



# Sustainability Report

2018



## Contents

Foreword	4
Our company	6
Global footprint	7
2018 Sustainability highlights	8
Sustainability objectives	10
Our organisation	12
Our Board	12
Our Executive Committee	14
Stakeholder engagement	16
Core values	18
Corporate governance	20
Awards and rankings	24
Financial performance	26
People	28
Employee demographics	28
Remuneration	29
Employee benefits	30
Health and wellbeing	30
Gender diversity	31
Career development	32
Community	36
Human rights	36
Community development	38
Sustainability and Environment	40
Appendix A: Scope of the report	46
Appendix B: Associated and controlled entities	48
Appendix C: Company memberships	50
Appendix D: EIA scale	52
Appendix E: GRI Index	54

Welcome to our ninth annual Sustainability Report which outlines our progress towards our sustainability objectives and the environmental outcomes we influence through our projects and services.

Sustainability is top of mind and a topic of much discussion for many organisations. For SMEC, sustainability is about continuity and resilience.



**Hari Poologasundram**  
CEO SMEC & CEO International Surbana Jurong

We bring this approach to life by taking a long-term view in everything we do and ensuring that as an organisation we operate sustainably and make a positive impact on our communities. We are passionate about collaborating with our clients and partners to build effective and sustainable solutions.

Our commitment to sustainability is formalised through the three pillars of our Corporate Social Responsibility framework: People, Community, and Sustainability and Environment. The purpose of this report is to measure our performance in providing a safe and healthy working environment for our people, actively contributing to development in the communities where we live and work and embedding sustainable outcomes across our global organisation and broad project portfolio. As in previous years, this report has been prepared to align with the Sustainability Standards of the Global Reporting Initiative (GRI).

In 2018 we established a global Compliance Committee and made key improvements to our business integrity program, including the launch of a global communication and awareness campaign to ensure that we are managing risk, providing ethical and safe working conditions and building a strong compliance culture.

We also implemented several initiatives to ensure a more diverse, satisfying and rewarding work environment for our people. These include increased paid parental leave, global leadership training programs, the launch of our Safety Culture Action Plan and the development of our Phase 2 Reconciliation Action Plan, which formalises our commitment to the protection and advancement of indigenous rights in Australia.

Sustainability is a priority for SMEC both in terms of the services we offer and how we operate as a business.

SMEC's capabilities, and the projects and solutions we deliver, put us in a unique position to build sustainable communities. We have a long and proud history dating back to the iconic Snowy Mountains Hydroelectric Scheme in 1949. One of the largest and most complex hydroelectric schemes in the world, the project's leading-edge design and build practices highlight SMEC's earliest commitment to sustainability in relation to Australia's renewable energy sources and water security.

Our combination of engineering and environmental skills enables us to effectively help our clients achieve sustainable outcomes. We have successfully delivered over 31,000 MW of hydropower over the last 15 years, and our specialists have taken a leading role in landmark energy projects worldwide. In 2018, SMEC Australia's Power & Energy team contributed to over 4500MW of renewable generation projects, including solar and wind power. We are constantly redefining sustainability across project design and delivery, incorporating sustainability at every stage of the project lifecycle.

As an organisation, our company policies and procedures have been set up to support our commitment to sustainability. For example, a number of our offices set and achieve annual energy efficiency targets. Waste is consciously recycled, and office supplies are purchased with environment-friendliness in mind. As CEO I am particularly proud that many of these initiatives are developed and led by our employees in support of local suppliers and communities. I would like to take this opportunity to thank all our employees for their passion and energy in driving sustainable solutions.

*"Sustainability at SMEC is a journey. As we gain a greater understanding of issues, or identify opportunities to progress, we adapt our priorities and evolve our approach."*

*"The world is facing significant challenges to sustainability, and while we don't have all the answers yet, we are taking steady, consistent steps towards building a sustainable future."*

**Hari Poologasundram**  
CEO SMEC & CEO International Surbana Jurong

From origins on the Snowy Mountains Hydroelectric Scheme in New South Wales, Australia, SMEC is a global engineering, management and development consultancy delivering technical excellence, advanced engineering and design innovation to our clients, partners and communities.

Combining our specialist technical strengths in engineering and major projects with a deep understanding of existing and emerging technology, we deliver sustainable solutions on complex urban, industrial and infrastructure projects worldwide.

As a member of the Surbana Jurong Group, SMEC draws on a talent pool of 16,000 employees across 120 offices in over 40 countries throughout Asia, Australasia, Africa, the UK, Middle East and the Americas. Leveraging specialist capabilities from our parent and sister companies, we provide expertise in global markets either independently or as combined entities.

Our integrated services model covers the full lifecycle of a project, from initial concept, feasibility, planning and design through to construction, commissioning, and operation and maintenance. Collaborating with our clients and partners, we shape innovative solutions across a range of industry sectors with core strengths in water and transport infrastructure, built environment, energy and resources, and management advisory.

SMEC is recognised for delivering technical excellence, advanced engineering and design innovation in the urban development, infrastructure and management services industries.

Aligning global experience with local knowledge, we collaborate with our clients and partners to enhance value and maximise outcomes across the full project lifecycle, from concept to completion.

Our specialist technical strengths in engineering and major projects, combined with emerging technology and data-driven services, enable us to provide innovative solutions to clients worldwide.



## Our global footprint



In 2018 we made significant progress in strengthening corporate governance and advancing our focus areas of People, Community, Sustainability and Environment.

### Our organisation

#### Optimising project management

A Project Management Steering Committee was established for ongoing oversight and stronger governance of project management systems and processes. Given the nature of SMEC's services, we have a continued focus on enhancing our project management approach in order to achieve greater quality.

#### Enhanced business integrity

Led by a global Compliance Committee, our Integrity Compliance Program was benchmarked against the requirements of the World Bank Integrity Compliance Guidelines. In addition to enhancing business compliance across our systems, policies and processes, we launched We Comply, an ongoing global communication and stakeholder engagement program relating to business integrity.

### People

#### Increased employee benefits

SMEC increased the Paid Parental Leave offered to the primary carer of a new child to 14 weeks, in addition to their annual leave, long service leave and government-funded entitlements.

#### Building an inclusive culture

More than 50 middle managers completed Champions of Change and Creating Gender Inclusive Cultures workshops

#### Developing capability and careers

- The first global Leadership Development Program in partnership with our parent company Surbana Jurong was held in Singapore.
- Leadership Training Programs were rolled out to SMEC teams in South Asia, Southeast Asia and Africa.

#### Safety first

Based on the results of a workforce safety culture survey and analysis, SMEC ANZ launched the Safety Culture Action Plan in October 2018. Several initiatives are underway, and some have already been completed, including the integration of safety skills and knowledge into our Graduate Development and Leadership Development Programs, and the launch of our Safety Champion Program to encourage employee involvement in developing and implementing our safety initiatives.

#### Ensuring a mentally healthy workplace

In 2018, participants in SMEC's Leadership Development Program developed a mental health strategy which was approved by the Executive Committee and aligns with best practice. This strategy will be implemented in 2019, including awareness campaigns, communication and mental health first aid training.

### Community

#### Projection and advancement of Indigenous rights

- In 2018 we continued to implement Phase 1 of our Reconciliation Action Plan (RAP), which was endorsed by Reconciliation Australia in January 2017. This formalises our commitment to implement and measure practical actions that create opportunities for, and build respectful relationships with, Aboriginal and Torres Strait Islander peoples. Our focus for Innovate Phase 2 will be to implement a strategy to help attract, recruit and retain Indigenous employees.
- Based on employee nominations, three Aboriginal and Torres Strait Islander charities in Australia were selected to receive funding from the SMEC Foundation.

#### Community development

With support from the SMEC Foundation and Divisional CSR Committees, employees participated in many inspiring community development projects around the world, with a focus on the areas of health, education, environment and emergency relief.

### Sustainability and Environment

#### Leading in renewable energy and sustainability

- In Australia, SMEC contributed to over 4500MW of renewable generation projects, including solar and wind power generation.
- An internal Sustainability Technical Networking Group was set up to support collaboration and knowledge sharing among sustainability professionals on a national level.
- SMEC Australia attained membership to the Infrastructure Sustainability Council of Australia (ISCA) and the Australian Contaminated Land Consultants Association (ACLCA).
- SMEC New Zealand was appointed to the New Zealand Ministry of Foreign Affairs & Trade (MFAT) Energy Services Panel, which supports planning and delivery of MFAT's renewable energy portfolio and international development activities in the energy sector.

Our commitment to sustainability is highlighted through this report which measures our performance in providing a safe and healthy working environment for our people, actively contributing to development in the communities where we live and work and embedding sustainable outcomes across our global organisation and broad project portfolio.

Sustainability is a priority for SMEC in terms of the services we offer, how we operate as a business, and our commitment to supporting the communities we live and work in.



### People

#### Our commitment

Create a rewarding, inclusive workplace for our people by encouraging personal development, recognising good performance, fostering equal opportunities and ensuring employee health, safety and wellbeing.

#### Our objectives

- To provide and maintain a satisfying and rewarding work environment for all employees.
- To achieve and maintain cultural and gender balance and increase awareness of the importance of diversity.
- To provide employees with personal and career development opportunities and clear career paths.
- To eliminate or manage hazards and practices that could cause accidents, injuries or illness.

### Community

#### Our commitment

Support community and charitable programs that provide long-term solutions.

#### Our objectives

- To deliver the best possible social and development outcomes for people in need through small-scale grant support provided by the SMEC Foundation.
- To protect and uphold internationally proclaimed human rights, particularly in the areas of child abuse and forced compulsory labour.
- To support and encourage employee participation in local communities, particularly charity work.

### Sustainability & environment

#### Our commitment

Eliminate or minimise any adverse impacts that SMEC's office activities and projects have on the environment. Raise employee, client and community awareness of the importance of environmental sustainability.

#### Our objectives

- To operate energy efficient offices and reduce Greenhouse Gas (GHG) emissions generated by SMEC's operations.
- To provide long-term environmentally sustainable project advice to clients.
- To educate employees, clients, partners and contractors about the importance of environmental sustainability.

## Our organisation

### Our Board

The SMEC Board is responsible for formulating SMEC's strategic direction and maintaining corporate governance.

The board comprises senior leadership from both Surbana Jurong and SMEC, bringing together a diverse range of experience and expertise to help guide SMEC's strategic journey.



**Max Findlay**  
Chairman  
BEc, FAICD

Max was appointed Chairman of SMEC in 2016, after serving as Deputy Chairman since 2014, and Non-Executive Director since 2010. Max serves on the Boards of several organisations including the Royal Children's Hospital and listed company Skilled Group Ltd. Max holds a Bachelor of Economics (Politics) from Monash University and a Postgraduate Qualification in Accounting from Swinburne University. Max is a Fellow of the Australian Institute of Company Directors.



