recent deal flow
- Victoria and New South Wales historically the most active
- PPPs used to drive innovation, risk transfer and value for money
- Visible pipeline of PPP projects, particularly large transport bids

### Emerging opportunities in adjacent greenfield projects:
- Waste-to-energy: Australian waste sector undergoing a transition from landfill to recycling and recovery

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**A well invested market and strong PPP framework with emerging opportunities in adjacent greenfield projects**
Since entering the market in 2011, John Laing has invested more into greenfield PPP projects in Australia than any other investor.

Australian PPP & projects portfolio

Value: £365 million

- 13% Primary
- 87% Secondary

Divestments to date

- Optus Stadium (2019)
- Auckland South Corrections Facility (2020)

Current portfolio

- East Rockingham (Perth) VOLUME-BASED
- Melbourne Metro AVAILABILITY-BASED
- New Royal Adelaide Hospital AVAILABILITY-BASED
- New Generation Rollingstock AVAILABILITY-BASED
- Sydney Light Rail AVAILABILITY-BASED
- Clarence Correctional Centre AVAILABILITY-BASED
Strong project delivery during 2020

- **Clarence Correctional Centre**
  - Correctional facility focused on reducing re-offending in New South Wales
  - Facility officially opened on 25 June 2020
  - Operations commenced in early July 2020

- **Sydney Light Rail**
  - Light rail project with capacity for up to 13,500 commuters in peak hours
  - Final stage opened to the public in April 2020
  - Operational completion achieved in July 2020

- **Melbourne Metro**
  - Major enhancement of Melbourne’s rail network
  - Tunneling works on the project’s twin rail tunnels passed the halfway mark

- **New Generation Rollingstock**
  - Rolling stock project for South East Queensland suburban rail network
  - Acceptance of 75th and final train in September 2020
  - Progressing towards Initial Fleet Acceptance

**Active asset management**

- Board Chair
- Operations Director
- Development Director
- Design & Technical Manager

- Board Chair

- Board Chair

- Board Chair
- Finance Director
- Commercial Director
**Project overview**

- **JLG stake:** 80%
- **Partners:** Serco (10%), John Holland (10%)
- **Sub-contractors:** John Holland (D&C), Serco (O&M)
- **Concession length:** 20 years
- **Location:** Grafton, New South Wales
- **Description:** 1,700 bed correctional facility focused on rehabilitation

**Active asset management**
- Consortium formation
- Lead role in project delivery: all-JLG employee SPV team

** Responsible infrastructure investment**
- Focus on rehabilitation and reducing re-offending
- Modern facility
- Vocational training to facilitate reintegration and reduce re-offending
- Job creation: up to 600 permanent staff (>1,200 during construction)

** Attractive secondary market asset**
- Critical infrastructure with attractive ESG credentials
- Availability-based, yielding asset with a 20-year concession from a AAA-rate State Government
Australian PPP & greenfield short-listed positions

**North East Link: availability-based road project in Melbourne**

- Project to complete the outer metropolitan ring road around Melbourne, including the construction of twin 6km, 3-lane tunnels
- Part of the Spark consortium (with WeBuild, GS E&C, China State Construction, Capella, Broadspectrum); one of two short-listed

**South East Metro Waste-to-Energy: advanced waste processing project in Melbourne**

- Project to develop an advanced waste processing solution and alternative to landfill for 16 councils in South East Melbourne
- Part of a consortium with Remondis; one of three short-listed

**Redfern Communities Plus: volume-based social infrastructure project in Sydney**

- Development of 400-500 new inner-city homes with 30% earmarked for social housing; part of the NSW government’s build-to-rent programme
- Part of the Redfern Communities consortium (with Compass Housing); one of three short-listed

**Australian pipeline driven by traditional PPPs and adjacent greenfield project opportunities**
East Rockingham: example of adjacent greenfield project

Project overview

- **JLG stake:** 40%
- **Partners:** Masdar, Acciona, Hitachi Zosen
- **Sub-contractors:** Acciona & HZI (EPC), Suez (O&M)
- **Operating life:** 40 years+
- **Location:** 40km south of Perth, Australia
- **Description:** 300,000 tonnes per annum waste-to-energy plant

