Press Release Investor Information



Consortium of STRABAG and Equitix is preferred bidder for United Utilities' water project in the UK

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- STRABAG-Equitix consortium identified as the preferred bidder by United Utilities (UU) to deliver the Haweswater Aqueduct Resilience Programme (HARP)
- Concession project in order to upgrade 110 km water pipeline system in North West of England
- Contract award planned for the first half of 2025
- STRABAG UK Limited will be responsible for the design and construction

London/Vienna, 3rd January 2025

The STRABAG-Equitix consortium is delighted to announce today that it has been identified as the preferred bidder by United Utilities (UU) for the Haweswater Aqueduct Resilience Programme, otherwise known as HARP. The focus is now on the contract award, which is planned for the first half of 2025.

HARP is a major scheme to maintain drinking water supplies across Cumbria, Lancashire and Greater Manchester for future generations. The Haweswater Aqueduct is a 110km pipeline which runs from the Lake District, through Lancashire and into Greater Manchester. Originally constructed in the 1950s, the pipeline needs essential upgrade work and will see the replacement of the existing tunnel sections to ensure it can continue to supply customers for generations to come.

STRABAG and Equitix have participated as joint partners in the tendering process for the selection of a Competitively Appointed Provider (CAP). The project company is responsible for the concession agreement with the client, United Utilities, who is responsible for water and wastewater services in the North West of England.

STRABAG CEO, Klemens Haselsteiner, said:

"We are delighted to have been appointed preferred bidder on such a regionally important programme in the North-West and are looking forward to working with United Utilities. This is an exciting programme which will provide a huge amount of benefit to the region.

"In recent years, STRABAG UK has reached several impressive milestones on major projects and has seen consistent growth. This is an important step in our expansion

plans for the UK division of STRABAG and is further recognition of our industry leading expertise."

Equitix's CEO, Hugh Crossley, added:

"Equitix is delighted to be selected as preferred bidder with our consortium partner STRABAG, to deliver this strategically important project for United Utilities and Ofwat. Our strong track record in delivering greenfield projects, coupled with our approach to partnerships will lead to the successful delivery of this significant project that will benefit communities in the North West for generations."

The contract includes design and construction, finance and maintenance of six tunnel sections of the pipeline. The construction phase is planned to run over eight years followed by a further 25 years of maintenance. STRABAG UK Limited will be responsible for the full design & construction scope of the project, while the financing will be provided by Equitix and the STRABAG Group. The estimated construction cost will be in the region of £2.5bn to £2.9bn.

The coming together of UK core infra leader Equitix and global construction leader, STRABAG, will see their respective skillsets and expertise creating this winning new partnership. The new contract builds on the ongoing success of STRABAG in the UK, replicating the Group's extensive international experience in providing end-to-end capability services (finance, design, construction, and fit-out) in the built environment.

Additional Information

In its price review PR19, the British Water Services Regulation Authority Ofwat developed the DPC approach (Direct Procurement for Customers) building on the success of Thames Tideway Tunnel. DPC involves a water or wastewater company competitively tendering for services in relation to the delivery of certain major infrastructure projects, resulting in the selection of a third-party competitively appointed provider or 'CAP' who will design, build, finance, and in some circumstances operate and/or maintain the relevant infrastructure. DPC will result in water companies competitively procuring more aspects of an infrastructure project, including financing for the project.

STRABAG UK Ltd provides full construction services to our clients, from design and build of tunnelling and civil engineering projects to building construction. In doing so, we create added value for our clients in the transport infrastructure, energy, light industrial and water sectors by integrating a wide variety of specialist skills and services, helping to deliver complex infrastructure and ground engineering projects. We have been working In the UK market since 2011 have over 1,500 employees involved in several projects in the UK, including the Coire Glas Exploratory Tunnel near Fort William (for SSE Renewables), the Woodsmith project in North Yorkshire (being carried out on behalf of Anglo American), the London HS2 Tunnels (Skanska Costain STRABAG JV), and an advanced manufacturing facility in Hartlepool. In 2023, STRABAG UK launched a new building unit, based in Solihull, which leads on the construction of light industrial and logistics centres, data centres, advanced manufacturing facilities and commercial developments.

STRABAG SE is a European-based technology group for construction services, a leader in innovation and financial strength. Our activities span all areas of the construction industry and cover the entire construction value chain. We create added value for our clients by taking an end-to-end view of construction over the entire life cycle – from planning and design to construction, operation and facility management to redevelopment or demolition. Through the hard work and dedication of our approximately 86,000 employees, we generate an annual output volume of around

€ 19 billion. Our dense network of subsidiaries in various European countries and on other continents extends our area of operation far beyond the borders of Austria and Germany. Working together with strong partners, we are pursuing a clear goal: to design, build and operate construction projects in a way that protects the climate and conserves resources. More information is available at <u>www.strabag.com</u>.

Equitix is a responsible investor, developer and manager of core infrastructure assets and critical services which materially contribute to the lives of the communities they serve. Established in 2007 with over £11bn in assets under management, invested across 350 assets in 22 countries, Equitix supports delivery of the green transition, with social and environmental objectives embedded into a diverse portfolio of socially important assets that strengthen regional, national, and international connections, creating a lasting legacy for generations. <u>www.equitix.com</u>

HARP is a major scheme to maintain drinking water supplies across Cumbria, Lancashire and Greater Manchester for future generations.

Image credits: United Utilities, United Kingdom