**Wong Heang Fine**  
Group CEO, Surbana Jurong Group  
BSc (Eng)Mech, MSc (Eng)Production & Management

Wong Heang Fine is Group CEO of Surbana Jurong Private Limited and was appointed to the SMEC Board in 2016 following the acquisition of SMEC by Surbana Jurong. He is also Chairman of Sino-Sun Architects & Engineers, as well as Director of AETOS Holdings Pte Ltd. Heang Fine has held many key leadership positions across a number of industries over the last 35 years. Most recently, he was the CEO of CapitaLand Singapore Limited (Residential) and CapitaLand GCC Holdings.



**Hari Poologasundram**  
CEO SMEC & CEO International Surbana Jurong  
MSc (Civil Eng), BSc(Civil)

Hari was appointed Chief Executive Officer of SMEC in 2018, after serving as CEO of SMEC's Australia and New Zealand (ANZ) operations since 2017. Prior to this Hari held the role of Chief Operating Officer ANZ and guided the performance and strategic growth of SMEC's ANZ operations. Hari has 30 years' experience in the planning, design and management of infrastructure projects and 15 years' operational management experience.



**Teo Eng Cheong**  
CEO International, Surbana Jurong Group  
BSc (Economics) MSc (Economics). Fellow with the Lien Ying Chow Legacy Fellowship.

Eng Cheong was appointed to the SMEC Board in 2016 following the acquisition of SMEC by Surbana Jurong. Before joining the private sector, Eng Cheong was a senior government official with the Singapore Administrative Service, and has previously held several leadership positions in the Singapore Government.



**Loh Yan Hui**  
CEO and Global Lead, Aviation,  
Surbana Jurong Group  
MSc (Civil)

Yan Hui is responsible for developing the aviation business globally, including delivering on Surbana Jurong's Changi Airport Terminal 5 related projects. He was appointed to the SMEC Holdings Board in 2016 following the acquisition of SMEC by Surbana Jurong. Yan Hui has more than 38 years' experience in the infrastructure industry and has been a registered Professional Engineer (Singapore) since 1990.

*"We are continually strengthening our governance and compliance systems, as well as building a culture of honesty, transparency and openness, to ensure we are operating to the highest standards of integrity and compliance. Integrity represents not only the principles we stand for, but also how we go about our daily work and deliver to our clients."*

**Max Findlay**  
Chairman

## Our organisation

### Our Executive Committee



#### **Hari Poologasundram**

Chief Executive Officer SMEC  
Chief Executive Officer International Surbana Jurong

Hari was appointed Chief Executive Officer of SMEC in 2018, after serving as CEO of SMEC's Australia and New Zealand (ANZ) operations since 2017. Prior to this Hari held the role of Chief Operating Officer ANZ and guided the performance and strategic growth of SMEC's ANZ operations. Hari has 30 years' experience in the planning, design and management of infrastructure projects and 15 years' operational management experience.



#### **Allan Teo**

Chief Operating Officer South East Asia

Allan was appointed as Chief Operating Officer for the Southeast Asia Division in 2018. In addition, Allan is Managing Director of KTP Consultants Pte Ltd and KTP Civil & Structural Sdn Bhd. Allan has 30 years' experience in domestic and international architectural / engineering consultancy businesses.



#### **James Phillis**

Chief Executive Officer, Australia and New Zealand

James joined SMEC in 2014 and was appointed Chief Executive Officer ANZ in August 2018 after serving as Chief Operating Officer ANZ since 2017. James is an engineer with over 30 years' experience leading large international engineering businesses with operations in Australia, NZ, Asia, China, Europe, North America and the Middle East.



#### **Thomas Hynes**

Chief Operating Officer, Asset Management

Thomas joined SMEC in February 2010 and was appointed Chief Operating Officer Asset Management (Global) in 2017. Tom has over 25 years' experience leading and managing consulting businesses for the delivery of Asset Management services.



#### **Tom Marshall**

Chief Operating Officer Africa

Tom joined SMEC in 2012 as Chief Operating Officer Africa and has over 30 years' experience in civil engineering design, construction supervision and management of multidisciplinary engineering teams throughout Southern Africa. Tom joined SMEC's Executive Committee in 2012 with the addition of Vela VKE to the SMEC Group.



#### **Andy Atkin**

Group Chief Financial Officer,  
Surbana Jurong Group

Andy joined SMEC in 2007 as General Manager Finance for the SMEC Group. In February 2017 Andy relocated to Singapore to become the Global Group Financial Controller of SMEC's parent company, the Surbana Jurong Group. In October 2018, Andy was promoted to Group Chief Financial Officer.



#### **Dr Uma Maheswaran**

Chief Operating Officer, South Asia Middle East

Dr Uma was appointed Chief Operating Officer South Asia Middle East in 2016, having previously held the role of Chief Executive Officer and Managing Director, India for the Surbana Jurong Group. Dr Uma has over 10 years' management experience across large scale organisations.



#### **Angus Macpherson**

Director of Operations

Angus joined SMEC in 1993 and was appointed Director of Operations in 2017 after serving as Director of Corporate Affairs since 2010. Angus is also a member of the SMEC Foundation Board and has over 20 years' experience in the management of large multidisciplinary projects.



#### **George Lasek**

Chief Operating Officer Americas

George joined SMEC in 2011, and was appointed Chief Operating Officer Americas in 2017 after serving as Chief Operating Officer South Asia Middle East since 2015. George has over 30 years' experience in both the private and public sectors and has proven ability to operate at operational and strategic levels within complex business environments.



#### **George Simic**

Director, Strategy | Growth | M&A  
Africa | Americas | ANZ | SAME

George is currently a Director of SMEC Australia and ANZ Group Director for the Urban Development Group. With a background in urban planning and design, George has over 30 years' leadership experience in the urban development, urban regeneration and buildings industries.



*"SMEC are leaders in hydropower, solar farms and renewable energy, as well as environment and waste management. We have Accredited Hydropower and Dam Sustainability Assessors and Infrastructure Sustainability Accredited Professionals who are constantly redefining sustainability across project design and delivery, incorporating sustainability at every stage of the project lifecycle."*

**James Phillis**  
Chief Executive Officer, Australia and New Zealand



#### Our stakeholders

SMEC's stakeholders are identified as any person, group or organisation that has an interest or concern in the Company. SMEC interacts with a wide range of stakeholders, from local community members and contractors to employees, clients, industry bodies and opinion leaders.

Our primary stakeholder groups are employees and clients, and we have developed policies and procedures to ensure we are engaging regularly, safely and effectively. This engagement feeds directly into the ongoing development of SMEC's business practices. Our Corporate Social Responsibility (CSR) framework has been developed to formalise engagement with other key stakeholders such as communities and partners.



#### Employees

Our people are the at the core of who we are and what we accomplish. SMEC's management has an 'open door' philosophy, whereby all employees may feel comfortable approaching management to discuss any issue or idea. At a group level, employees receive regular updates from senior leaders via email, intranet, video and office roadshows. In ANZ, we publish a monthly staff newsletter as well as a monthly publication for senior leadership cascade.

We adopt a localised approach to staff engagement at a regional and local level, utilising a range of communication methods and channels that best suit the environment.

In 2018 we relaunched our global enterprise social network, Yammer, which enables employees, regardless of level or location, to freely engage and share content on any topic of interest to them.

#### Clients

We see our clients as our partners and are dedicated to understanding their needs, drivers, resources and concerns, and proactively responding to their requirements. Our approach to client engagement includes:

- Industry participation: SMEC is an active member of key industry and trade organisations, and staff often participate in speaking engagements and industry forums.
- Quarterly newsletter: SMEC NEWS is a quarterly client newsletter through which we share key updates.
- Face to face engagement: Many client events are held each year, providing an opportunity for in-person feedback and interaction.

#### 2018 highlights

In 2018 we implemented two programs to collate and analyse client feedback. This information is essential to ensure we are listening to our stakeholders and identifying required improvements.

1. SMEC partnered with a research firm to conduct in-depth interviews with key clients in Australia relating to how they perceive SMEC's performance in several key areas.
2. As part of our refreshed client relationship management framework, SMEC launched the Voice of Client program, which uses industry recognised measures such as Net Promoter Score and Customer Satisfaction to assess performance and understand client sentiment. Results are being used to improve our client planning, communications and project delivery.

## Our organisation

### Core values

Our core values of Integrity, People, Professionalism, Partnership and Purpose are part of our DNA, representing what we stand for, what we expect from employees, what we deliver to our clients, and how we aim to conduct our daily work. We are committed to leading by example and continuing to build a values-led global culture.



### Our values

#### Integrity

We act responsibly and conduct our business with the highest ethical standards, accountability and transparency.

#### People

We value our global and diverse talent by creating a safe, inclusive and supportive environment where our people can thrive.

#### Professionalism

We act in the best interests of our clients and deliver innovative solutions with high standards of excellence.

#### Partnership

We build trusted and enduring relationships with clients, partners and colleagues to achieve win-win outcomes.

#### Purpose

We are passionate and committed to making meaningful impacts on people, environment and communities.

At the core of our business is what we call 'The SMEC Spirit' which is evident in our people, values and culture. 'The SMEC Spirit' captures a strong sense of identity which drives performance, technical excellence, and an innovative and determined approach to exceptional service delivery.

### Code of Conduct

SMEC's Code of Conduct seeks to guide the actions and behaviour of employees in a way that is consistent with SMEC's company values. The Code requires that all employees act with honesty, integrity and in compliance with the law, perform their duties to the best of their abilities, be accountable for their performance, and work collaboratively with their colleagues. The Code encourages employees to report any unethical, dishonest or unlawful practices and ensure the safety of themselves and those around them.

SMEC employees are expected to comply with this Code, along with all other SMEC policies and procedures, and any legislation applicable to their role.

It is management's responsibility to demonstrate, through their actions, the importance of this Code, and promote the highest ethical standards across all areas of the business. In addition, managers are expected to develop a positive working environment, provide ongoing support and feedback to employees, and take appropriate action if a breach of the Code (or breach of any other SMEC policies and procedures) may have occurred.

### Equal employment opportunity procedure

In addition to the Code of Conduct, SMEC has an Equal Employment Opportunity Procedure to promote a positive work environment for all employees and clients. SMEC is committed to promoting an inclusive organisational culture and strives to provide a safe and flexible workplace where employees and clients are treated with dignity, respect and consideration at all times.

