



Member of the Surbana Jurong Group



Sustainability Report

2021



Albion Park Rail Bypass Project, Australia

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Message from the CEO

Welcome to our twelfth annual Sustainability Report, which underlines our continued commitment to the UN Global Compact. Throughout 2021, SMEC has sought to further embed the ten principles of the UN Global compact into our day-to-day business and operational processes. Through our projects and services we continue to work closely with our clients and stakeholders to advocate for sustainable outcomes that align with the UN's 17 Sustainable Development Goals (SDG's).

As an organisation, we proudly champion human rights, fair labour, environmental sustainability, and anti-corruption. Through our projects and services, our mission is to have a positive impact on remote and marginalised communities all over the world.

Guided by our Values we have adapted to the evolving impacts of the global COVID-19 pandemic. Global infrastructure investment has helped to stimulate many of the economies where we operate. With a focus on national and international development, SMEC has embarked on several new projects that are highly significant from a sustainable development perspective. Whether the driver is to deliver a clean and safe water supply for millions of people or support the production of cleaner and more affordable energy our team has embraced new work practices to help facilitate sustainable development objectives.

2021 brought extended periods where the majority of our employees worked from home. The unsettling nature of the pandemic has made the health and wellbeing of our people a key focus. Our priority has always been to protect our employees whilst maintaining operational resilience. In keeping with our commitment to provide a rewarding work environment for our people and support their career development, we implemented a range of programs to support tertiary education assistance, leadership development and diversity.



As infrastructure consultants and engineering specialists, SMEC has enormous opportunity to influence sustainability and environmental outcomes through the services we provide on infrastructure projects. Our global team of sustainability specialists, social scientists, environmental planners, environmental scientists, ecologists, asset managers, urban designers and engineers continued to work collaboratively to deliver environmentally focused and sustainable solutions across the full life cycle of projects.

This included successfully guiding and supporting several projects through sustainability ratings, such as Australia's Infrastructure Sustainability (IS) Rating Scheme and the Green Star rating.

I look forward to supporting our clients with advanced solutions and exceptional project delivery, while working towards a stronger, more resilient, and sustainable future.

Our global footprint



Australia, New Zealand (ANZ) & Pacific Islands

- Australia
- Fiji
- New Zealand
- Papua New Guinea
- Solomon Islands

Africa

- Ethiopia
- Kenya
- Namibia
- South Africa
- Tanzania

Americas

- Canada
- Chile
- USA

South Asia & Central Asia (SACA)

- Afghanistan
- Bangladesh
- Georgia
- India
- Kazakhstan
- Nepal
- Pakistan
- Sri Lanka
- Tajikistan
- UAE

Southeast Asia and Pacific (SEA)

- Brunei
- Indonesia
- Malaysia
- Myanmar
- Philippines
- Singapore
- Vietnam

UK

- England

Since its formation, Singapore headquartered Surbana Jurong Group has invested in deepening its expertise in architecture, design, engineering, facilities management and security services, building a global group of specialist consulting and advisory firms.

With size and scale becoming increasingly important for companies to effectively compete in larger urbanisation and infrastructure projects, SMEC can draw on capabilities from a group of highly specialised consultancies to provide a full service offering to clients around the world based on years of global experience.

We continue to create synergies across the Surbana Jurong Group of companies and foster innovation to drive value for our clients. This allows us to compete in larger and more complex projects, and provide our clients with specialist expertise.

120+

Offices

40+

Countries

16,500+

Employees





Batumi Bypass Road Project, Georgia

Industry recognition and awards

Building towards a more sustainable future requires a combination of collaboration, expertise, and innovation. Throughout 2021 SMEC's projects and people received awards from multiple national and international advocates of engineering design excellence.

Engineering News Record (ENR)

#24 ENR 2021 Top 225 International Design Firms

12D Innovation Awards

Winner | Customisation

PMR.africa

Winner | Diamond Award 1st Civil Consulting Engineer

Winner | Diamond Award 1st Structural Consulting Engineer

Arogya World

Winner | The Healthy Workplace program

Consulting Engineers South Africa

Winner | Visionary Client of the Year

The Project Management Institute (PMI) Ghana

Winner | Project Management Consultant of the Year

Concrete Institute Awards, Queensland, Australia

Winner | Award of Excellence

Repairs, Restoration & Retrofitting
West Chevron Island Bridge

Queensland Major Contractors Association Innovation and Excellence Awards, Australia

Winner | Project of the Year under \$100 million,
Binna Burra Remedial Works

Planning Institute of Australia Awards

Commendation | Community Wellbeing & Diversity,
Queanbeyan Civil and Cultural Precinct

