

Balfour Beatty

Old Oak Common Station

Project Overview

28 November 2023



Balfour Beatty

Leo Quinn

Group Chief Executive

A high-speed train is shown crossing a concrete bridge over a green valley. The train is white with a blue stripe and is moving from left to right. The bridge has several concrete pillars supporting it. The background shows rolling green hills and a clear sky. The foreground is a field of purple flowers.

Balfour Beatty and HS2

HS2

- High-speed railway between Birmingham and London, with a Phase 1 budget of £44.6 billion (2019 prices)
- Balfour Beatty is in joint ventures delivering two parts:
 - Area North - the largest section of HS2's route
 - Old Oak Common Station

Area North – BBV joint venture

- Added to order book at £3 billion (50% share) in 2020
- Target cost contract
- No material change to order book following recent cancellations



Balfour Beatty is delivering critical elements of HS2 Phase 1

Major infrastructure delivery: Marston box bridge slide



Major infrastructure delivery



M42 bridge demolition



Cubbington cutting earthworks



Deck span for Curzon St viaduct



Bromford tunnelling

Breadth of capabilities creates competitive advantage

Further HS2 work to be awarded

Joint venture established for HS2 opportunities

- Balfour Beatty, alongside JV partners ETF (VINCI owned) and TSO, are shortlisted for four remaining contracts. Balfour Beatty holds a 50% share of the joint venture
- The contracts are:
 - Overhead catenary system: £302 million*
 - Track installation - Lot 1 Urban: £434 million*
 - Track installation - Lot 2 Central: £526 million*
 - Track installation - Lot 3 North: £566 million*
- Final bids were submitted in November 2023
- Contracts are expected to be awarded in 2024, with delivery running through the second half of this decade



*Figures are provided to give an idea of scale and match those provided by HS2's contract notices from 2020

- [Works - 309373-2020 - TED Tenders Electronic Daily \(europa.eu\)](#).
- [Works - 209541-2020 - TED Tenders Electronic Daily \(europa.eu\)](#)

Targeting further HS2 contracts in 2024

Potential opportunities following HS2 cancellations

Government plan for 'Transforming British transport'

- Alongside the cancellation of HS2 Phase 2a, the Government committed to spending:
 - £36 billion on rail, road and bus improvements
 - £12 billion to deliver fast links between Liverpool and Manchester
- This provides additional funding for the road and rail sectors which Balfour Beatty operate in
- Network North includes a mix of new schemes and those previously planned for delivery through:
 - The third Road Investment Strategy (RIS 3)
 - Network Rail's Control Period 7 (CP7)