Active asset management

- Active role in closing and mobilising the project
- Lead sponsor in project delivery through key roles held in the SPV

Responsible infrastructure investment: enabling a circular economy

- 300,000 tonnes per year of residual waste – would otherwise go to landfill
- c.29MW of baseload energy capacity
- By-products to be recycled
- Community: 40-50 permanent jobs, c.300 during construction

Attractive secondary market asset

- Critical infrastructure with strong ESG credentials
- High degree of contracted waste volumes and energy off-take substantially contracted to provide stable cashflows
Concluding remarks

- Market-leading Australian PPP business
- Active asset management approach to create value
- Good PPP pipeline and adjacent greenfield projects to drive growth
- Extensive partner network
- Responsible investment and asset management
Areas for Growth

Core-plus Economic Infrastructure
While generating attractive returns, greenfield PPP investment alone will not deliver sufficient future growth and scale for John Laing.

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<tr>
<th>Opportunity to grow and scale</th>
<th>Commonalities with our existing projects business</th>
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<tr>
<td>• Larger equity investment tickets</td>
<td>• Shared sector expertise and relationships network</td>
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<tr>
<td>• Higher ‘velocity of capital’</td>
<td>• Leverage existing international footprint</td>
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<tr>
<td>• Longer-term growth potential</td>
<td>• Similar risk-adjusted returns and ‘return shift’ opportunity</td>
</tr>
<tr>
<td>• Flexibility to ‘hold for value’</td>
<td>• Consistent with our ESG strategy</td>
</tr>
</tbody>
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Sizeable and growing market in mid-market Core-plus economic infrastructure
Core-plus is a sizeable and growing opportunity

Historical Core-plus deal value in key geographies
2008-2019 (US$ billion)

Attractive growth

2008-19 CAGR:

- Total: 21%
- Australia: 12%
- Western Europe: 20%
- North America: 23%

Sources: Infra matière; Infrastructure Journal; Bain analysis
Core-plus economic infrastructure opportunity

Characteristics:

- Operational businesses or platforms with good growth potential
- Attractive risk-adjusted returns
- Asset intensive with strong market position
- Provide essential or critical services
- Long-term resilient cash flow
- Acceptable level of demand or market risk

Opportunity to grow businesses and de-risk them over time to become larger Core economic infrastructure, which represent highly attractive assets in the secondary market.
Why we can be successful

**Mid-market economic infrastructure space is under served**
- Existing funds have become much larger through recent record fundraising

**Availability of flexible balance sheet capital to invest**
- Able to attract, retain and build talent as well as seed broader funds in the future

**Leveraging our existing platform and capabilities**
- Combination of Core-plus investment skills with existing Greenfield expertise is highly relevant for many opportunities in the Energy Transition and Digital Infrastructure sectors, for example
- Combining these skills and track records in an integrated way would create a differentiated proposition

**Visibility of investment pipeline**
- We are already seeing a flow of real opportunities in Core-plus
Optimise and Enhance
Our strategic pillars and priorities

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<th>OPTIMISE</th>
<th>ENHANCE</th>
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<td>Re-focus and optimise core greenfield PPP business</td>
<td>Portfolio and capital management</td>
<td>Organisation and capabilities</td>
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<tr>
<td>Grow adjacent greenfield Projects alongside PPP</td>
<td>Operating costs and efficiencies</td>
<td>ESG strategy and integration</td>
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<tr>
<td>Build Core-plus investment capabilities</td>
<td>Processes and operating model</td>
<td>Financial and funding model</td>
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<tr>
<td>Assess opportunities to grow platform inorganically</td>
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Portfolio and capital management
Focusing and re-shaping the business