Australian Water Awards, Northern Territory

Winner | Young Water Professional, Jocelyn Ellero

AITPM, South Australia

Winner | Young Professional Award, Gayath Chalabi

Consulting Engineers South Africa

Winner | Mentor of the year, Edward Archer

Queensland Major Contractors Association, Australia

Finalist | Design and Innovation, Luggage Point

Australian Landscape Institute Awards

Finalist | APA National Planning + Landscape National Guidelines

Australian Water Awards, Queensland

Finalist | Young Water Professional, Alice Connell

Engineers Australia, Queensland, Australia

Finalist | Professional Engineer of the Year, Richard Kelly

Engineers Australia, Sydney, Australia

Finalist | Young Professional Engineer of the Year,
Ben Chapman

Engineers Australia, Sydney, Australia

Finalist | Professional Engineer of the Year, Sabrina Kost

National Association of Women in Construction, Queensland, Australia

Finalist | Crystal Vision, Kate Drews

The Board

The Board is responsible for formulating SMEC's strategic direction and maintaining good corporate governance. Acting on behalf of shareholders, the Board is accountable for SMEC's financial and operational performance.

The Board is independent of management and has a good balance of skills and experience to ensure transparency and sustained long-term growth.

The Board is committed to maintaining an appropriate system of governance and risk management applicable to all SMEC's locations, business units and functional groups; maintaining the integrity of SMEC's assets, people and reporting, and complying with legal obligations in all jurisdictions in which SMEC operates.

The Executive Committee

The Executive Committee (EC) 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 SMEC'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 is comprised of senior individuals with extensive experience in strategic and operational planning. Terms of reference and authority are approved by the Board.

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, 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 two members, at least one of which is an independent non-executive director.

Note: Designated Board and Executive Committee members are current as at 1 June 2022.



Max Findlay
Chairman and
Non-Executive Director



Wong Heang Fine
Group CEO,
Surbana Jurong Group



Hari Poologasundram
CEO SMEC & CEO
International Surbana Jurong



Andy Atkin
Group Chief Financial Officer,
Surbana Jurong Group



Angus Macpherson
Director of Operations



George Simic
Director - Strategy, Growth, M&A
Africa, Americas, ANZ, SAME



Hari Poologasundram
CEO SMEC & CEO
International Surbana Jurong



Say Boon Lim
Non-Executive Director
and Chair of the Audit and
Risk Committee



Karen Atkinson
Deputy Chief Operating
Officer, ASEAN



James Phillis
Chief Executive Officer,
Australia & New Zealand



Dr Uma Maheswaran
Chief Operating Officer,
South & Central Asia



John Anderson
Chief Operating Officer,
Africa



Stellenbosch University, Decanting Building, South Africa

Sustainability objectives

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.

Operations and governance

Our commitment

SMEC maintains a corporate governance framework that creates an efficient and disciplined operating environment for its directors and employees. SMEC is committed to meeting high standards of governance, safety and performance and have a zero-tolerance policy against fraud and corruption. Governance and compliance systems are enhanced continually with new systems communicated through ongoing training and development.

Our objectives

SMEC's Code of Conduct establishes a common understanding of the standards of behaviour expected of all SMEC Group Employees in the performance of their duties. Operating in a global context, our systems are designed to ensure our Code of Conduct is managed in accordance with the laws in each jurisdiction.

Business Integrity guides the actions and behaviour of employees in a way that is consistent with SMEC's company values and legal obligations.

SMEC's Modern Slavery framework includes a commitment from the Board of Directors, supply chain mapping, risk based due diligence, training, a grievance mechanism consistent with the United Nations Global Compact (UNGC) guidance, remediation, and continued improvement.

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 and 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 Values

Our values define our culture and underpin everything we do, globally. Integrity, People, Professionalism, Partnership and Purpose represent what we stand for, what we expect from our people, 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.

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.



Stakeholder engagement

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 are encouraged to discuss any issues or ideas with managers and other leaders across the business.

At a group level, employees receive regular updates from senior leaders via email, intranet, video and office roadshows. We adopt a localised approach to employee engagement at a regional and local level, utilising a range of communication methods, information sharing platforms and channels that best suit the environment.

Clients and partners

We see our clients as our partners and are dedicated to understanding their needs, drivers, resources and concerns, and proactively responding to their requirements. We seek to not only deliver advanced technical solutions but also to support our clients and partners in ensuring their projects positively impact communities.

SMEC is an active member of key industry and trade organisations around the world (see Appendix C). Our employees regularly present technical papers, host panels and participate in speaking engagements. We also distribute regular newsletters and host clients at events.

Improving communication and engagement

We know it is important to our clients that we connect early and often, and the continuing impact of COVID-19 has reinforced the importance of communication and responsiveness to our clients. In line with this, we are continuing to develop our 'Voice of Client' program that facilitates regular and effective communication with our clients and industry partners.

A key focus for 2021 was the development and implementation of an improved client feedback system and a global client management system. Our new system provides a means of seeking feedback more effectively and offers an additional channel of communication between clients and project leadership teams. We are also focused on enhancing our Client Relationship Management program throughout all regions in SMEC and expanding organisational expertise and capacity to support this important function within our business.