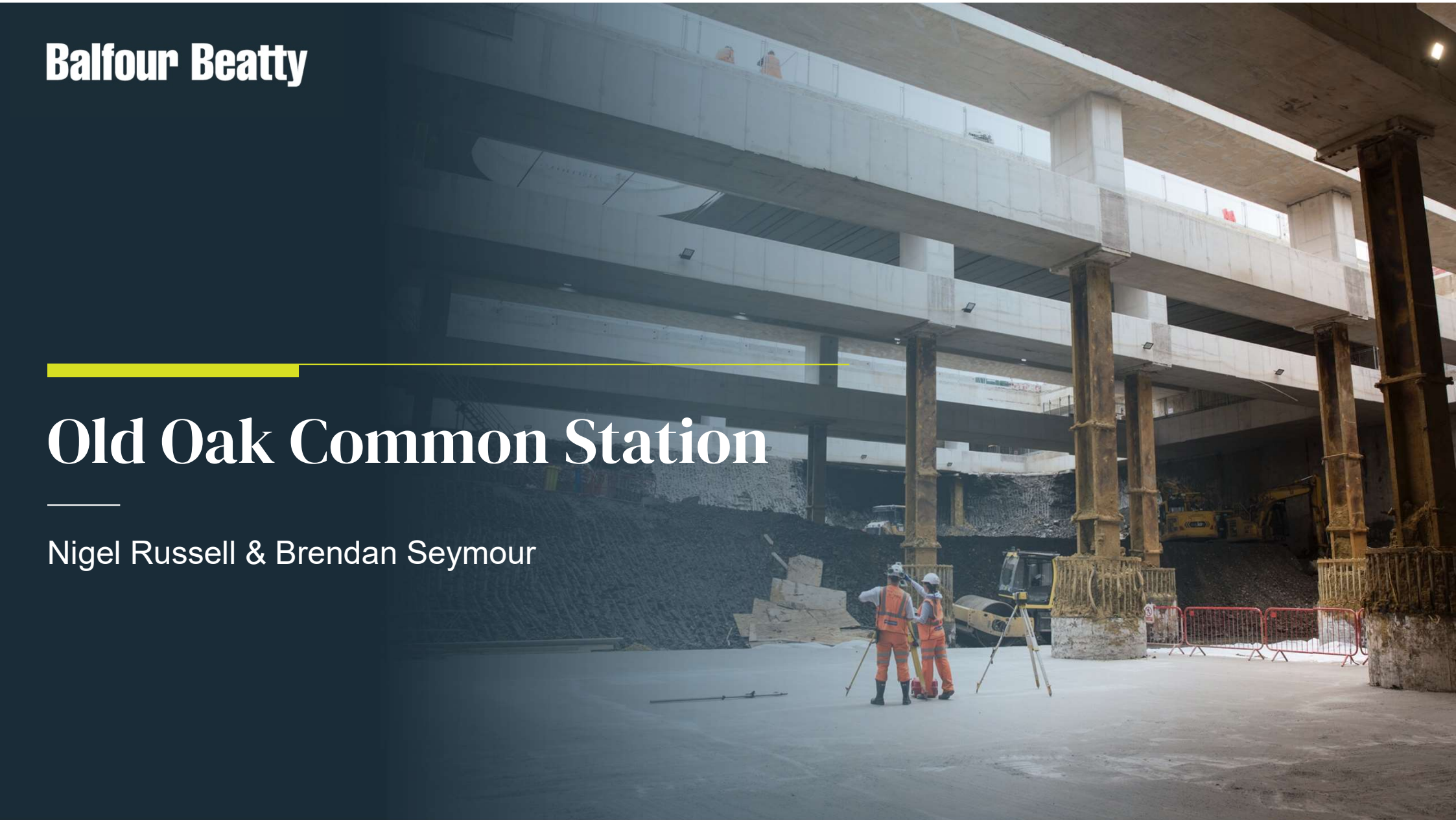
Source: <https://www.gov.uk/government/news/find-out-about-every-new-transport-project-in-your-region>