SMEC does not condone any behaviour which may be perceived as bullying, intimidation, discrimination, or any form of sexual or workplace harassment. As such, SMEC encourages the development of an inclusive and diverse workforce and believes that diversity is a strength for our people, our clients, our partners and our communities.

SMEC is committed to attracting the best talent and engages in recruitment and selection processes that are based on merit.

SMEC's recruitment activities are undertaken free of bias or discrimination, and in compliance with all relevant local legislation.

### Risk management

The Board of Directors is responsible for ensuring there are adequate organisational arrangements for designing, implementing, monitoring, reviewing and improving risk management throughout SMEC.

SMEC is committed to:

- maintaining an appropriate system of governance and risk management applicable to all the Company's locations, business units and functional groups
- implementing a Risk Management System conforming to International Standard ISO 31000
- clarifying the roles and responsibilities of management and boards
- identifying, assessing and managing significant risks and opportunities
- maintaining the integrity of SMEC's assets, people and reporting, and
- complying with legal obligations in all jurisdictions in which SMEC operates.

SMEC seeks to improve risk management through:

- appropriate charters for the Board and management groups (including their responsibilities to their various stakeholders)
- a Code of Conduct recognising SMEC's responsibilities to all stakeholders
- promotion of workplace culture, practices and behaviours which value and reflect honesty, integrity and professionalism
- the identification and management of risks, issues and opportunities at team, project, business unit, subsidiary and corporate levels
- alignment of controls with the SMEC governance and risk management policy and framework
- the application of policies, controls, and review processes to all business units and subsidiaries.

### Board of Directors

The SMEC Board (see pages 12-13) has a written charter outlining its responsibilities and governance framework. All Directors are required to retire at the fourth Annual General Meeting following their appointment, except for the Managing Director.

### Board Committees

The Board has two permanent committees – the Audit and Risk Committee and the Remuneration and Nominations Committee. Each has written terms of reference and is subject to annual review by the Board.

### Audit and Risk Committee

The Audit and Risk Committee assists the Board with financial reporting, managing SMEC's material risks and ensuring that financial information is accurate and timely. The Audit and Risk Committee must have at least three members, consist only of Non-Executive Directors, have a majority of independent Directors, and have an independent Chair (who is not the Chair of the Board).

### Remuneration and Nominations Committee

The Remuneration and Nominations Committee works to ensure that SMEC secures, motivates and retains highly skilled and diverse senior executives and employees. The Remuneration and Nominations Committee must have at least three members, consist only of Non-Executive Directors, have a majority of independent Directors, and have an independent Chair.

### Executive Committee

The Executive Committee (EC, page 14) is not considered a Board committee but consists of senior executives appointed by the CEO. The EC has primary authority for the management and monitoring of the Company's operations, and the implementation of the Company Strategy subject to policies and procedures approved by the Board of Directors. SMEC's CEO is the Chair of the Committee and is responsible for all matters not reserved for the Board or individual Directors. The EC's terms of reference and authority are approved by the Board.

## Our organisation

### Corporate governance

#### Quality management

##### SMEC's Quality Management System

Developed to meet the requirements of AS/NZs ISO 9001:2016, SMEC's Quality Management System (QMS) enables systematic control and optimisation of business activities, as well as review processes to monitor and measure performance and identify improvements.

SMEC's QMS covers all stages of the project lifecycle, from inception through to handover, and provides a formalised and structured approach to project quality management.

The QMS ensures:

- development of project quality objectives incorporating client operability, maintainability and delivery requirements
- quantification of project risks through assessment
- implementation of design management and review processes to manage critical design quality aspects
- communication of risks and responsibilities through planning workshops
- development of risk auditing regimes.

#### Business integrity

In 2018, SMEC established the Compliance Committee to strengthen governance and oversight of our global Integrity Compliance Program, which was benchmarked against the requirements of the World Bank Integrity Compliance Guidelines. During this process, we made a number of key improvements across policies, systems, processes and communication, including:

- Development of a dedicated Business Integrity Risk Register.
- The creation of a new Integrity Compliance Manager role and the appointment of Divisional Compliance Delegates. These Delegates strengthen relationships between the group-level corporate governance team and geographically dispersed divisions, particularly for the purposes of reporting to and oversight by SMEC's Board Audit and Risk Committee.
- Updating SMEC's Business Integrity Policy and creating or updating several relevant Procedures, Work Instructions and Guidelines to more clearly articulate restrictions, the roles and responsibilities of employees at various levels, reporting obligations and frameworks, and protection against retaliation.
- Establishment of a standardised reporting framework including procedures for gifts and entertainment, probity, organisational conflicts of interest and supplier due diligence to ensure and monitor compliance with relevant policies.

#### We Comply – communication and awareness program

In 2018, SMEC's Compliance Committee launched We Comply, a robust communication and engagement program driven by SMEC's most senior leaders including the Board, Chairman and CEO. Each month, various communication activities including email, infographics, videos and Frequently Asked Questions are used to ensure staff are aware of compliance obligations and relevant policies and procedures, and understand how to apply these processes to their everyday activities.

#### Looking to 2019

In addition to continuing the above programs in 2019, SMEC is currently preparing for ISO37001 certification to further strengthen our anti-bribery management system.

#### 2018 highlights

During the reporting period, SMEC maintained certification to ISO 9001 (Quality Management), ISO 14001 (Environmental Management) and AS/NZ 4801 (OHS Management) in all major Australian offices from third party certifier, Global-Mark.

SMEC Group requires that its business partners observe equivalent standards of integrity and ethical behaviour that it prescribes for itself. A key initiative in 2018 was improving procedures and systems around supplier management through ongoing training, communication and structured reporting.

SMEC also established a Project Management Steering Committee for ongoing oversight and stronger governance of Project Management systems and processes. SMEC's Project Managers are regularly trained and assessed against SMEC's Project Management System requirements.





*"I am pleased to write this letter in recognition of the services performed by SMEC and its associated sub-consultants. In sometimes difficult circumstances SMEC has continually supported me and my staff... SMEC's work has been of a high standard, well planned and implemented through the initial design work, assisting the Client with administration procurement issues and then with construction management and supervision tasks."*

**Suranto, Ministry of Transportation**  
Directorate General Railway

## ENR's 2018



### Top International Design Firms

#### Increased ENR Global Design Firm Rankings

SMEC, as part of the Surbana Jurong Group, has significantly increased its rankings in the Engineering News Record (ENR)'s 2018 annual design lists. The Group is ranked at number 25 in the 2018 Top 225 International Design Firms list, an increase of 10 places from 2017.

#### ENR 2018 Project of the Year and 2018 Global Best Rail Project

SMEC was recognised for its role as Lead Design firm on the Sydney Metro Northwest Surface and Viaduct Civil Works (SVC) project - a 4.5 kilometre elevated skytrain viaduct that was awarded 2018 Project of the Year and 2018 Global Best Rail Project by Engineering News-Record (ENR).

#### Construction Industry Business Excellence Awards

For the third year in a row, SMEC South Africa received the Top Engineering Consultant Award in three categories: Civil Consulting Engineers; Structural Consulting Engineers; and Combined Civil & Structural Consulting Engineers.

#### South Africa Institute of Civil Engineering (SAICE) Durban Branch Award for Technical Excellence in Construction

SMEC South Africa won the Technical Excellence in Construction category for the Mount Edgecombe Interchange Upgrade, currently the largest interchange project in South Africa.

#### South Africa Institute of Civil Engineering (SAICE) Cape Town Award for Best International Project

The Sydney Metro Cable-Stayed Bridge, part of the Sydney Metro Northwest Surface and Viaduct Civil Works (SVC) project, was named the winner in the International Projects category at SAICE's Cape Town Branch Awards.

#### Consulting Engineers South Africa Aon Engineering Excellence Awards

Designed by SMEC's South Africa team, the Sydney Metro Cable-Stayed Bridge was named the winner in the 2018 International Projects category at the Consulting Engineers South Africa (CESA) Aon Engineering Excellence Awards.

#### Engineers Australia Engineering Excellence Award

SMEC Australia won the Sydney Engineering Excellence Award for the Sydney Metro Cable-Stayed Bridge.

#### Australian Institute of Landscape Architects Awards

Palmwoods New Town Square in Queensland, Australia was recognised with a 2018 National Landscape Architecture Award from the Australian Institute of Landscape Architects (AILA). SMEC provided urban design, planting design and landscape services on the project.

#### Financial highlights

- Fee revenue increased by 5.4% to AUD 476.4 million
- Substantial work-in-hand for FY19 and beyond

#### Company performance

SMEC continued to grow steadily during the 2018 financial year, maintaining our sound financial position, with revenue and other income increasing from AUD 640.5 million to AUD 648.1 million.

Our financial performance is the result of our continued focus on sustainable growth, a significant increase in infrastructure development around the world, and collaboration with our parent and sister companies to leverage our global capabilities and provide better value to our clients.

SMEC has solid work-in-hand for the year ahead (and subsequent years), and the Australian business is expected to perform particularly well with the help of major transport infrastructure projects in key Australian states.

With near record levels of work-in-hand, strategic partnerships and a focus on attracting and retaining strong technical talent, the outlook for the 2019 financial year is very positive.

#### Economic value generated and distributed

During the reporting period, revenue in Australia increased to AUD 340.1 million. SMEC's net operating profit after tax in Australia increased to AUD 28 million. SMEC's operating costs increased by 8% to AUD 30.6 million, with employee compensation increasing by 17% to AUD 261.5 million.

#### Remuneration of Directors

Non-Executive Directors are paid annual fees, which in total fall within the fixed amount, currently set at AUD 1 million. During the 2017–2018 financial year, remuneration of Non-Executive Directors totalled AUD 153,000. Non-Executive Directors are not eligible for bonuses or incentive schemes, and only statutory retirement benefits are payable.

Figure 1: Economic value generated in Australia (all figures are in A\$'000)

Generated	Southern	Central	Northern	Australia
Revenue	107,650	143,441	89,058	340,149
Net operating profit after tax				28,024

Figure 2: Economic value generated in Australia (all figures are in A\$'000)

Distributed	Southern	Central	Northern	Australia
Operating costs	(9,679)	(12,896)	(8,007)	(30,582)
Employee compensation	(82,750)	(110,262)	(68,458)	(261,470)
Payments to providers of capital - dividend				(7,340)
Government (Tax)				(12,733)
TOTAL				(312,125)

Figure 3: Economic Value Generated internationally (all figures are in A\$'000)

Generated	North Asia	South East Asia	South Asia Middle East	Africa	Americas	International
Revenue	10,692	55,619	102,288	116,605	15,641	300,845
Net operating profit after tax						30

Figure 4: Economic Value Generated internationally (all figures are in A\$'000)

Distributed	North Asia	South East Asia	South Asia Middle East	Africa	Americas	International
Operating costs	(2,118)	(11,018)	(20,263)	(23,099)	(1,591)	(58,089)
Employee compensation	(8,217)	(42,745)	(78,612)	(89,615)	(12,960)	(232,149)
Payments to providers of capital - dividend						-
Government (Tax)						(10,577)
TOTAL						(300,815)

**Our commitment**

To ensure that SMEC is a place where employees can make an impact and shape their career through a progressive organisation of innovative team players, coupled with a leadership team that genuinely supports flexibility and diversity.