Corporate governance

In 2021 SMEC continued to enhance its governance measures, making several key improvements across policies, systems, processes, and communication.

Highlights and summary

SMEC continues to mature our business integrity compliance program, strengthening the operationalisation of existing measures and increasing the utilisation of divisional compliance delegates. Divisional compliance delegates strengthen links between SMEC's compliance function and operations, with a focus on communications and targeted training.

During the reporting period, SMEC maintained certification to ISO 37001 (Anti-Bribery Management), ISO 9001 (Quality Management), ISO 14001 (Environmental Management) and ISO 45001 (OHS Management) in all major Australian offices from third party certifiers, Global-Mark and Socotec. Moreover, SMEC has continued to maintain and expand its ISO certifications to cover selected offices globally.

Led by SMEC's Executive Project Managers, SMEC has established a Project Management Committee in ANZ to support more robust project management governance and control practices and deliver more consistent quality of services across all projects. On an annual basis, the Project Management Committee develops a work action plan with proposed budgets for approval by the ANZ Executive Committee. The work action plan should ensure that it meet the objectives of the committee and outline the resources and timescales required, dissemination and implementation plan.

In 2021 SMEC has initiated systematic central management of business improvement initiatives and business excellence program. Led by the Group Business Management systems (BMS) team and with representation by subject matter experts from various corporate and operational departments, the business

excellence program is aimed to identify gaps and improvement opportunities across various corporate processes and systems. This forms a framework to systematically implement the process updates and technology solutions in the form of a continual improvement cycle.

With travel restrictions resulting from the COVID-19 pandemic and with an aim to maintain awareness and training for employees on the corporate governance requirements, SMEC has utilised the latest technology to continue online communication and training for employees via Microsoft Teams, Zoom and online training modules within the SMEC Learning Management System (LMS). In addition to this, translated versions of selected policies and procedures were made available for global employees and selected online training courses have been translated and added to the SMEC LMS for international employees.



Overview of policies and procedures

Code of Conduct

The Code of Conduct is supported by more detailed policies, standards, procedures and guidelines and should be read in conjunction with the Code of Conduct for Directors and Executives. SMEC's Code of Conduct is applicable to all SMEC Group Employees and third-party contractors, volunteers and consultants engaged by SMEC. The Code of Conduct covers the following topics:

- Statement of Core Values
- Responsibilities of Those Working Across the SMEC Group
- Occupational Health and Safety (OHS) Policy
- Equal Employment Opportunity and Diversity
- Confidentiality and Privacy
- Child Protection
- Drugs and Alcohol Policy
- Appropriate Use of SMEC Assets Including Electronic Communication
- Media Comment and Social Networking Sites
- Complying with the Code of Conduct
- Reporting a Contravention or Suspected Contravention of this Code of Conduct
- Safeguarding Against Retaliation
- Disciplinary Action for Breaches of the Code of Conduct
- Encouragement of Associated Companies to adopt this Code of Conduct.

Business Integrity Policy

SMEC's Business Integrity Policy seeks to guide the actions and behaviour of employees in a way that is consistent with SMEC's company values and legal obligations in relevant areas. 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. We have implemented a range of policies, procedures, training and communication materials to ensure we are always maintaining and enhancing a culture of integrity.

The Business Integrity Policy:

- Prohibits a range of practices including bribery, misuse of position, political donations, fraud / misleading conduct and collusive practices such as price-fixing and bid-rigging
- Requires business integrity due diligence to be performed for certain higher-risk suppliers and business partners, such as joint venture partners and subconsultants
- Mandates the proper recording of transactions in SMEC's books and records
- Accords responsibility for compliance with the Policy to all managers and employees within their areas of influence
- Requires a business integrity compliance program to be implemented, maintained, and continuously improved.

The Business Integrity Policy is supported by several additional policies governing matters including:

- Gifts, entertainment, and hospitality
- Charitable donations
- Employee due diligence
- Personal conflicts of interest
- Engagement of third-party intermediaries
- Reporting of misconduct and protection against retaliation.

Equal employment opportunities

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.

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.

Modern Slavery

SMEC has a Modern Slavery Policy which confirms its commitment to addressing risks of modern slavery within its operations and supply chains and provides a framework for SMEC to prevent, mitigate and, where appropriate, remedy modern slavery within its operations and supply chain. Further information on SMEC's Modern Slavery policy is outlined in the Human Rights section of this document on p.42.

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.





Quality management

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 compliance program

SMEC's Business Integrity Policy forms part of an integrated business integrity compliance program. Measures adopted as part of this program include:

- Maintenance of business integrity risk registers at company, division, and country level
- A prohibition on giving or receiving gifts and processes for reporting of entertainment and hospitality
- Processes for business integrity due diligence on suppliers and new employees
- Processes for reporting and managing personal conflicts of interest and relationships with public officials
- Annual declarations of compliance by senior managers
- An externally hosted channel for anonymous reporting of suspected misconduct
- Periodic online training of all employees
- Ongoing communication with employees on various integrity and compliance related topics, through channels including emails, posters and infographics, training by video and Frequently Asked Questions (FAQ) documents
- A dedicated central business integrity compliance function supported by Divisional Compliance Delegates who are nominated by management of each geographic division.