Funding pledged for a wide range of transport projects

Balfour Beatty

Old Oak Common Station

Nigel Russell & Brendan Seymour

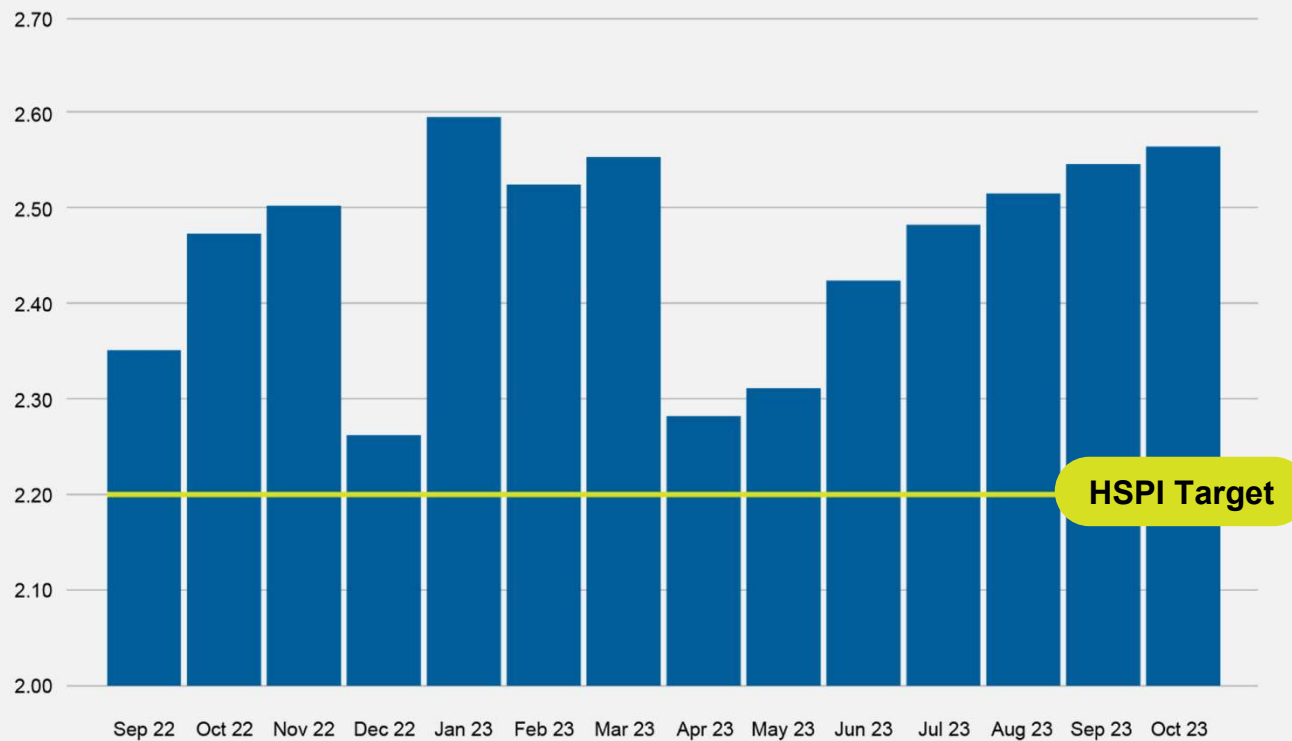


Balfour Beatty

How we are building Old Oak Common Station



Health and Safety Performance Indicators



Overview of the Health and Safety Performance Indicators used across HS2 <https://safety.hs2.org.uk/how-were-performing/>

Focused on consistently performing ahead of target

HS2 Old Oak Common Station

Delivery headlines

- On completion, Old Oak Common will become the UK's best-connected station, with high-speed rail services to the Midlands, Scotland and the North, and access to central London and Heathrow
- The station will serve as an interchange between HS2, the Great Western Mainline and the Elizabeth line
- Two stations:
 - 8 conventional rail platforms - 240m long
 - 6 high-speed platforms - 420m long



Largest new build station in the UK for over 100 years

Targets, facts and figures

Deliver in the budget target:

Original: £1.5 billion

Deliver in the programme target:

Station in passenger service: 2029 – 2033

- **1,000,000m³** of excavated material



52 WC Units

- **415,000m³** of concrete



52 Lifts

- **25,000m²** of roof



34 Staircases

- **70,000 tonnes** of reinforcement


- **Over 1,000 people** on site



44 Escalators

Complex construction at scale

HS2's Vision, Strategic Goals and Benefits

 <p>Catalyst for growth</p>	 <p>Sustainable and a good neighbour</p>	 <p>World class standards</p>	
 <p>Value for money</p>		 <p>Skills and employment</p>	
	 <p>Capacity and connectivity</p>	 <p>Customer experience</p>	