Re-focused and optimised PPP & Projects business

Reduce exposure to Renewable Energy

Clear priorities and investment focus
### Clear investment focus

<table>
<thead>
<tr>
<th>Region</th>
<th>North America</th>
<th>APAC</th>
<th>Latin America</th>
<th>UK &amp; Europe</th>
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<tr>
<td><strong>Strategic focus</strong></td>
<td>• Greenfield PPP and adjacent projects</td>
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<td>• Greenfield PPP and adjacent projects</td>
<td>• Build Core-plus capabilities</td>
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<tr>
<td><strong>Geographical focus</strong></td>
<td>• US, Canada</td>
<td>• Australia, New Zealand</td>
<td>• Colombia, Peru</td>
<td>• Adjacent greenfield projects</td>
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<td>• Western Europe</td>
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Renewable Energy portfolio

Renewable Energy portfolio value of £297 million, representing 25% of total portfolio value

- Agreed sale of Australia wind portfolio marks material progress in reducing Renewable Energy exposure
- Largely operational portfolio, being prepared for realisation over next two years

**Renewable Energy portfolio value breakdown**

- **By Stage of Lifecycle**
  - Primary: 94%
  - Secondary: 6%

- **By Type**
  - Solar asset: 40%
  - Wind asset: 60%

**Commitment to reduce exposure to Renewable Energy through realisations over next two years**

Note: pro forma and based on the portfolio as at 30 September 2020, adjusted to exclude assets under agreed sales and to include the agreed purchase of an additional stake in the I-77; all valued at the transaction price.
Actively managed portfolio

Actively manage secondary portfolio for value

Disciplined portfolio construction and segmentation approach

Active portfolio management with focus on generating strong capital returns through realisations
Approach to realisations

- Committed to maximising value from secondary assets through realisations
  - Divestment plans in place for each asset, to ensure ready for sale with good operational track record

- Disciplined approach
  - Sell assets only when ready
  - Focus on value optimisation, including yield

- Good progress in H2 2020 with realisations of IEP East and Australian wind farm portfolio
  - Realised at uplifts to book value

- Dividend policy: shareholders share directly in our realisation successes

Secondary portfolio capable of generating attractive realisation results, at or above book value
Active portfolio management approach

A number of assets are low contributors to the secondary portfolio yield

Focus on rationalising the secondary portfolio for value

5-year average forward dividend yield

- Wind generation
- Solar generation
- PPP: volume-based
- PPP: availability-based

1 Analysis shows 5-year forward looking average dividend yield (excluding equity injections) as at 30 September 2020. Excludes IEP East, the Australian wind portfolio and certain smaller legacy assets. Includes purchase of additional stake in I-J7.
<table>
<thead>
<tr>
<th>Key categories</th>
<th>Comments</th>
<th>Hold period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Primary assets</td>
<td>• Greenfield projects</td>
<td>Until operational and ready for sale</td>
</tr>
<tr>
<td>2 Maturing assets</td>
<td>• Requires further operational track record or ramp-up period to be fully operational</td>
<td>Until optimised and ready for sale</td>
</tr>
<tr>
<td>3 Ready for sale</td>
<td>• Divestment planning or process underway</td>
<td>Realise in short-term</td>
</tr>
<tr>
<td>4 Hold for value</td>
<td>• Strong yield assets; accretive to portfolio</td>
<td>Depending on funding needs and portfolio construction; provides optionality to realise</td>
</tr>
</tbody>
</table>
| 5 Manage intensively | • Turn-around situations
• Significant remediation required                                      | Depending on remediation plan, opportunistic approach to realisation       |

Focus on managing carefully portfolio construction
Introduction of portfolio segmentation approach
### Portfolio segmentation approach (continued)

<table>
<thead>
<tr>
<th>Key categories</th>
<th>Selected examples</th>
<th>Portfolio Value (%)¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Primary assets</td>
<td>• Ruta del Cacao</td>
<td>c. 30%</td>
</tr>
<tr>
<td></td>
<td>• Transform 66</td>
<td></td>
</tr>
<tr>
<td>2 Maturing assets</td>
<td>• Clarence Correctional Centre</td>
<td>c. 30%</td>
</tr>
<tr>
<td></td>
<td>• Sydney Light Rail</td>
<td></td>
</tr>
<tr>
<td>3 Ready for sale</td>
<td>• Live Oak</td>
<td>c. 15%</td>
</tr>
<tr>
<td>4 Hold for value</td>
<td>• Denver Eagle P3</td>
<td>c. 10%</td>
</tr>
<tr>
<td>5 Manage intensively</td>
<td>• Alder Hey</td>
<td>c. 15%</td>
</tr>
<tr>
<td></td>
<td>• Sunraysia</td>
<td></td>
</tr>
</tbody>
</table>