Key focusses in 2021 included working to strengthen existing systems such as employee due diligence and reporting of personal conflicts of interest. Training and communication were implemented through emails, posters and infographics. Targeted video training sessions on gifts and entertainment were conducted throughout SMEC's operational divisions.

In 2021 SMEC's Compliance function focused on increasing the levels of engagement with Divisional Compliance Delegates and with senior management of SMEC's geographic operating divisions. In ANZ, SMEC maintained its certification to ISO 37001 (Anti-Bribery Management) in all major Australian offices from third party certifier Socotec.

Financial information

Fee revenue increased, at SMEC Group level, by 0.7% to AUD \$479.1 million. Performance for 2021 increased on prior year, however, the expected return to pre-pandemic levels did not eventuate due to the continuation of the COVID-19 pandemic, as well as further delays in the awarding of new projects.

Company performance

During the reporting period, SMEC's financial performance was impacted by the global COVID-19 pandemic for a second year, with some regions showing lower than expected operating results.

In 2022, SMEC is focused on returning its financial performance to pre-pandemic levels through growth in infrastructure developments around the world, and further collaboration with our parent and sister companies to leverage our global capabilities and provide enhanced value to our clients.

Globally, infrastructure spending is expected to remain at the forefront, as Government and International Financial Institutions continue to implement policies to help stimulate economies post the COVID-19 pandemic. Through an international regional network, SMEC is well positioned to assist with these projects.

Economic Value generated and distributed

Total revenue from customers (comprising fees from professional services and reimbursement of expenses) was \$640,399,000 in 2021 remained relatively in line with the prior year (2020: \$638,454,000).

Australia and New Zealand's ("ANZ") total revenue of \$362,915,000 amounted to 56.7% of the Group's total revenue. Total revenue decreased by 1.2% compared with prior year. The decrease was due to delays in large infrastructure (hydropower, road, rail, and water) projects in Victoria and New South Wales caused by COVID-19 lockdowns.

Africa contributed \$87,278,000 or 13.6% to total revenue for the year, which was slightly lower by 1.1% compared to the prior year. Although recovery from COVID-19 has been slow across the division, an upturn in SMEC South Africa has helped the division achieve results in line with the prior year.

South Asia Central Asia ("SACA") contributed \$107,612,000 or 16.8% to total revenue for the year, which was a decrease of 4% compared to prior year. The impact of COVID-19 was felt across the division. In particular, lockdowns in India and Bangladesh during the year delayed projects which significantly impacted revenues.

Economic value generated globally (AUS \$'000)

Distributed	Australia	North Asia	Southeast Asia	South Asia Middle East	Africa	Americas	Total
Revenue	362,915	9,744	57,060	107,612	87,278	15,790	640,399
Operating Costs*	53,384	1,433	8,393	15,830	12,838	2,323	94,202

*excluding remuneration

Divisional headcount

Corporate	Australia and New Zealand	North Asia	Southeast Asia	South Asia Middle East	Africa	Americas	Total
264	1,556	43	533	1,842	876	86	5,200



South East Asia ("SEA") contributed \$57,060,000 or 8.9% to total revenue for the year. This result was 15.4% higher than the prior corresponding period due to projects across the Pacifics, Indonesia and Malaysia.

North Asia contributed \$9,744,000 or 1.5% to total revenue for the year, an increase of 9.3% compared to prior year.

The Americas division contributed \$15,790,000 or 2.5% to the total revenue, an increase of 26.7% compared to prior year.

Management of working capital continues to be challenging for the international business and is a major focus for senior management. Work in hand levels are generally strong across most divisions and, with recent project wins in ANZ, plus an expected uplift in opportunities across SACA and Africa, management is confident of continued improvement in financial results in 2022.

Our people

Our goal is to maintain a satisfying and rewarding work environment for all employees. We are committed to creating a fulfilling, inclusive workplace for our people by encouraging personal development, recognising good performance, fostering equal opportunities, and ensuring employee health, safety and wellbeing. Globally, our People & Culture teams support business objectives by enabling people practices (programs, conversations, procedures, processes) that empower, engage, clarify, motivate and develop our employees.

Global employee demographics

SMEC has 5,200 employees in over 40 countries around the world, of which approximately 30% are based in Australia and New Zealand. The majority of SMEC employees are contracted on a full-time basis (69%), followed by casual (4%), fixed term (22%) and part time (5%).