HS2 stations vision - to be a catalyst for regeneration and commercialisation

Key stakeholders



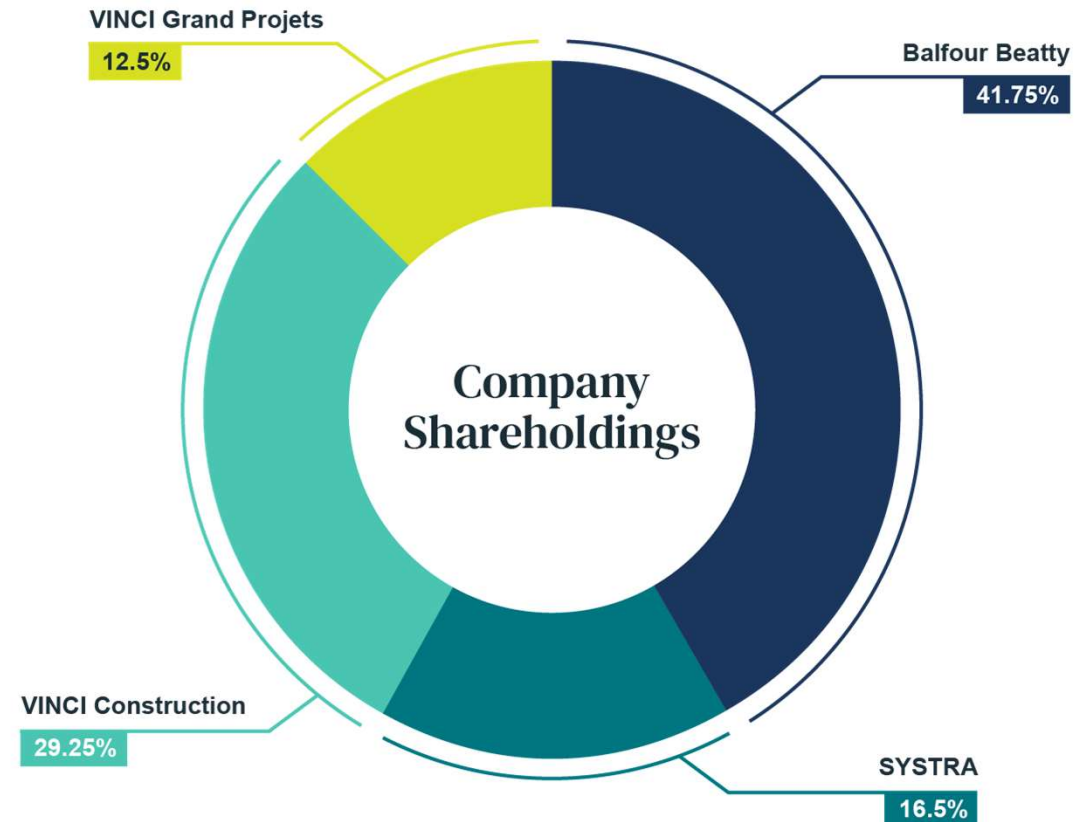
And many others...

Stakeholder management is critical to project delivery

BBVS Joint Venture

Joint Venture structure:

- Balfour Beatty is designated as the lead entity
- 1 vote per JV entity but unanimous agreement
- BBVS Project Director – Nigel Russell
- Monthly JV Management Board meeting to review progress and provide guidance
- BBVS JV Board Members:
 - Nigel Roberts, Balfour Beatty
 - Phil Skegg, VINCI Construction
 - Francois Pogu, VINCI Grand Projets
 - Steve Higham, SYSTRA