**Our objectives**

- To provide and maintain a satisfying and rewarding work environment for all employees
- To achieve and maintain cultural and gender balance and increase awareness of the importance of diversity
- To provide employees with personal and career development opportunities and clear career paths
- To eliminate or manage hazards and practices that could cause accidents, injuries or illness.

**Employee demographics**

As at 31 December 2018, SMEC, as part of the Surbana Jurong Group had over 16,000 employees across 120 offices in over 40 countries. Of these employees, 1,810 were based in the Australia and New Zealand (ANZ) division.

The majority of employees from SMEC's ANZ Division (76%) are contracted on a full-time basis, followed by casual (16%), part time (6%), and fixed term (2%) as displayed in Figure 5.

Figure 5: Employment type

Business unit	Full time	Part time	Casual	Fixed term	Total
Infrastructure	951	65	237	19	1272
Urban Development	223	15	40	1	279
Managed Services	66	3	10	1	80
Office of CEO	35	6	1	0	42
Office of COO	50	9	7	4	70
Corporate Services	56	5	2	4	67
<b>Total</b>	<b>1381</b>	<b>103</b>	<b>297</b>	<b>29</b>	<b>1810</b>

**Remuneration**

SMEC has different levels of consulting professionals, described in SMEC's Career Pathways Guidelines, being Graduate, Professional, Experienced, Senior, Associate, Senior Associate & Principal.

As part of our commitment to inclusion and diversity, SMEC undertook a gender parity analysis and report for the ANZ Division in November 2018. After analysis of the remuneration offered to males and females in similar roles, there was no evidence to suggest that SMEC has pay parity issues relating to gender, or a gender pay gap across the ANZ business.

Figure 6 provides a comparison of actual remuneration at each professional level (with gender breakdown) in comparison with the average industry benchmark. Remuneration benchmarks are based on Aon Hewitt's Consult Australia Remuneration Report.

Figure 6: Remuneration benchmark results

Professionals (ENG PLN ARC SCI)	% Difference Female to benchmark	% Difference Male to benchmark
Principal	104%	103%
Senior Associate	104%	104%
Associate	101%	99%
Senior	106%	110%
Experienced	100%	99%
Graduates (0-4 years)	109%	110%

**Turnover**

The overall turnover for ANZ employees during the reporting period was 12.60%, down from 15.27% in 2017. This is comprised of 12.28% voluntary turnover (resignation or retirement) and 0.31% involuntary turnover (dismissal, redundancy or demise). A breakdown of the reason for employee turnover in ANZ is displayed in Figure 7. Figure 8 shows the breakdown of employee turnover by age and gender.

Figure 7: Reason for employee turnover (ANZ)

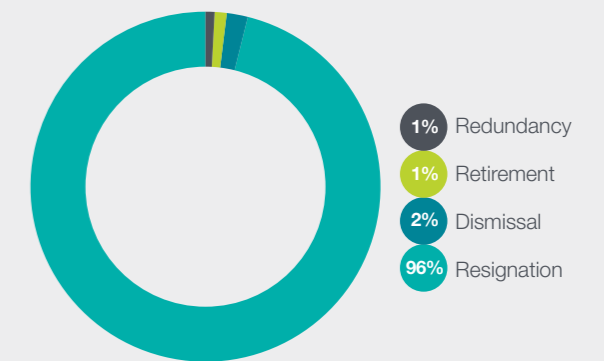
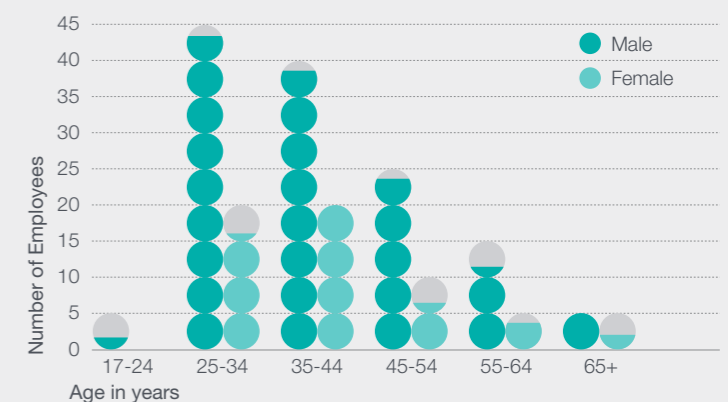


Figure 8: Employee turnover breakdown by age and gender



**Objective**  
To provide and maintain a satisfying and rewarding work environment for all employees

**Employee benefits**

**Flexible Working Arrangements**

Introduced in 2012, SMEC's Flexible Working Arrangements (FWA) procedure supports employees in balancing their work and personal commitments through options to vary work hours, work from home and job share. In 2018, we conducted a comprehensive review of the FWA procedure, with the goal of normalising agile work and introducing a "Making it Work" and "Work Anywhere" philosophy and culture.

There are currently 42 employees who utilise a FWA across ANZ of which 62% are female.

**Leave benefits**

SMEC offers a range of leave benefits in addition to statutory leave entitlements, including:

- Purchased Additional Annual Leave – Employees can salary package an additional four weeks of annual leave per year, on top of their normal annual leave entitlement. In 2018, 286 employees took advantage of purchased additional annual leave, an increase of 79% compared to 2017.
- Increased Parental Leave - In August 2018, SMEC increased the Paid Parental Leave offered to the primary carer of a new child to 14 weeks, in addition to their annual leave, long service leave and government-funded entitlements. During the reporting period, 67 employees commenced a period of paid parental leave
- Australian Defence Force (ADF) Leave - SMEC provides up to 10 days ADF leave annually.

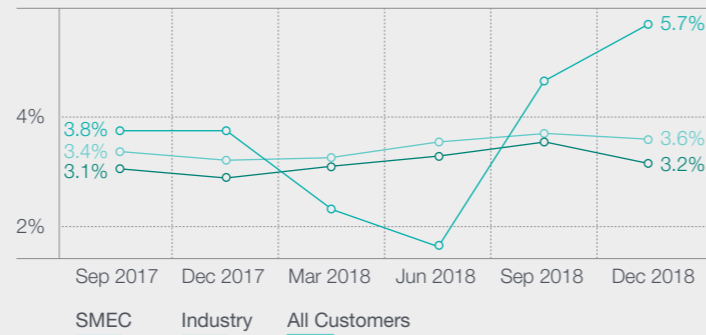
**Health and wellbeing**

**Employee assistance program**

SMEC's Employee Assistance Program (EAP) is provided by Benestar, a leading national provider of employee assistance, corporate psychology, critical incident training, and health and wellbeing services.

Through the EAP, SMEC employees, and their families, can access short-term confidential counselling and advice on a broad range of personal, financial and work-related issues. In 2018, SMEC had a utilisation rate of 5.7%, showing an increase of 2.9% from 2017. A comparison of SMEC's utilisation rate against the industry average is displayed in Figure 9.

Figure 9: EAP Annualised utilisation



**Corporate health plan**

SMEC offers employees a Corporate Health Plan through Bupa, which includes benefits such as discounted health cover, waived waiting periods and cover for certain specialist consultations and optical packages. During 2018, 225 employees took advantage of SMEC's corporate health plan through Bupa.

As in previous years, in 2018 SMEC partnered with Bupa to offer Australia-based employees a range of Health and Wellbeing Initiatives including individual health consultations and interactive group sessions, ranging from skin checks and ergonomic assessments to wellbeing seminars, yoga, massages and boxing classes. Over 900 employees participated in these initiatives, an increase of almost 50% in participation compared with 2017.

**Gender diversity**

SMEC is committed to promoting gender diversity, establishing an inclusive working environment and promoting female participation in engineering through active industry representation and participation. SMEC continues to implement programs to increase awareness of gender diversity, and to create cultural change by aligning work practices, processes and systems with diversity initiatives.

SMEC encourages a gender-diverse workforce by:

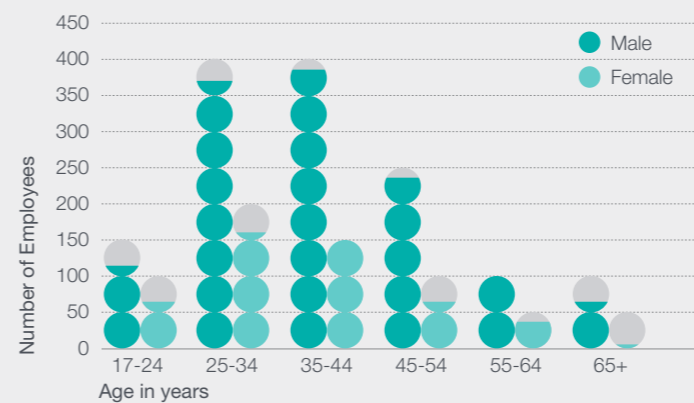
- developing strategies to attract and retain female employees
- measuring progress in gender diverse recruitment
- encouraging the development of high-potential employees to establish a pipeline of female managers and leaders, and
- providing training to raise awareness of gender diversity and equal employment opportunity in the workplace.

**Australian workplace gender equality compliance**

Following the submission of our annual public report to the Australian Workplace Gender Equality Agency, SMEC has been verified as compliant with the Australian Workplace Gender Equality Act 2012. This report responds to a set of predetermined gender quality indicators, including gender composition; equal remuneration between women and men; availability and uptake of Flexible Working Arrangements; and consultation with employees on gender equality issues. As part of the company-wide review undertaken to prepare this report, we plan to introduce new strategies in recruitment, retention and succession planning to support gender diversity at SMEC and increase the representation of females at management levels.

In Australia and New Zealand, 24% of SMEC's workforce is female. Of these female employees, the majority are aged between 25-34 years (33%) followed by 35-44 years (31%).