Employee breakdown by Employment Type

Employment Type	Headcount
Casual	188
Fixed Term	1,169
Full Time - Permanent	3,594
Part Time - Permanent	232
Other	17
Total	5,200



Global employee turnover

The overall voluntary turnover of SMEC employees at a global level during the reporting period was 15.9%. Based on available feedback, reasons for leaving related to career advancement (32%), change of industry or role (21%), salary and benefits (12%) and family commitments (8%). The table opposite shows a breakdown of attrition during the reporting period by age and gender.

Employee Turnover

Age range	Female	Male	Total
17-24	12	17	29
25-34	92	281	373
35-44	59	196	255
45-54	21	81	102
55-64	8	51	59
65-74	1	22	23
75-84	-	-	-
Total	193	648	841

People and Culture highlights

During the second year of the COVID-19 pandemic SMEC facilitated a hybrid work model in response to the various public health orders across Australian States and Territories to work from home where practically possible. Flexible working arrangements (FWA) continue to be embedded at all levels of the organisation, with a notable increase in employees formalising FWA and utilising parental leave benefits during 2021.

Training programs continued to be pivoted to online delivery modes wherever possible, with virtual team collaboration sessions maintaining employees' focus and engagement through various channels. This was commendably achieved for SMEC's Leadership Development Program and People Management Development Program that were run via virtual classroom learning in 2021.

During 2021, SMEC joined other associated entities within the Surbana Jurong group on the Digital Transformation of our Human Capital Management Systems. The Workday implementation will unify people and culture processes, empower employees, and enable the attraction and retention of talent within the industry. We implemented Workday as our first step in the journey towards HR digitalisation in December 2021.





Australia and New Zealand

ANZ Cadet Program

The ANZ Cadet Program was launched across Australia in 2021. It is a comprehensive program designed to provide employees with the competencies required to pursue a successful career as a Drafter and Designer within SMEC. There were 14 cadet drafters that commenced as part of the program.

Flexible working

SMEC's Flexible Working Arrangements (FWA) support employees in balancing their work and personal commitments through options to vary work hours, work from home, and job share. Flexible working is increasingly embedded into our culture and the ways of working at SMEC.

To further support employees during 2021, SMEC ANZ introduced the Flexible Work Arrangement Toolkit, which details information on processing a Flexible Work Arrangement Application, tips for managers and employees, along with frequently asked questions to ensure the process is seamless for all involved.

A total of 237 employees in Australia or New Zealand formalised their FWA as of December 2021. This comprises of 106 females (23% of total female headcount as of December 2021) and 131 males (12% of total male headcount as of December 2021). This is an 82% increase from December 2020.

Remuneration

In 2018, SMEC adopted a formal salary benchmarking and grading system (globally) to ensure consistency in terms of remuneration against industry standards, thereby eliminating any perceived gender bias towards women.

For the fourth consecutive year since 2018, SMEC ANZ has conducted an annual gender pay analysis that displayed SMEC's continued commitment on decreasing the pay gap between men and women within the business. A working group was established in 2021, as part of SMEC's Strategic Action Plan focusing on reward and recognition.

A total reward and recognition, employee value proposition was endorsed by the Executive Committee that will focus on both monetary and non-monetary rewards that will assist in promoting and enhancing SMEC's reputation as an employer of choice.

Corporate Health Plan

In ANZ SMEC offers a Corporate Health Plan with Bupa and includes benefits such as discounted health cover, limited reimbursement of hospital excess, waived waiting periods on extras and a three-year loyalty provision for new members. There are currently 245 employees that have a Bupa Membership through SMEC. Compared to 2020, there was an increase in Bupa membership by 13% across SMEC employees.

SMEC also partnered with Bupa, Benestar and other healthcare providers to offer Australia-based employees additional health and wellbeing initiatives during the pandemic in 2021. These initiatives included facilitated webinars that focused on managing mental health in the workplace and understanding the basics of creating a healthy mind.

Employee Assistance Program

In ANZ SMEC's Employee Assistance Program (EAP) is provided by Benestar, a leading provider within Australia. The EAP is available to all employees and their families and provides confidential counselling services to help those during challenging times, whether it be physical, mental, social or financial.

In 2021, SMEC's EAP participation rate decreased by 1% to 4.8% in comparison to 2020. When compared to organisations in the same industry, SMEC's annual participation rate is over 1% higher for the same period.

Leave

Employees can salary package an additional four weeks of annual leave per year, on top of their normal annual leave entitlement. In 2021, 214 employees took advantage of the purchased annual leave scheme.

SMEC ANZ has invested in a generous Parental Leave package, recognising the importance of supporting employees in balancing family life with a rewarding

career. Parental Leave is equally available to both men and women with all types of Parental Leave available to eligible employees regardless of gender. SMEC also removed the 12-month continuous service eligibility criteria to qualify for SMEC's primary parental leave and secondary carers paid parental leave, which applies to both first child and any subsequent children. SMEC offers Parental Leave of 14 weeks paid leave for the primary carer and three weeks paid leave for the secondary carer, which can be taken within eight weeks of the birth or adoption of the child. SMEC will also now make superannuation payments up to a maximum of 12 months whilst an employee is on unpaid Parental Leave. During 2021, 98 employees applied for parental leave (primary and/or secondary carer's leave).