Focus on managing carefully the portfolio
Introduction of portfolio segmentation approach

---

¹ Pro forma: based on the portfolio valuation as at 30 September 2020, adjusted to exclude assets under agreed sales and to include the agreed purchase of an additional stake in the I-77; all valued at the transaction price. Also excludes certain legacy assets.
Operating costs and efficiencies
Re-focusing of Group’s resources and capital in regions and sectors where we have demonstrable competitive advantage and see greatest opportunities
## Cost savings to be re-allocated to growth initiatives

### Cost efficiency areas
- c.15% reduction in Group’s total headcount
- Closure of Paris and Tel Aviv offices, downsizing of Schiphol office
- Reduction in indirect and other Group overhead costs

### Operating cost savings
- Targeted annualised run-rate operating cost savings of £6 million
- Cost savings against baseline of estimated run-rate operating costs of £45 million\(^1\), representing a reduction of 13%

### Implementation costs
- Up to £4 million of one-off implementation costs (largely costs associated with redundancies) to be incurred during the financial year 2020 and 2021
- Majority of costs incurred in 2020

---

1 Reflected run-rate non-PMS staff and overhead costs as at August 2020

---

**Targeting £6 million of run-rate cost savings**

Re-allocation of cost savings into growth initiatives, including building Core-plus team
Processes and operating model
Strengthening of processes

- Strengthening of processes
- Greater central oversight, integration and control
- Strengthened skills and capabilities of Investment Committee

Strengthening of our investment, asset management and divestment processes to ensure consistency and discipline
Strengthened Investment Committee

Ben Loomes  Chief Executive Officer

Ben joined John Laing as Chief Executive Officer in May 2020. He has over 20 years of experience in the infrastructure sector across investing, fund management, fundraising and corporate finance. Previously, Ben was previously Managing Partner at InfraRed Capital Partners and 3i Infrastructure.

Mark Westbrook  Chief Risk Officer

Mark was appointed Chief Risk Officer in 2018. He was previously a Managing Director in the Group’s Primary Investment business. He has served on the Group’s Investment Committee since 2015.

Anthony Phillips  Co-Head of PPP and Greenfield Projects

Anthony has 20 years of experience in infrastructure investment in North America, Europe and Asia Pacific. Anthony joined John Laing in 2005 and successfully led John Laing’s entry into the Australia PPP market. Anthony was previously Head of North America.

Justin Bailey  Co-Head of PPP and Greenfield Projects

Justin joined John Laing in 2011 when the Group first established an investment team in APAC. In 2014, he took over responsibility for the Group’s primary investment activities. Justin was previously Head of Asia Pacific.

Derek Potts  Senior Adviser

Derek joined John Laing in 2001 and was Group Managing Director of Primary Investments until his retirement in 2017. He was responsible for leading JLG’s bidding and investment activities both in the UK and internationally.

Susan Shehata  Senior Adviser

Susan has more than 20 years of UK and international experience in transactions and financing across the infrastructure and utilities sectors. She was previously Global Co-Head of Infrastructure & Real Estate Finance at HSBC, having joined HSBC in London in 2004.
Organisation and capabilities
## Our capabilities and talent agenda

<table>
<thead>
<tr>
<th>Review</th>
<th>Management and leadership changes</th>
<th>New investment and origination capabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Detailed capabilities and talent review completed</td>
<td>• Management team and senior roles restructured and changes implemented</td>
<td>• Expertise in adjacent sectors being added</td>
</tr>
<tr>
<td>• To determine the right resourcing and capabilities, including skill-set of investment team</td>
<td>- Co-Head of PPP &amp; Greenfield Projects business – Anthony Phillips and Justin Bailey</td>
<td>• Capabilities to be built in Core-plus</td>
</tr>
<tr>
<td></td>
<td>- Chief Operating Officer – Clare Underwood</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Group HR Director recruited - Arian Enraght-Moony</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Further recent recruitment:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Senior Adviser – Susan Shehata</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Communications Director – Tashi Lassalle</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Further senior recruitment well progressed, including CFO</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Creation of a diverse and talented management team</td>
<td></td>
</tr>
</tbody>
</table>
Diverse senior team