Figure 10: Employee breakdown by gender and age



**2018 highlights**

In 2018, SMEC's ANZ Division continued to achieve progress towards gender diversity and an inclusive culture by:

- Conducting a Gender Diversity survey and implementing an Inclusion and Diversity Committee to drive progress.
- Revising policy to provide Flexible Working Arrangements for all employees including options to vary work hours, work from home and job share.
- Increasing the level of Paid Parental Leave available to staff.
- Providing Champions of Change and Creating Gender Inclusive Cultures workshops to 50+ middle managers.
- Undertaking a gender parity report to identify any parity issues relating to gender or a gender pay gap across the ANZ business.
- Several senior SMEC executives participated in industry and trade groups which advocate for gender diversity in their sectors. For example, James Phillis, ANZ CEO, joined the Consult Australia Male Champions of Change group.



**Objective**  
To provide employees with personal and career development opportunities and clear career paths

## Career development

### Tertiary education assistance

Subject to eligibility criteria, employees can apply for Tertiary Education Assistance in support of their continued professional development. SMEC will reimburse participants 50% of course fees, up to a maximum of AUD 10,000 per calendar year. During the reporting period, five employees took advantage of SMEC's Tertiary Education Assistance Program. Since the Program's inception in 2009, SMEC has supported more than 40 employees to achieve qualifications ranging from Certificate IV to postgraduate degrees in a broad range of study fields.

### Career pathways

SMEC provides employees with clear career pathways within its global business, as well as targeted learning and development programs and an equitable reward and recognition framework. In 2019, SMEC plans to increase its investment in training as part of its overall workforce planning and management strategy.

### Talent management

SMEC's Talent Management System combines talent identification (individuals identified for fast-tracked development) and succession planning (to establish a leadership pipeline). This system is reinforced by open conversations between employees and managers that foster trust, promote transparency and support the Company's development decisions.

Following a review of the Succession Planning Program, Succession Plans are being developed for roles identified as critical positions. In 2018, SMEC continued to support employees and managers to engage in career coaching conversations in line with SMEC's Performance Appraisal Process.

### Leadership Development Program

As at 31 December 2018, the ANZ division has 72 Leadership Development Program alumni. Launched in 2015, this tailored Program combines face-to-face training, executive coaching, action-based learning techniques and the latest developments in leadership research and approaches. During the reporting period 18 participants were enrolled in the Leadership Development Program; 33% of whom were female.

In 2018, SMEC rolled out the Leadership Training Program to international teams in South Asia, Southeast Asia and Africa.

## People Management Development Program

The People Management Development Program (PMDP) is designed to enhance the effectiveness of managers by equipping them with the skills to lead and manage their people towards a performance-driven culture. The PMDP focuses on developing essential managerial competencies through a blended learning approach and involves multiple touchpoints over 3-6 months to promote sustained learning and application.

In 2018, PMDP sessions were held in SMEC's Brisbane, Melbourne and Sydney offices with a total of 67 participants, 27% of whom were female. This brings the total number of program graduates to 127.

### Project management training

Given the nature of SMEC's services, project management skills are essential to the organisation and its clients. During the reporting period, SMEC continued to roll out Project Management training including induction training, refresher sessions, and accredited Project Management training programs.

The accredited training has been developed in conjunction with Engineers Education Australia. In 2018, there were 35 participants in the program, 23% of whom were female.

### Equal Employment Opportunity training

SMEC's Equal Employment Opportunity (EEO) framework promotes a safe, inclusive and flexible work environment for all employees and clients. This comprehensive framework covers training, policy development and review, and is designed to encourage mutual respect in the workplace and reinforce SMEC's company values. EEO training is a compulsory part of SMEC's online induction process in Australia and New Zealand.

## Performance and development review

SMEC conducts annual Performance Reviews for all permanent employees through a new Performance Appraisal System (PAS) in which employees are assessed against agreed upon goals and KPIs, as well as SMEC's values. This new approach allows a review not only of what our employees achieve, but how they achieve it, and will drive a focus on encouraging and exhibiting values-based behaviours throughout the organisation.

The objective of PAS is to review employee performance and set future objectives by aligning individual performance, core values, development needs and aspirations with SMEC's business plan. The training and development needs of employees are also reviewed twice annually as part of PAS.

In 2018, 74% of employees who participated in PAS were male and 6% were female.

## Chartership Support Program

SMEC supports employees in their professional development through sponsorship of attaining chartership through Engineers Australia, including funding the cost of registration and ongoing assessment fees. Managers are required to monitor employees' progress, provide development opportunities, offer mentoring and guidance, and encourage the submission of Engineering Competency Claims. During 2018, nine employees applied for chartered status through Engineers Australia.

## Graduate Development Program

In 2018 we revised our Graduate Development Program to align with a new ANZ-wide curriculum designed to equip our graduates with not only industry accreditation and experience but also the leadership, communication, safety, and business skills they need to succeed in their careers. During the reporting period, 161 graduates participated in the Graduate Development Program.

## Industry recognition

### Award highlights

#### Kresen Manicum

Technologist of the Year  
South African Institution of Civil Engineering (SAICE) Awards

#### Prisantha Dissanayake

Highly Commended Female Champions of Change award  
Consult Australia Awards

### Industry appointments

#### Dorte Ekelund

Chair of Committee  
Sydney Smart Cities Taskforce, Australia

#### Carolina Isfer

Member, Women in Property Committee  
Urban Development Institute of Victoria, Australia

#### Derrick Hitchins

President, Queensland Branch  
Australian Institute of Transport Planners and Managers

#### Anwar Syed

Executive Board Member Institute of Transportation Engineers,  
Australia and New Zealand

#### Aidan Symons

Chair, National Young Water Professional's Taskforce  
Australian Water Association

**Objective**  
To eliminate or manage hazards and practices that could cause accidents, injuries or illness.

**Work health and safety**

**Health and safety commitment**

Our commitment to safety is demonstrated through a fully-integrated Health and Safety Management System and a companywide Strategic Plan.

To provide safe and healthy working conditions for all employees, contractors, visitors and the public, SMEC:

- Maintains a safe work environment (including work conditions, practices and procedures)
- Ensures full compliance with all applicable statutory and licensing requirements
- Undertakes proactive reporting of near misses, hazards, drills and inspections to ensure that all incidents are accurately reported, recorded and lessons learnt are shared
- Involves all employees and management in health and safety management through consultation
- Develops safety awareness throughout the Company via formal and informal training
- Minimises or eliminates hazards within the workplace through risk identification, assessment, control and monitoring.

**Zero Harm culture**

SMEC has implemented policies, procedures, guidelines, work instructions and reporting tools to measure progress towards Zero Harm objectives:

- zero incidents that cause a fatality
- zero incidents that cause a permanent disability
- zero incidents that cause permanent health issues
- zero long-term psychological injury due to the work environment
- zero long-term detrimental impact on the environment
- year-on-year reductions in workplace injuries.

SMEC's Zero Harm objectives are embedded in SMEC's company culture through:

- Training and development: All SMEC employees complete a mandatory company induction, which includes a Health and Safety module. All employees receive ongoing training as required.
- Management commitment: Lead by example, eliminate unsafe work practices, and recognise that healthy workers are productive workers.
- Monitoring and evaluating performance: Encourage a culture of openness and proactive reporting amongst all employees.
- Rehabilitation and return to work services: Ensure employees can return to work as soon as possible.
- Effective consultation: Involve stakeholders in workplace safety decisions.

**201 safety talks**

**85% proactive WHS Reporting**

**Safety in design**

SMEC invests in its people to enhance their knowledge and encourage the implementation of safety principles in the design and delivery of projects. We work closely with clients to ensure that the safety needs of their projects are well documented within Scope of Works and Project Management Plans. SMEC facilitates Safety in Design training and awareness programs to educate employees and clients on local legislation requirements; potential cost savings; and the ability to eliminate or reduce hazards.

**2018 Year in review – Australia and New Zealand division**

In 2018, SMEC continued to improve proactive health and safety initiatives, including regular Safety Talks in all Australian and New Zealand offices.

Proactive reporting accounted for 85% of all Work Health and Safety reporting during the period, with 53 hazard reports received. We also conducted 201 safety talks and issued 37 safety alerts or news items.

Figures 11 and 12 display a breakdown of incidents by region and activity. In ANZ, the Lost Time Injury (LTI) frequency rate (LTIs per million hours worked) decreased to 0.88 from 2.66 in 2017.

Figure 11: Safety incidents by activity type

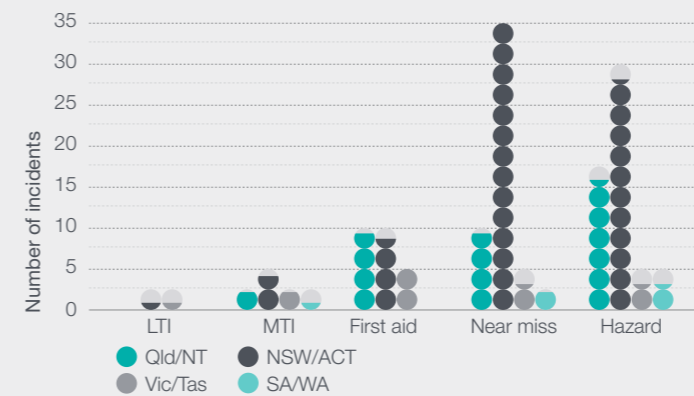
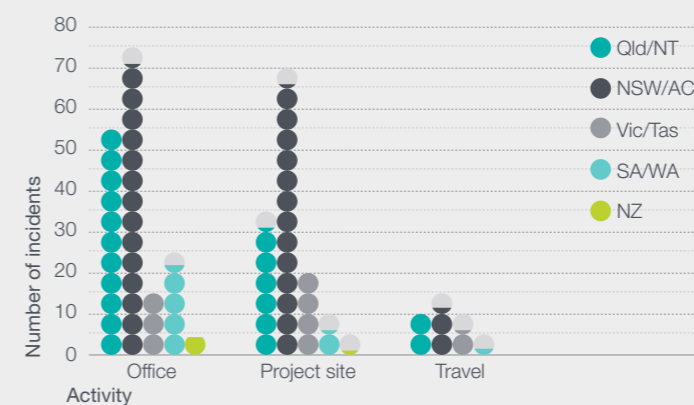


Figure 12: Safety incidents by location type



**2018 highlights**

Based on the results of a workforce safety culture survey and analysis, SMEC ANZ launched the Safety Culture Action Plan in October 2018. Several initiatives are underway, and some have already been completed, including the integration of safety skills and knowledge into our Graduate Development and Leadership Development Programs, and the launch of our Safety Champion Program to encourage employee involvement in developing and implementing our safety initiatives.

SMEC's support of the annual Australia National Safe Work Month continued in 2018 with a variety of employee engagement initiatives.

**Looking to 2019**

As part of our Safety Culture Action Plan, we plan to deliver the 'Leading Safety' training program to all managers of people and projects in 2019. This initiative aims to create a step-change in how our leaders and managers think and engage with staff about safety and risk.