Recognising that family and domestic violence may seriously impact an individual, their family, the workplace and has impacts on the community, SMEC introduced up to 10 days paid Family and Domestic Violence Leave each year for all staff. This leave applies in full at the commencement of each 12-month period of service and does not accumulate from year to year. The purpose of providing employees access to this leave is to assist in achieving a workplace where employees experiencing family and domestic violence feel safe, supported and able to undertake their role. SMEC also offers Australian Defence Force (ADF) Leave which provides up to 10 days paid leave annually.



Ulu Jelai Hydroelectric project, Malaysia

Southeast Asia and Pacific

Leadership diversity

Two key members of the Southeast Asia (SEA) and Pacific Divisional Management Committee are female: Karen Atkinson, Director, Chief Operating Officer, and Libby Paholski, Functional General Manager Environment and Social Development SEA and Pacific. Karen Atkinson was also appointed as a member of SMEC's Executive Committee and Director for the SMEC Foundation.

In SEA and the Pacific SMEC implemented promotional and monitoring activity with regards to COVID-19 vaccination. Some examples included:

- Safety talks were held in Philippines and Indonesia to discuss the advantages of vaccination
- In PNG email communications were sent to all staff encouraging staff to get vaccinated
- The divisional HSE team regularly monitored vaccination rates amongst SEA and Pacific employees. As at 25 April 2022, the vaccination rate (staff who completed vaccination) was 94%.

Flexible working arrangements

Flexible and hybrid work arrangements are active across the division.

Leave benefits

SMEC offers a range of leave entitlements such as annual leave, medical leave, and parental leave in line with statutory/legislation requirements for each country.

In Malaysia, SMEC offers additional special leave of five days per year for marriage, paternity leave, compassionate leave or study leave.

Corporate health plan

In each country SMEC offers private medical health cover for all full-time staff with approximately 70% participation.



Isando Pedestrian Bridge, South Africa

Africa

Highlights

SMEC has made significant progress in supporting the integration of women into the workplace across all levels through various initiatives. This continued support includes initiatives such as increasing the learning and development programmes offered to women, ranging from undergraduate studies right through to formal management development programmes.

SMEC is committed to increasing the number of women in the workplace, including those that are professionally registered and in senior leadership roles, and actively monitors the progress made in terms of internal development processes. As a first for the business, the South African Management Committee has five women, including the Chief Executive Officer of SMEC South Africa, Logashri Sewnarain.

South Africa

Flexible working arrangements

As part of strengthening SMEC's culture and in support of improved work/life integration, a collaborative initiative with the young professionals was launched which resulted in the Flexible Working Arrangements policy being implemented in 2018. In further recognition of the need to allow workplace flexibility, the Working from Home policy is being implemented in 2022.

Leave benefits

SMEC provides generous paid leave benefits in excess of legislated leave allocations with regard to maternity leave (for birth, adoption and miscarriage) and family responsibility leave. SMEC recognises that parental leave is vital for early childhood development and as such provides paid leave to both men and women. As part of SMEC's commitment to support employee development, paid study leave is also provided.

Corporate health plan

Comprehensive private medical aid plans are provided by Discovery Healthcare and employees are supported by healthcare consultants, who provide advice, assistance and annual benefit roadshows. Discovery conducts annual wellness days at all of the regional offices with the aim of educating and improving physical, lifestyle and mental wellness. SMEC provides fully subsidised medical insurance for qualifying employees. Additional services such as gap cover, to supplement medical aid shortfalls, are also provided.

Employee Assistance Program

SMEC is committed to the holistic wellness of its employees and provides a fully subsidised wellness programme through Discovery Healthy Company, which provides wellness counselling and support, as well as financial and legal advice. This benefit is available to employees and their immediate family and can be accessed through the mobile app, telephonically or online, 24 hours a day, 7 days a week.

South Asia and Central Asia

In 2021 the team in India initiated “Great place to work” accreditation which has recently been awarded. The process required an extensive employee survey. Great place to work will be initiated for Bangladesh and Pakistan in 2022.

Townhalls were conducted with staff on a regular basis to promote two-way communication, and feedback. The South Asia and Central Asia team has arranged specialist online training sessions to share knowledge and promote site safety.

SMEC celebrates cultural, religious, and national events and festivals through various events and team-building activities including CSR activities. SMEC delivers an employee recognition program which includes young leaders, employee of the month awards and annual South Asia and Central Asia awards.

Flexible working arrangements

SMEC supported employees with work-from-home and caregiving arrangements during the COVID-19 pandemic and government-mandated lockdowns.

Leave benefits

As part of a group wide initiative to become an Employer of Choice, supplementary leave benefits were initiated offering paternity leave, bereavement leave and transfer leave. This goes above the statutory leave entitlements of individual countries.