Ben Loomes  
Chief Executive Officer

Clare Underwood  
Chief Operating Officer

Mark Westbrook  
Chief Risk Officer

Anthony Phillips  
Co-Head of PPP and Greenfield Projects

Justin Bailey  
Co-Head of PPP and Greenfield Projects

Alex Yew  
Managing Director, Latin America

Ariam Enraght-Moony  
Group HR Director
Reward strategy review

- Group-wide review of remuneration to be launched in early 2021
- Remuneration is a key strategic tool to support our strategic pillars and to drive performance
- Remuneration review is driven by the following key principles:

<table>
<thead>
<tr>
<th>Equitable and transparent split of returns</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Between key stakeholders including between employees, shareholders and re-investment into the business</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Alignment with our strategic pillars</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Clear link to driving performance to achieve growth</td>
</tr>
<tr>
<td>• Optimisation of our cost base</td>
</tr>
<tr>
<td>• Attraction, retention and motivation of the right talent</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Focused on creating stakeholder value</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Clear line between remuneration and shareholder returns</td>
</tr>
<tr>
<td>• Focus on financial and non-financial KPIs</td>
</tr>
</tbody>
</table>

Key principles and approach
ESG strategy and integration
Delivering responsible infrastructure solutions

Our Purpose
To create value for all our stakeholders by investing in, developing and actively managing infrastructure which responds to public needs, fosters sustainable growth and improves the lives of communities around the world.

3 areas of focus:

<table>
<thead>
<tr>
<th>Investment Strategy</th>
<th>People</th>
<th>Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset targeting and screening</td>
<td>Diverse and engaged talent</td>
<td>Responsible asset management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Good corporate citizenship</td>
</tr>
</tbody>
</table>

Growth underpinned by focus on sustainable investments, responsible management and engaged talent.

- Integral to purpose and strategy
- Increasing ESG integration
- Evolution of targets and reporting
Sustainable infrastructure: fundamental benefits to society

**RAIL**
- Provision of safe, affordable, accessible and sustainable transport
- Increasing connectivity and supporting economic development
- Enabling decarbonisation of transport networks

**ROADS**
- Investing in road projects focused on improved mobility, road safety and reduced environmental impact
- Innovative solutions such as managed lanes to reduce urban congestion and pollution, with potential to halve journey times

**SOCIAL**
- Positive social outcomes and job creation for communities
- Reducing reoffending rates through safe and thoughtful correctional facility design
- Investments in hospitals enable improved health outcomes

**WASTE TO ENERGY**
- Carbon friendly and affordable solutions for electricity generation and waste management
- Provision of sustainable baseload electricity through circular economy

**DIGITAL INFRASTRUCTURE**
- Investing in resource efficient infrastructure for the long-term
- Facilitating reliable connectivity for individuals and businesses

**ENERGY TRANSITION**
- Electrification of energy use, the fundamental shift needed to reduce emissions
- Improving accessibility of sustainable power generation and efficiency of consumption
Financial and funding model
**Strong balance sheet and liquidity**

- Strong liquidity position, driven by recent realisation successes
- Well funded for new investments and shareholder distributions
  - Available financial resources of over £500 million
- £650m Revolving Credit Facility
  - £500m tranche maturing in July 2023
  - £150m tranche maturing in January 2022; currently being renewed to January 2023

---

**Well funded with access to permanent and flexible capital**
Future enhancement of our financial and funding model

Strategic objectives:

• Stronger financial and funding model through investing our balance sheet alongside managing third-party funds

• Generating an attractive combination of capital upside as well as sustainable and growing annual profits

• Capable of attracting a premium valuation

Aim to develop third-party funds management activities over time – scale within next 5 years
Opportunity:
Good potential to reduce proportion of operating and financing costs as platform scales and third-party fees off-set costs, driving enhanced returns