We also aim to increase the number of qualified first aid staff.

SMEC recognises that in a mentally healthy workplace, people at all levels have a shared vision of, and commitment to, positive mental health. In 2018, participants in SMEC's Leadership Development Program developed a mental health strategy which was approved by the Executive Committee and aligns with best practice. This strategy will be implemented in 2019, including awareness campaigns, communication and mental health first aid training.

SMEC is also an active member of the Consult Australia Mental Health Working Group and contributed to its 2018 report Striving for Mentally Healthy Workplaces.

**Our commitment**

Support community and charitable programs that provide long-term solutions.

**Our objectives**

- To deliver the best possible social and development outcomes for people in need through small-scale grant support provided by the SMEC Foundation.
- To protect and uphold internationally proclaimed human rights, particularly in the areas of child abuse and forced compulsory labour.
- To support and encourage employee participation in their local community, particularly charity work.

**Human rights**

Through a broad range of policies, procedures and frameworks, SMEC fully supports and advocates for the protection of internationally proclaimed human rights.

**Corruption and bribery**

SMEC has a zero-tolerance policy towards corruption, fraud or bribery of any form, as set out in our Code of Conduct, Business Integrity Policy, standard commercial agreement templates and other business instruments. Anti-bribery and corruption training is mandatory for all SMEC employees.

Beginning in late 2017, we have been extensively reviewing and updating our global compliance program to ensure that we are building a strong culture of compliance and providing ethical and safe conditions for our employees, partners and communities. SMEC is currently preparing to apply for ISO37001 certification. For more details see page 22.

**Child Protection Policy**

SMEC maintains a zero-tolerance policy in relation to child exploitation and abuse. Child Protection Policy training is mandatory for all SMEC employees, as well as police checks for those working with children. We continue to review our Child Protection Policy and associated processes and practices to ensure rigorous compliance with the standards set out by the Australian Department of Foreign Affairs and Trade.

**Forced and compulsory labour**

SMEC is committed to the elimination of all forced and compulsory labour, complies with all national employment legislation, and ensures the highest standards of protection for employees. Our Code of Conduct ensures that ethical employment and labour practices are implemented across our organisation.

**Indigenous rights**

In 2018 we continued to implement Phase 1 of our Reconciliation Action Plan (RAP), which was endorsed by Reconciliation Australia in January 2017. This formalises our commitment to implement and measure practical actions that create opportunities for, and build respectful relationships with, Aboriginal and Torres Strait Islander peoples. Our focus for Innovate Phase 2 will be to implement a strategy to help attract, recruit and retain Indigenous employees.

A dedicated working group is responsible for the implementation of SMEC's RAP, including representatives from SMEC's Australian Management Committee, Human Resources, Marketing and Communications and the wider business.

**2018 highlights**

Our commitment to the protection and advancement of Indigenous rights is embedded throughout our policies, procedures and everyday business practices.

1. Based on employee nominations, three Aboriginal and Torres Strait Islander charities were selected to receive funding from the SMEC Foundation.
2. Observed National Reconciliation Week and NAIDOC Week 2018 with employee events in all our offices across Australia.
3. Partnered with the Wurundjeri Council to complete an engineering design for rock protection works on the Arundel Creek, known as Murrup Tamboore, or 'Spirit's Waterhole', in the Wurundjeri tribe's traditional language, Woi wurrung. The works were required to protect an area designated as high archaeological importance due to the discovery of a cranium and many artefacts, as well as megafauna remains.

**Looking to 2019**

In 2019 we will review and address cultural awareness training needs at SMEC, increase the representation of Indigenous businesses in our supply chain and continue to work closely with our clients to ensure the rights and heritage of Aboriginal and Torres Strait Islander peoples are protected in the planning and execution of projects.



*"As a member of the Aboriginal and Torres Strait Islander community, I have really enjoyed being part of SMEC's RAP. I have observed a real interest by SMEC's leaders to participate and implement many of the initiatives we have put forward. I've noticed a positive change in the ways we've been able to communicate to our employees and business partners that reconciliation is a pathway to an enlightened understanding of Traditional Owners."*

**Anthony Ralph, Technical Principal**  
Rail Systems and Safety Assurance

**Objective**

- To support and encourage employee participation in local communities, particularly charity work.
- To deliver the best possible social and development outcomes for people in need through small-scale grant support provided by the SMEC Foundation.

**Community development**

**The SMEC Foundation**

Founded in 2001, the SMEC Foundation provides small-scale grant support to a range of development projects around the world with a focus on Health, Education, Environment, Community Development and Emergency Relief.

*Habitat for Humanity is grateful for SMEC's support, allowing us to preposition emergency shelter kits in advance of natural disasters in the Pacific. We will be able to reach more people and provide shelter to disaster affected communities in time.*

**Habitat for Humanity Australia**

Supporting disaster preparedness in Fiji

**Divisional CSR programs**

Established in each of SMEC's operating divisions, divisional CSR committees are responsible for nominating and implementing divisional CSR programs, funded by SMEC with additional financial support from the SMEC Foundation.

This decentralised approach has been very successful. It has enabled us to minimise overhead and administration costs associated with community development activities, meaning we are operating more sustainably and maximising our impact.

It has also enabled our staff to be more agile and respond quickly to natural disasters in their areas, and to strengthen their ties with the communities where we operate.

During the 2018 reporting period, AUD 69,700 was donated directly through the SMEC Foundation. In addition, SMEC's Divisional CSR Committees donated approximately AUD 119,000 across several projects with SMEC employees participating in many inspiring activities around the world, underpinning our commitment to community development. SMEC has once again committed funding for the Divisional CSR Committees in 2019.

Supporting community development through divisional CSR committees means that employees can participate in the localised causes they are passionate about. For example, an employee nomination process was held to select which charities the ANZ divisional committee would partner with in 2018.

Employees often contribute their time as volunteers in community development activities or organise fundraising initiatives in response to natural disasters. These initiatives are fully supported by SMEC management with the amount raised often being matched dollar for dollar by additional funding from the SMEC Foundation.



**Supporting disaster preparedness in Fiji**

Disaster preparedness was the focus of an AUD 30,000 donation to Habitat for Humanity in Fiji. The funding was used to purchase tarpaulins and coils of rope to prepare 300 emergency kits ahead of the November-April cyclone season. The emergency kits will help keep people in temporary shelters when displaced by a natural disaster.



**Funding education for underprivileged children**

Two schools for underprivileged children in the slums of Dhaka, Bangladesh, received much needed funding to pay rental costs, purchase computers and provide their students with healthy lunches. Renew rental contracts, purchase computers. Run entirely on donations, these schools aim to equip children with basic education and technical skills, enabling them to gain employment as adults.



**Building homes for women in need**

Ten of our SMEC employees participated in an International Women's Day build, coordinated by our SMEC Foundation charity partner Habitat for Humanity. This build included painting and refurbishing to provide a safe home for women in Sydney escaping domestic violence.



**Support for post-disaster recovery in Indonesia**

To aid victims of the magnitude 7.5 earthquake in Sulawesi, Indonesia last September, SMEC donated AUD 10,000 to Aksi Cepat Tanggap (ACT), Indonesia's largest humanitarian non-profit organisation. The funding will be used to provide food and clean water, which are still the most urgent needs of affected communities.

### Our commitment

Eliminate or minimise any adverse impacts that SMEC's office activities and projects have on the environment and raise awareness of the importance of environmental sustainability.

### Our objectives

- To operate energy efficient offices and reduce Greenhouse Gas (GHG) emissions generated by SMEC's operations
- To provide long-term environmentally sustainable project advice to clients
- To educate employees, clients, partners and contractors about the importance of environmental sustainability.



### Environmental Management framework

SMEC's companywide Environmental Management Policy and Environmental Management System (EMS) formalise our commitment to environmental responsibility.

#### Environmental Management Policy

SMEC operates under a detailed Environmental Management Policy which is reviewed and reaffirmed annually by SMEC's Chief Executive Officer. SMEC is committed to operating in an environmentally responsible manner by:

- Implementing and improving environmental management systems, in accordance with ISO 14001
- Complying with legal requirements
- Implementing environmental management programs to achieve environmental objectives and targets
- Conducting all activities in an environmentally responsible manner to minimise the potential for adverse environmental impacts
- Preventing pollution associated with SMEC's activities
- Providing environmentally responsible, sustainable and practical solutions to clients
- Monitoring, reviewing and auditing SMEC's environmental performance.

#### Environmental Management System (EMS)

SMEC's Environmental Management System complies with the requirements of ISO 14001 (Environmental Management) and provides a systematic and methodical approach to planning, implementing and reviewing SMEC's environmental performance. Effective implementation of the EMS supports a company culture focused on incorporating sustainable practices into everyday business decisions.

### Environmental Impact Assessment Scale

SMEC has controls in place to manage and, where possible, reduce potential environmental impacts resulting from project and office activities. Project Managers and Regional Managers are responsible for determining the potential consequences of environmental impacts, using SMEC's Environmental Impact Assessment Scale (as displayed in Appendix D).

Where the environmental impact rating is above eight, SMEC employees are required to develop an Environmental Management Plan (EMP), outlining appropriate risk treatments, targets, objectives, controls and responsibilities.

Where a risk rating is identified as above 15, the hazard is assigned to senior management for review. Where a risk rating is identified as 20 or above, the hazard is assigned to executive management. It is management's responsibility to ensure the risk is managed in an appropriate manner across the Company's operations.

Project Managers must develop and document environmental objectives and targets for each project during the planning stage. Achievements against these set objectives and targets are measured annually for long-term projects, and upon project completion for short-term projects.

### Sustainable Procurement Procedure

SMEC implements a Sustainable Procurement Procedure, whereby employees who undertake procurement of items valued over A\$150,000 (capital works, fleet and office supplies) must complete an Environmental Sustainability and Social Equity Questionnaire. This Questionnaire determines whether purchases minimise waste disposal, reduce greenhouse gas emissions, maximise resource efficiency, conserve and improve biodiversity, incorporate ethical considerations, or have a low carbon footprint.

**Objective**  
 To operate energy efficient offices and reduce Greenhouse Gas (GHG) emissions generated by SMEC's operations

**Sustainable offices**

**Environmental Management Plans**

During the reporting period, SMEC's major offices in Australia and New Zealand continued to comply with and update their Environmental Management Plans (EMPs). These plans assess and provide guidelines to manage the environmental impacts associated with each office in the areas of procurement, waste generation, electricity, transport and water. Objectives, targets, actions, procedures and processes are outlined for each aspect, with timelines and responsibilities identified to ensure accountability.