Corporate health plan

Full-time permanent employees are covered with Group Medclaim Insurance which covers hospitalisation for staff and their immediate family.

South Asia and Central Asia also rolled out an insurance benefit harmonisation program. SMEC reviewed insurance policies for all countries in the region to set out a minimum benefits plan. Accordingly countries elevated their policy benefits to increase the sum insured under group term life insurance.

A health check-up program is also being rolled out across the division with implementation in India, Pakistan, Sri Lanka, Nepal and Central Asia and the Caucasus region.

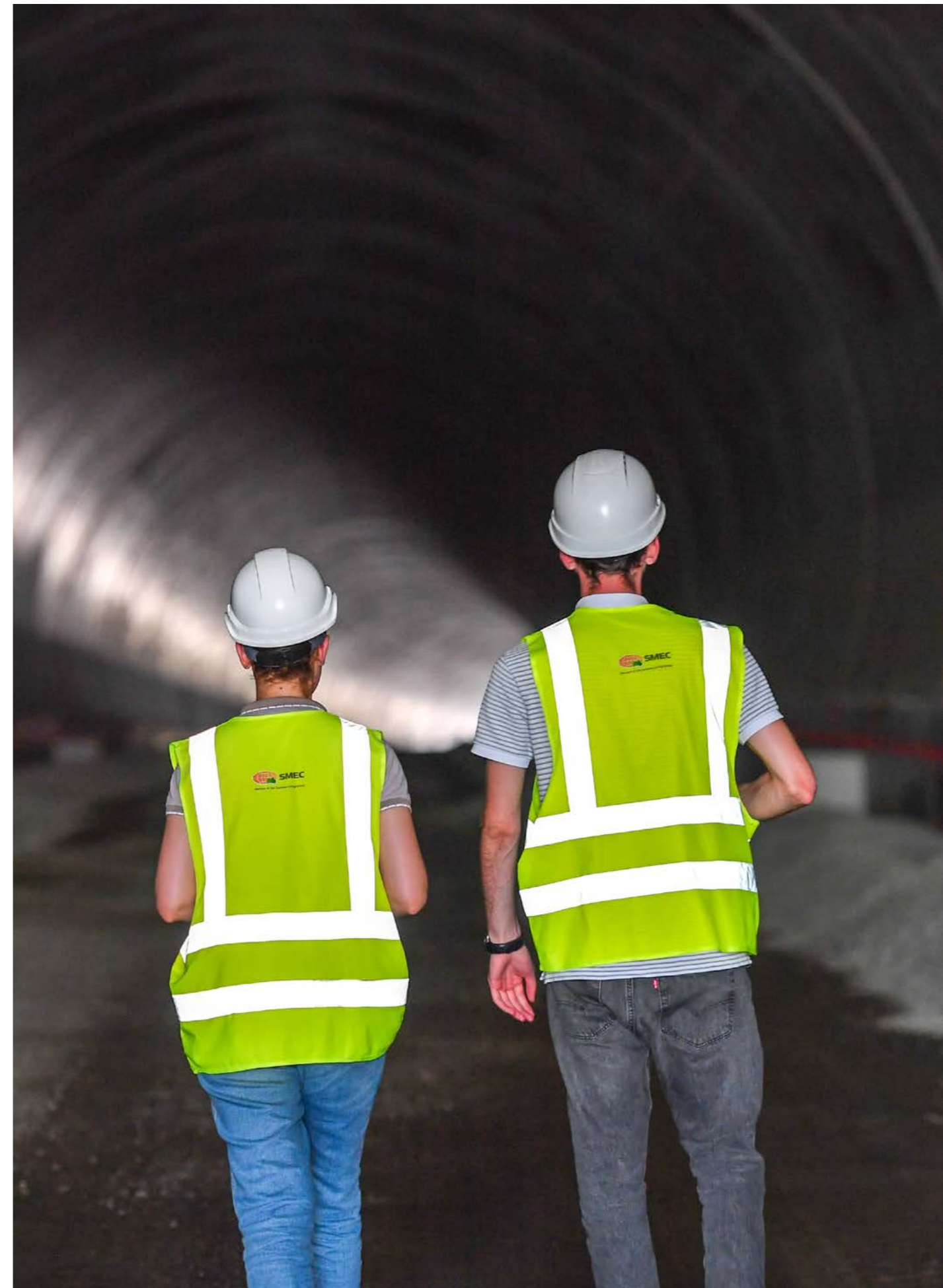
SMEC also provides dedicated support for women’s health, offering regular health consultations, extended leave (on completion of maternity leave) and work from home when required.

Employee Assistance Program

In India SMEC partnered with “Resilience Works” Employee Assistance Program, providing support to cope with any kind of mental and physical illness. The service provides online sessions, counseling, doctors’ consultation, and frequent email communications.