Illustrative capital and returns bridge

Capital allocation
Illustrative current position:

- Realisations and portfolio income: 100%
- Net operating costs: 15%
- Debt repayment and interest: 5%
- Shareholder distributions: 10%
- Funds to invest: 70%

Returns bridge
Illustrative current position:

- Illustrative project return: 12%
- Net operating costs (drag): 3%
- Leverage (benefit): 1%
- Implied net return to shareholders: 10%

Good potential to improve capital available for shareholder distributions and re-invested capital

---

1 Including disposal costs; Analysis excludes cash pension contributions
Opportunities for future enhancement

Number of future opportunities that we will be reviewing with the aim of enhancing returns

<table>
<thead>
<tr>
<th>Review of leverage and liability management</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Debt facilities and leverage review and policy</td>
</tr>
<tr>
<td>• FX hedging approach and policy</td>
</tr>
<tr>
<td>• Broader liabilities management</td>
</tr>
<tr>
<td>• Review to be undertaken in 2021, led by new CFO</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Third-party funding opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Aim to develop third-party fund management business within next 5 years</td>
</tr>
<tr>
<td>• US Managed Lanes</td>
</tr>
<tr>
<td>• Sizeable equity investment opportunities, e.g. Maryland bid</td>
</tr>
<tr>
<td>• Managing volume risk exposure on balance sheet; opportunity to manage across combination of balance sheet and third-party funds</td>
</tr>
<tr>
<td>• Latin America</td>
</tr>
<tr>
<td>• Healthy pipeline of future investments in Colombia</td>
</tr>
<tr>
<td>• Managing developing market risk on balance sheet; opportunity to manage across combination of balance sheet and third-party funds</td>
</tr>
<tr>
<td>• Core-plus</td>
</tr>
<tr>
<td>• Invest in business with balance sheet initially</td>
</tr>
<tr>
<td>• Given larger equity investment ticket sizes and opportunity to scale, consider third-party funding in future</td>
</tr>
</tbody>
</table>
Vision and Conclusion
A clear vision and strategy

A leading international investor and manager of balance sheet and third-party capital across a range of infrastructure sectors, delivering attractive and sustainable shareholder returns over the longer term

Diversified & scalable platform
Efficient operating model
Strong financial & funding model
Integrated ESG principles

Positioning John Laing for sustainable growth
Our strategic objectives:

- Win and develop greenfield projects and manage through to operational projects
- Invest in Core-plus economic businesses and develop scalable platforms
- Use our strong balance sheet and permanent capital
- Align our operating costs to the market opportunity
- Realise investments at good cash-on-cash multiples and uplifts to book value
- Increase shareholder distributions

We manage our portfolio actively and generate strong capital returns through realisations
Generating shareholder distributions and capital to re-invest in new opportunities

- Grow portfolio value and NAV
- Ability to generate return shift through our asset management skills
- Invest in further value-creating opportunities
- Over time, seed funds alongside third-party capital
- Optimise our cost base and, over time, cover this with fees and portfolio income
- Demonstrate the value of our investment portfolio
- Improve capital efficiency with a focus on maximising shareholder value
## Portfolio returns

<table>
<thead>
<tr>
<th>John Laing Portfolio</th>
<th>Expected Portfolio Returns per annum</th>
<th>Leverage Assumption</th>
<th>Operating Costs</th>
<th>Return to Shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>PPP &amp; Projects</td>
<td>9-11%</td>
<td>Average net debt/</td>
<td>2.5 – 3.0%</td>
<td>9-12% per annum</td>
</tr>
<tr>
<td>Availability-based</td>
<td></td>
<td>gross portfolio</td>
<td>of NAV</td>
<td></td>
</tr>
<tr>
<td>(North America &amp;</td>
<td></td>
<td>value</td>
<td>per annum</td>
<td></td>
</tr>
<tr>
<td>Australia)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PPP &amp; Projects</td>
<td>11-13%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Availability-based</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Colombia)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PPP &amp; projects</td>
<td>12-14%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volume-based</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(North America &amp;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australia)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PPP &amp; Projects</td>
<td>14-16%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volume-based</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Colombia)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core-Plus</td>
<td>10-14%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Sustainable return target of 9-12% per annum to be achieved over the medium term**