In addition to established energy efficiency, water usage and waste management programs, SMEC offices implemented a range of sustainability initiatives during the reporting period including the use of recycled paper products for office supplies, installing sensor-operated lighting and using an electronic visitor sign in system where possible to avoid printing name tags.

**City Switch**

SMEC has committed all Australian offices to the CitySwitch Green Office Program. CitySwitch is a national tenancy energy efficiency program that supports organisations in improving their National Australian Built Environmental Rating System (NABERS) office energy ratings.

NABERS is an Australian rating system that measures the environmental performance (energy efficiency, water usage, waste management and indoor environmental quality) of buildings, tenancies, offices and homes. NABERS utilises a zero to six-star rating scale (with one star indicating very poor performance and six stars representing market leading performance) to measure the environmental performance of a building against other comparable buildings in a similar location.

All SMEC's Australian offices are working towards achieving an accredited four-star NABERS energy rating by reducing energy consumption, lowering carbon impacts, and improving the sustainability of operations.

**NABERS Energy ratings**

In 2018, 15 Australian offices completed a CitySwitch Energy Audit, with results showing an average NABERS energy rating of 3.4 stars. Nine of the 15 offices reached or exceeded the target energy rating of four stars.



**Energy performance by office**  
 (Top performers shown)

→ Adelaide	2018	●●●●●○
→ Brisbane	2018	●●●●●○
→ Campbelltown	2018	●●●●●○
→ Gold Coast	2018	●●●●●○
→ Grafton	2018	●●●●●○
→ Parramatta	2018	●●●●●○
→ Perth	2018	●●●●●○
→ Sydney	2018	●●●●●○
→ Traralgon	2018	●●●●●○

**Objective**  
To provide long-term environmentally sustainable project advice to clients

With engineering and environmental skills built on deep technical expertise, SMEC is in a unique position to help our clients build sustainable communities. We offer our clients environmentally sustainable services for complex infrastructure projects and a comprehensive suite of environment management services. SMEC are leaders in hydropower, solar farms and renewable energy, as well as environment and waste management.

### Sustainability and Environment services

- Environment planning, auditing and assessment
- Ecological assessments
- Water resources and groundwater protection
- Feasibility, concept, design and grid connection for renewable energy projects
- Climate risk, vulnerability and adaptation assessments
- Wetland and waterway rehabilitation
- Waste to energy conversion
- Hydrogeological and hydrological investigations
- Contaminated site assessment and management
- Marine infrastructure development
- Coastal zone management
- Flora and fauna surveys
- Water quality monitoring (ground, surface and drinking water)
- Acid sulphate soils assessment
- Sustainability management and assessment
- Community and stakeholder engagement
- Social analysis
- Energy advisory services

Our global team of environmental planners, scientists, ecologists and engineers have an in-depth understanding of environmental issues, with industry-accredited professionals in a wide range of areas including hydropower and dam sustainability, infrastructure sustainability, biodiversity assessment, vegetation quality assessments and protected plant surveys.

### 2018 highlights:

- SMEC attained membership to the Infrastructure Sustainability Council of Australia (ISCA) and the Australian Contaminated Land Consultants Association (ACLCA).
- We established an internal Sustainability Technical Networking Group to support collaboration and knowledge-sharing among sustainability professionals on a national level.
- In Australia, SMEC contributed to over 4500MW of renewable generation projects, including solar and wind power generation.
- SMEC New Zealand was appointed to the New Zealand Ministry of Foreign Affairs & Trade (MFAT) Energy Services Panel, which supports planning and delivery of MFAT's renewable energy portfolio and international development activities in the energy sector.



### Sydney Metro Northwest, Australia

SMEC was engaged as Lead Design firm to design the permanent structures and civil works on the Sydney Metro Northwest, part of Australia's largest public transport project. The works included a four km elevated skytrain viaduct and a 270 m long, 45 m high cable-stayed bridge over Windsor Road carrying a twin track metro line.

The project has been recognised for its design sustainability and use of innovative construction methods including launching technology. The completed project was awarded a Leading Design and a Leading As Built rating – the highest possible score for sustainability – from the Infrastructure Sustainability Council of Australia for its environmentally sustainable design.



### Environmental Management of Lake Shore Development, Rwanda

SMEC was appointed in 2018 by the Rwanda Environment Management Authority (REMA) to prepare rational management guidelines for development of lake shores in Rwanda.

The five lakes within the scope of the project are Lakes Kivu, Muhazi, Rweru, Burera and Mugesera. SMEC will identify and categorise zones that are ecologically sensitive and zones in which special authorisations for land use and development may be considered; develop guidelines and procedures for the utilisation of lakeshore resources and establish an institutional framework for sustainable management of the 50m lake shore zone.



### Baime Hydropower Project, Papua New Guinea

SMEC is undertaking tender design for the next phase of the 12 MW Baime Hydropower project in Papua New Guinea (PNG), having previously completed the pre-feasibility study in 2014, and the feasibility study and environmental social impact assessment in 2017. With a net head of 415m, the hydropower plant will be able to produce 11.4MW peak power and 80GWh of energy per year. In addition to increasing power supply and reliability in PNG, the project is also significant from an environmental viewpoint as it replaces fossil fuel and diesel-generated power.



### Mai Po Nature Reserve Infrastructure Upgrade, Hong Kong

Located on the north-western corner of Hong Kong, the Mai Po and Inner Deep Bay wetlands is recognized as a 'Wetland of International Importance' under the Ramsar Convention. SMEC undertook an Environmental Impact Assessment (EIA) as part of a three-year infrastructure upgrade within the Mai Po Nature Reserve. The EIA focused on key issues related to the ecological impacts of the proposed upgrade on this site of environmental significance.

**Scope of this report**

This is SMEC’s ninth annual Sustainability Report, covering its economic, social and environmental performance from 1 January 2018 to 31 December 2018.

The information in this report pertains to SMEC’s Australian operations and various international operations only. It does not include SMEC’s joint ventures or any other controlled entities. For a complete list of SMEC’s controlled and associated entities, please refer to Appendix B.

SMEC has applied the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines.

The data in this report has been gathered using standard measurement techniques which conform to national or international guidelines or regulatory requirements. Specific calculations are referenced where appropriate. All monetary figures are in Australian dollars, unless otherwise stated.

For further information, please contact: sustainabilityreport@smec.com

**Material aspects and boundaries**

To determine the material aspects, boundaries and content of this report, SMEC completed a four-step process of identification, prioritisation, validation and review. This process ensured all aspects identified were material to SMEC and provided a structured approach for implementation of the Reporting Principles for Defining Report Content.

Material aspects defined in this report are those aspects which reflect SMEC’s significant economic, social and environmental impacts, or which have a substantial influence on the decisions of company stakeholders. To determine the boundaries of each material aspect, consideration was made into the impacts of each, both within and externally to SMEC.

Material aspects contained within this report are displayed in Figure 13. All material aspects identified have an impact both inside and outside of SMEC and are relevant for all stakeholders outlined in Stakeholder Engagement on pages 16 and 17.

**Defining Report Content**

In compiling this report, SMEC has adhered to the Reporting Principles for Defining Report Content. These principles are:

- stakeholder inclusiveness
- sustainability context
- materiality
- completeness

Implementation of these principles ensures the content contained within this report is relevant, accurate, meaningful and complete.

**Stakeholder inclusiveness**

Information in this report pertains to SMEC’s stakeholders and has been compiled with reference to the expectations, needs, interests and information requirements of these stakeholders.

**Sustainability context**

This report presents SMEC’s company performance within the wider context of sustainability, and explores the ways in which SMEC contributes to the improvement of economic, environmental and social conditions on a local, regional and global level.

**Materiality**

All material aspects identified in this report are relevant and sufficiently important in reflecting SMEC’s economic, social and environmental impacts. Aspects identified as non material have not been reported.

**Completeness**

Material aspects, scope, time and boundaries contained within this report enable stakeholders to assess SMEC’s performance during the reporting period.

Figure 13: Material Aspects contained within this report

<b>Social</b>	<b>Economic</b>
<b>Labour Practices and Decent Work</b>	Economic Performance
Employment	Indirect Economic Impacts
Labour/Management Relations	
Occupational Health and Safety	<b>Environmental</b>
Training and Education	Materials
Diversity and Equal Opportunity	Energy
Equal Remuneration for Women and Men	Water
<b>Human Rights</b>	Biodiversity
Non-discrimination	Emissions
Freedom of Association and Collective Bargaining	Effluents and Waste
Child Labour	Compliance
Forced or Compulsory Labour	
Indigenous Rights	
<b>Society</b>	
Anti-corruption	
Compliance	



## Appendix B

### Associated entities

Entity	Country of incorporation
<b>South Asia</b>	
Himalayan Green Energy Pvt Ltd	India
TT Energy Pvt Ltd	India
<b>Asia Pacific</b>	
P.T. SMEC Denka Indonesia	Indonesia
SMEC Energy Sdn Bhd	Malaysia
SMEC Malaysia Sdn Bhd	Malaysia
<b>Africa</b>	
LDLC Properties (Pty) Ltd	South Africa
Soilco Materials Investigations Pty Ltd	South Africa

### Controlled entities

Entity	Country of incorporation
SMEC Australia Pty Ltd	Australia
SMEC International Pty Ltd	Australia
SMEC Services Pty Ltd	Australia
SMEC Foundation Ltd	Australia
Brisbane City Enterprises Pty Ltd	Australia
Global Maintenance Consulting Pty Ltd	Australia
SMEC Testing Services Pty Ltd	Australia
SMECTS Holdings Pty Ltd	Australia
STS Geoenvironmental Pty Ltd	Australia
PDR Engineers Pty Ltd	Australia
ACE Consulting Ltd	Bangladesh
SMEC Bangladesh Ltd	Bangladesh
Engineering Consultants Underwriters Ltd	Bermuda
VKE Botswana Pty Ltd	Botswana
SMEC International (Canada) Inc	Canada
Global Maintenance Consulting (Chile) Limited	Chile
SMEC Asia Ltd	Hong Kong