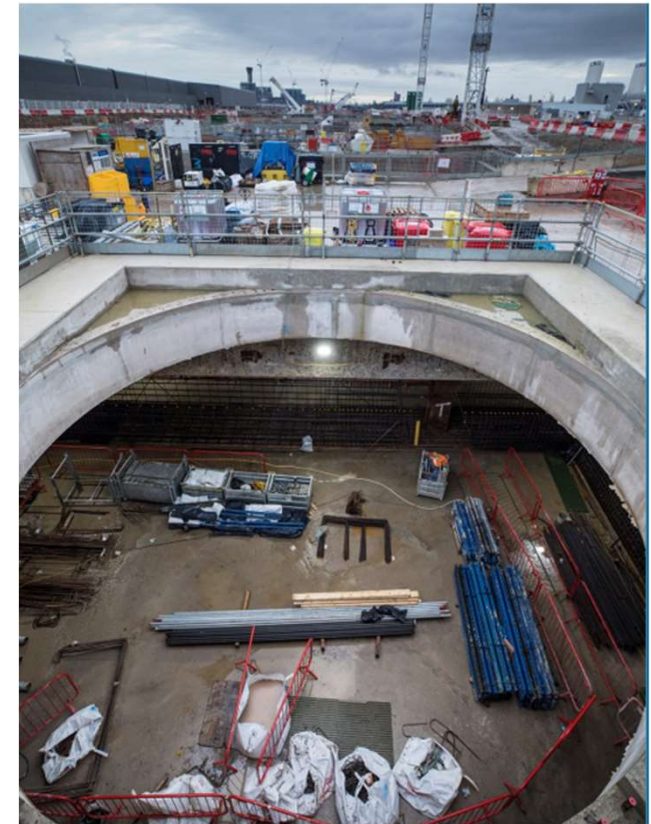


Diversified expertise and experience across JV partners

HS2 & Construction Partner role

Incentive target and fee moderation

- BBVS, as the Construction Partner, has committed to design and construct the Old Oak Common Station and deliver it into passenger service by an agreed time (2029-2033) and for an agreed amount (incentive target)
- Included within the incentive target, alongside the direct cost of the works and the staff cost, is the Construction Partner's fee
- The fee can be moderated based on KPI's covering:
 - Project management
 - Project performance
- If the station is delivered on time and below the incentive target, BBVS will receive 25% of the saving
- Any allowable expenditure above the incentive target is reimbursed by HS2



Construction Partner fee is closely linked to performance

Management wrap up

- The construction of Old Oak Common Station demonstrates Balfour Beatty's ability to deliver large and complex infrastructure projects
- The contract types in place for HS2 projects are lower risk than fixed price terms. Focus on delivery and cost control remains critical, as returns are moderated based on performance
- There has been no material change to the order book from HS2 Phase 2a cancellation
- Further HS2 work has been bid, with results in 2024
- Balfour Beatty's capabilities, scale and experience position the Group strongly for future UK infrastructure projects



Capabilities aligned to market opportunities

Balfour Beatty

Q&A



Balfour Beatty

Sustainability

Mohamed El-Shazly

Skills, employment & education

Elliott Murphy



Zero emissions plant

- Electric rollers - saved approximately 300t CO2e and 110,000 litres of diesel
- Power cubes - saved 96t CO2e and 36,000 litres of diesel
- Punch Flybrid - 2,500 litres of diesel saved over five weeks, with 7t CO2e emissions prevented as well as:
 - £6,000 saved on rental and diesel costs
 - Will enable savings of over £65,000 in a 50-week year