**Note:** Based on composition of target JLG portfolio at constant currency; excludes possible movements on the pension surplus through reserves.
Good visibility for dividends for 2020 and 2021

- Agreed realisations of IEP 2 and Australian wind farms provide good visibility for dividends for 2020 and 2021
- Potential upside through further realisations planned in 2021

### Total dividends

<table>
<thead>
<tr>
<th>Year</th>
<th>Base</th>
<th>Special</th>
<th>Total proceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>10</td>
<td>20</td>
<td>£30m</td>
</tr>
<tr>
<td>2017</td>
<td>18</td>
<td>24</td>
<td>£42m</td>
</tr>
<tr>
<td>2018</td>
<td>20</td>
<td>27</td>
<td>£47m</td>
</tr>
<tr>
<td>2019</td>
<td>20</td>
<td>27</td>
<td>£47m</td>
</tr>
<tr>
<td>2020</td>
<td>12-23</td>
<td>28</td>
<td>£40-51m</td>
</tr>
<tr>
<td>2021</td>
<td>19-38</td>
<td>28</td>
<td>£47-66m</td>
</tr>
</tbody>
</table>

### Gross proceeds received or expected from realisations

<table>
<thead>
<tr>
<th>Stage</th>
<th>Proceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>IEP 2 - first stage</td>
<td>£204m</td>
</tr>
<tr>
<td>H1 2020 realisations¹</td>
<td>£26m</td>
</tr>
<tr>
<td>Total</td>
<td>£230m</td>
</tr>
</tbody>
</table>

Estimated special dividend:

- £12-23m for 2020
- £19-38m for 2021

---

1: H1 2020 total realisations of £88 million adjusted for £62 million of proceeds from two disposals (Buckhorn Wind Farm and Auckland South Corrections Facility) which were included in the 2019 special dividend calculation.

2: The analysis assumes 433.0m shares in issue.

3: Base dividends for 2020 and 2021 assumed to grow in line with inflation.

---

Shareholders participate in the success of realisations through the special dividend.
JLG’s evolution: past and future

**Geography**
- North America
- Europe
- Australia & New Zealand
- Latin America
- Listed investment

**Product**
- PPP & Projects – availability
- PPP & Projects – volume
- Renewable Energy
- Listed investment
- Economic infrastructure businesses

**2015 portfolio**
- 13% North America
- 2% Europe
- 75% Australia & New Zealand
- 10% Latin America
- 2% Listed investment

**2020 portfolio**
- 6% North America
- 17% Europe
- 36% Australia & New Zealand
- 41% Latin America
- 6% Listed investment

**Illustrative future portfolio**
- 17% North America
- 59% Europe
- 10% Australia & New Zealand
- 16% Latin America
- 6% Listed investment

**40 investments**
- £890m NAV

**33 investments**
- £1,549m NAV

1 Pro forma: based on the portfolio as at 30 September 2020, adjusted to exclude assets under agreed sales and to include the agreed purchase of an additional stake in the K77; all valued at the transaction price.
Clear priorities against which you can measure our progress
Disclosure increased already at half-year, and more to come at year-end

Additional financial information and KPIs will be provided as part of our year-end results so that you can measure our progress against our strategic priorities from 2021 onwards

• **Principles**
  – New disclosure and financial indicators aligned with our future strategy
  – Further non-financial information on ESG progress and ambition

• **Evolution**
  – KPIs will evolve over time as we develop the third-party fund management business
  – In due course, aim to breakdown the returns and metrics between balance sheet investing and fund management activities
**Conclusion: strong platform for growth**

**Strong and resilient core**
- Leading international greenfield PPP business
- Proven investment track record and valuable PPP portfolio
- Strong balance sheet and liquidity

**Attractive investment opportunities**
- Growing infrastructure market
- Building Core-plus business
- Adding third-party capital

**Sustainable value creation**
Our plan

Positioning John Laing for sustainable growth

GROW + OPTIMISE + ENHANCE
Q&A
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