### Controlled entities - continued

Entity	Country of incorporation
Leadrail Infra Solutions Pvt Ltd	India
SMEC India Pvt Ltd	India
SMEC Central Asia LLP	Kazakhstan
SMEC (Kenya) Limited	Kenya
SMEC Macau Engineering Consulting Limited	Macau
SMEC International (Malaysia) Sdn Bhd	Malaysia
Energy Holdings Limited	Mauritius
SMEC International (Africa) Ltd	Mauritius
SMEC Servicios De Ingenieria De Mexico	Mexico
SMEC Mongolia LLC	Mongolia
SMEC Myanmar Company Limited	Myanmar
VKE Namibia Consulting Engineers Pty Ltd	Namibia
Vincpro (Pty) Ltd	Namibia
SMEC New Zealand Ltd	New Zealand
SMEC Nigeria Limited	Nigeria
South Asia Middle East Management Company LLC	Oman
SMEC Oil and Gas (Pvt) Limited <sup>1</sup>	Pakistan
Engineering General Consultants (ECG) Ltd	Pakistan
SMEC Pakistan Pvt Ltd	Pakistan
SMEC PNG Ltd	Papua New Guinea
SMEC Philippines Inc	Philippines
ECCL Singapore Pte Ltd	Singapore
Global Maintenance Consulting Singapore Pte Ltd	Singapore
GMC Global Africa (Pty) Ltd	South Africa
SMEC South Africa Pty Ltd	South Africa
Soillab Pty Ltd	South Africa
SMEC International (Africa) (Pty) Ltd <sup>2</sup>	South Africa
Robow Investments No. 52 (Pty) Ltd	South Africa
Ocyana Consultants Pvt Ltd	Sri Lanka
SMEC (Tanzania) Limited	Tanzania
SMEC Uganda Limited	Uganda
Global Maintenance Consulting America, Inc.	United States of America
SMEC Vietnam JSC	Vietnam

<sup>1</sup> Formerly CEIS

<sup>2</sup> Formerly known as Global Maintenance Consulting (Canada) Inc

Company memberships

Association of Consulting Engineers Botswana	Council of Engineering Consultants of the Philippines	Papua New Guinea Chamber Mines and Petroleum
Association of Consulting Engineers Malaysia	Delhi Chamber of Commerce	Petroleum Authority of Uganda
Association of Consulting Engineers Zambia	Engineering Institution of Zambia	Philippine Water Works Association
Association of Land Development Engineers	Engineers Registration Board, Tanzania	Property Council of Australia
Association of Tanzania Employers	Federation of Kenya Employers	Prospectors and Developers Association of Canada
Australasian Corrosion Association	Ghana Institution of Engineers	Register of Providers Secretariat, Uganda
Australia Mining Chambers (Indonesia)	Green Building Council of South Africa	Roads Australia
Australia Myanmar Chamber of Commerce	Indonesia Australia Business Chambers	SAAMA (South Africa Asset Management Association)
Australia Papua New Guinea Business Council	Infrastructure Partnerships Australia	Soil Science Society of Nigeria
Australian National Committee on Large Dams	Institute of Municipal Engineering of Southern Africa	South African Institute of Mining
Australian New Zealand Chamber of Commerce, Philippines	International Union of Soil Sciences, Nigeria	South African Oil & Gas Association
Australian Water Association	Myanmar Oil and Gas Service Society	Committee for Sydney (Australia)
Board of Engineers, Malaysia	National Construction Industry Council, Malawi	Urban Development Institute of Australia
Built Environment Professions Export Council, Africa	National Environmental Standard & Regulations Enforcement Agency of Nigeria	Waste Management and Resource Recovery Association of Australia
Consult Australia	Nigeria Institute of Soil Science	Water Industry Alliance
Consulting Engineering Association of India	New South Wales Business Chamber (Australia)	
Consulting Engineers South Africa	Pakistan Engineering Council	

**Environmental Impact Assessment Scale**

Rating	Treatment
1-6	Manage aspects via safe operating procedure.
8-12	Process decisions and treatments or controls are assigned specific responsibilities within the process.
15-16	Process decisions and treatments or controls are escalated to senior management for review.
20-25	Process decisions and treatments or controls are escalated to executive level management for review.

		Impact					
		1	2	3	4	5	
		Insignificant	Minor	Moderate	Major, but reversible	Catastrophic	
Likelihood	5	Almost certain	5	10	15	20	25
	4	Above average	4	8	12	16	20
	3	Moderate	3	6	9	12	15
	2	Rare	2	4	6	8	10
	1	Very rare	1	2	3	4	5

## Appendix E

### GRI Index

	GRI Indicator	Description	Comments	Page Number
Strategy	1.1/G4-1	Statement from the CEO.		4-5
	1.2/G4-2	Description of key impacts, risks and opportunities.		4-5, 8-9, 26-27
Organisational Profile	2.1/G4-3	Name of the organisation.	SMEC Holdings Limited	
	2.2 /G4-4	Primary brands, products and services.	Feasibility studies, detailed design, tender and contract management, construction supervision, operation and maintenance, training and project management.	6
	2.3	Operational structure of the organisation.		8, 20-23
	2.4/G4-5	Location of organisation's headquarters.	Collins Square, Tower 4, Level 20, 727 Collins St, Melbourne, VIC, 3008, Australia	
	2.5/G4-6	Number of countries where the organisation operates.	40+	12-13
	2.6/G4-7	Nature of ownership and legal form.		12-13, 20-21
	2.7/G4-8	Markets served.	Urban development, Infrastructure, Management Advisory.	6
	2.8/G4-9	Scale of the reporting organisation.		6-7, 26-27
	2.9/G4-13	Significant changes to size, structure or ownership during the reporting period.	Nil.	
	2.10	Awards received in the reporting period.		24-25
Report Parameters	3.1/G4-28	Reporting period.	1 January 2018 - 31 December 2018.	46
	3.2/G4-29	Date of most recent previous report.	March 2018.	
	3.3/G4-30	Reporting cycle.	Annual.	46
	3.4/G4-31	Contact point for report.	sustainabilityreport@smec.com	46
	3.5	Process for defining report content.		46-47
	3.6	Boundary of the report.		46-47
	3.7	Limitations on the scope or boundary of the report.		46-47
	3.8/G4-17	Basis for reporting on joint ventures and other entities.		46-47
	3.9	Data measurement techniques.		46-47
	3.10/G4-22	Explanation of restatements.	Nil.	
	3.11/G4-23	Significant changes in scope and boundary during the reporting period.	Nil.	
	3.12/G4-32	Table identifying location of Standard Disclosures.	GRI Index.	54-55
	3.13/G4-33	External assurance.	Not used for this report.	

	GRI Indicator	Description	Comments	Page Number
Governance, Commitments and Engagements	4.1/G4-34	Governance structure of the organisation.		12-14, 21-22
	4.2	Chair of the highest governing body.		4-5, 12-14
	4.3	Independent and non-executive board members.		12-13
	4.4	Mechanisms to provide recommendations to the highest governing body.		21-23
	4.5	Compensation and performance.		26-27
	4.6	Processes to avoid conflicts of interests.		20-22
	4.7	Process for determining qualifications and expertise.		21-23
	4.8/G4-56	Mission, values and code of conduct.		18-20
	4.9	Processes for management of company performance.		20-23
	4.10	Processes for evaluating the performance of the highest governing body.		20-23
	4.11/G4-14	Precautionary principle addressed.		4-5, 20-21
	4.12/G4-15	Externally developed economic, environmental and social charters.		16-17, 25, 50-51
	4.13/G4-16	Memberships in associations.		50-51
	4.14/G4-24	List of stakeholder groups engaged by the organisation.		16-17
	4.15/G4-25	Basis for identification and selection of stakeholders.		16-17, 46-47
	4.16/G4-26	Approaches to stakeholder engagement.		16-17, 46-47
	4.17/G4-27	Key stakeholder topics and concerns.		16-17, 46-47
G4-38	Composition of the highest governing body.		12-14, 20-21	
G4-39	Explain whether the Chair of the highest governing body is also an executive officer.		12-14, 20-21	
G4-51	Remuneration policies for the highest governing body.		26	
Additional General Disclosures	G4-10	Breakdown of employee demographics.		7, 28-35
	G4-11	Percentage of employees covered by bargaining agreements.	Nil.	
	G4-12	Organisation's supply chain.		6
	G4-18	Explain the process for defining report content and Aspect Boundaries.		46-47
	G4-19	List all Material Aspects identified for defining report content.		46-47
	G4-20	For each Material Aspect, report the Aspect Boundary within the organisation.		46-47
G4-21	For each Material Aspect, report the Aspect Boundary outside the organisation.		46-47	

## Appendix E

### GRI Index

	GRI Indicator	Description	Comments	Page Number
Ethics	G4-56	Values, principles, standards and behaviour.		18-21
	G4-57	Internal mechanisms for advice on unlawful behaviour.		20-23
	G4-58	Internal mechanisms for reporting concerns on unlawful behaviour.		20-23
Economic	G4-EC1	Direct economic value generated and distributed.		26-27
	G4-EC4	Financial assistance received from government.	Nil.	
	G4-EC8	Indirect economic impacts.		36-43
Environmental	G4-EN3	Energy consumption within the organisation.		40-45
	G4-EN4	Energy consumption outside the organisation.		40-45
	G4-EN6	Reduction of energy consumption.		40-45
	G4-EN8	Total water withdrawal by source.		40-45
	G4-EN10	Water recycled and reused.		40-45
	G4-EN12	Impact on areas of high biodiversity value.		40-45
	G4-EN13	Habitats protected or restored.		40-45
	G4-EN19	Reduction of greenhouse gas emissions.		40-45
	G4-EN24	Total number and volume of significant spills.	Nil.	
	G4-EN25	Weight of transported waste.	Nil.	
	G4-EN27	Initiatives to mitigate environmental impacts.		40-45
	G4-EN29	Non-compliance with environmental laws.	Nil.	
	Labour Practices and Decent Work	G4-LA1	New hires and turnover by age, gender and region.	
G4-LA2		Benefits provided to full time employees.		30-33
G4-LA6		Rates of injury and lost days.		34-35
G4-LA10		Skills management and lifelong learning programs.		32-33
G4-LA11		Regular performance reviews.		32-33
G4-LA12		Workforce diversity.		29,31
G4-LA13		Ratio of basic salary of women to men.		29
Human Rights	G4-HR3	Total number of incidents of discrimination.	Nil.	
	G4-HR4	Rights to freedom of association.	All employees are entitled to join unions.	
	G4-HR5	Risks to child labour.		37
	G4-HR8	Incidents involving indigenous people.	Nil.	

	GRI Indicator	Description	Comments	Page Number
Society	G4-SO7	Legal actions for anti-competitive behaviour.	Nil.	
	G4-SO8	Non-compliance with laws and regulations.	Nil.	
Product Responsibility	G4-PR2	Non-compliance with health and safety laws.	Nil.	
	G4-PR4	Non-compliance with information laws.	Nil.	
	G4-PR7	Non-compliance with marketing laws.	Nil.	
	G4-PR8	Breaches of client privacy.	Nil.	
	G4-PR9	Fines for non-compliance.	Nil.	

This report applies the Global Reporting Initiative G4 Guidelines to a self-assessed Level B.

local people  
global experience