Electric roller



Hydrogen lights



Solar lights



Electric lights



Power cubes



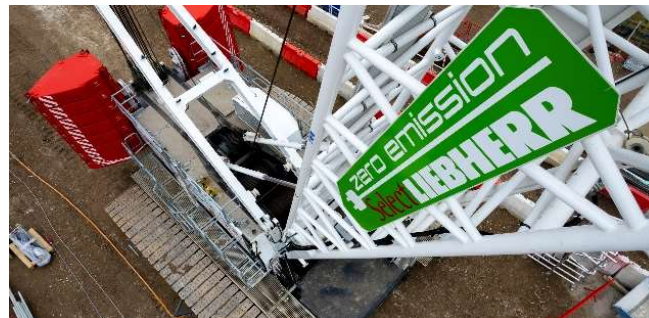
Electric MEWPS



Solar/LPG cabins



Punch Flybrid



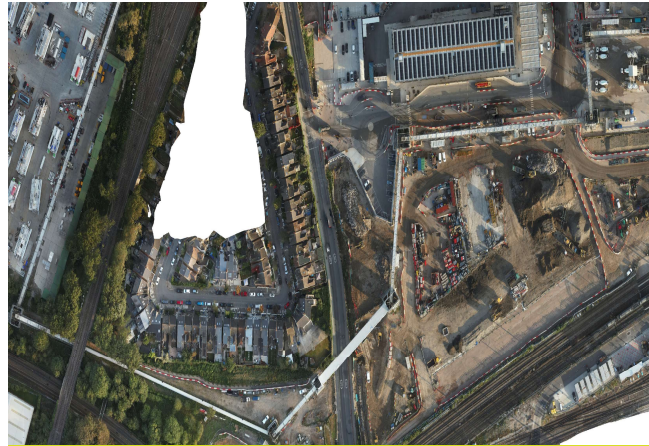
LR 1160.1 Unplugged



LR 1250.1 Unplugged

Conveyor belt network

- 1.7-mile-long network of conveyors
- Removing 1.5 million tonnes of spoil
- Fitted with sound barriers and a cover to prevent noise and limit dust dispersal
- 663,290 tonnes of spoil removed to date
- Replaced the need for 78,000 vehicle movements
- 37t CO2e saved over 15 months



Conveyor route



Noise and dust prevention



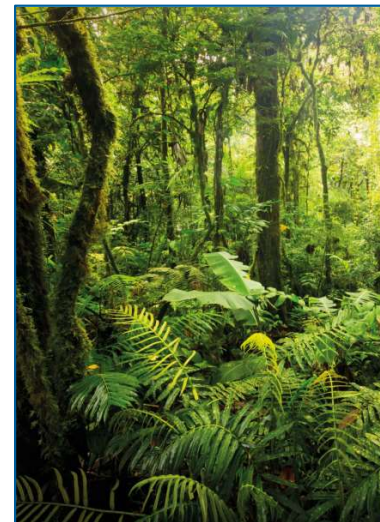
Spoil removal



Transfer towers

Renewable power

- Solar array system fitted to generate some of the building's energy supply
- 648 individual panels
- 123,000 kWh generated
- Saved £67,000 (2022/2023)
- Electricity supplied by a 100% renewable tariff
- Sources used include solar, wind, hydro and biomass



Renewable Power Supply Certificate

This is to certify that

Balfour Beatty Group Limited

Uses electricity that is **100%** generated from **Renewable Sources**

Supply Period 01/04/2022 – 31/03/2024

Signed *Mark Rose*

Mark Rose, Director, Sales & Marketing
on behalf of **TotalEnergies Gas & Power**

business.totalenergies.uk

Date 08/09/2023



*Our independent assurance report was created by Deloitte (supporting its report) and assures whether the renewable electricity supplied by TotalEnergies under our Renewable Energy contract is backed by relevant Renewable Energy Guarantees of Origin (REGOs) certificates from solar, wind, tidal, hydroelectric and biomass generation sources.

Skills, employment and education

HS2 skills, employment and education strategy

“Skills, employment and education in the context of the HS2 programme focuses on securing the skills and labour required to build the HS2 railway and leave a legacy of a highly-skilled and diverse workforce”



Performance and achievements Q2 23/24

5.18% of workforce are apprentices 4% apprenticeship target in workforce (FTE)	>25% above target
	Never dipped below 4% of apprentices in the workforce
	80 apprentices currently on the project
1 SEE output per £0.97m 1 SEE output per £2 million spend target	Double skills, employment & education target
	>250 local job starts
	>100 professional attainments achieved



Providing skills, employment and education to the local community

2023 industry award short listings and wins

<p>Shortlisted</p>	<p>Shortlisted</p>	<p>Shortlisted</p>	<p>Winner</p>	<p>Shortlisted</p>	<p>Winner</p>
					
<p>Social Innovation, Private Sector Project</p>	<p>Inspiring Change in Education</p>	<p>1. Company Innovation of the Year 2. Rising Star</p>	<p>Innovation</p>	<p>Apprenticeship Initiative of the Year</p>	<p>Community Enrichment</p>
<p>13th June</p>	<p>27th June</p>	<p>13th July</p>	<p>12th October</p>	<p>16th November</p>	<p>27th November</p>

Old Oak Common Station project recognised for delivering social value

Balfour Beatty