A “people first approach” was initiated by the executive group. A support team was created to support the staff and their families who tested positive for COVID-19. The People & Culture team helped to coordinate medical assistance, professional mental health consultation and psychological assessments for employees.

A vaccination drive was organised for employees and their families.



Diversity and Inclusion

SMEC's global Diversity and Inclusion Policy outlines our commitment to developing and maintaining a workforce which respects (and reflects) the diversity of the clients we serve and the communities in which we operate, including indigenous communities.

The Diversity and Inclusion Committee is responsible for setting the strategy to address diversity in the organisation. The Diversity and Inclusion Committee has endorsed Divisional Action Plans, spearheaded by the Chief Operating Officer for each division.

SMEC employees are responsible for exhibiting behaviour in line with this policy, and for ensuring that no one is disadvantaged due to action or inaction. Throughout the employee lifecycle, SMEC is committed to ensuring equitable policies, processes and opportunities for all employees through leadership commitment, education training and development, recruitment, remuneration and workplace incidents.

- A key achievement in 2021 was the appointment of Kate Drews, Market Director – Urban Communities to the ANZ Board, bringing female representation to the board.
- Throughout 2021, the ANZ Inclusion and Diversity Committee leveraged SMEC's enterprise social networking service, Yammer, to raise awareness of important inclusion and diversity topics with a focus on topics such as gender, LGBTIQ+ and indigenous Australians.
- ANZ continued a sponsorship program called Cultivate with the inclusion of eight female employees. The program connects emerging female leaders with members of the senior leadership team with the aim of accelerating them into leadership roles.
- SMEC ANZ CEO James Phillis is a representative on the Consult Australia Champions of Change Coalition. In this role James regularly meets with fellow leaders of peer organisations to focus on shifting the systems of gender inequality in the workplace, increase the representation of women and developing the conditions and cultures that enable them to thrive.
- Two key members of the ASEAN Divisional Management Committee are female: Karen Atkinson, DCOO ASEAN, and Libby Paholski, Functional General Manager Environment and Social Development SEA and Pacific.
- Karen Atkinson was also appointed as a member of SMEC's Executive Committee and Director for the SMEC Foundation.
- Two of our female engineers and colleagues in Indonesia, Frenchsie Duhitadewi and Della Permata, joined Karen Atkinson in a webinar panel discussion on women in engineering hosted by the Jakarta branch of the UK-based Institution of Civil Engineers (ICE), the oldest civil engineer association in the world.
- Africa has increased the learning and development programmes offered to women, ranging from undergraduate studies right through to formal management development programmes. The Employment Equity Committee is mandated to monitor, support and drive awareness initiatives which encourage broader diversity and inclusion in the workplace, including the advancement of women.
- Across SMEC we celebrated International Women's Day to showcase the importance of gender diversity. The group rolled out a series of webinars and ran a campaign to communicate the importance of gender diversity.



Career development and training

Our goal is to engage with our employees at all levels of the organisation and offer development programs to grow capability.

Highlights and summary of initiatives

Tertiary Education Assistance

SMEC 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, eight employees benefitted from this program. Since the program's inception in 2009, SMEC has supported 42 employees to achieve qualifications ranging from Certificate IV to postgraduate degrees in a broad range of study fields.

Career Pathways

SMEC's Career Pathways system provides employees with a range of career paths for technical and business progression. Career Pathways also provides targeted learning and development programs and an equitable reward and recognition framework. In 2021, SMEC offered employees training in Leadership, Safety and continued our Graduate Development Program.

Talent management

SMEC's approach to talent management combines talent identification (building employee leadership capability and capacity for long term continuity) and succession planning (establishing a leadership pipeline and identifying successors for key roles). This is reinforced by open conversations between employees and managers that foster trust, promote transparency, and aim to ensure a balance between individual success and organisational performance. In 2021, we undertook our talent management and succession planning processes for critical leadership positions as well as employees identified as key talent.

Global Leadership Development Program

We were unable to run our annual global leadership program in 2021 due to COVID-19 restrictions on health and travel across member firm countries.

The Global Leadership Development Program for 2022 will comprise a blended approach to leadership learning with high impact experiential components and a face-to-face workshop in Singapore. The program is targeted to nominated high potential high performing leaders across the Surbana Jurong Group.

Management Development Program

The Management Development Program is aimed at building on and enhancing people management and self-leadership skills for new and experienced leaders. The 2021 Global Management Development program comprised of 117 attendees from selected operational and business units.

Leading Safety

In 2021, 24 employees attended the Leading Safety Training. In addition, and as part of our commitment to a safety-first environment, all 71 participants of the People Manager Development Program also completed a Leading Safety module.

Cultivate – sponsorship program

In Australia and New Zealand, we launched an inaugural sponsorship program called Cultivate in 2020. Cultivate is aimed at high-performing female employees with the potential to progress to next-level positions within a two to five-year timeframe. The program pairs sponsors with the participants, with a focus on supporting and enhancing their career development and progression. The program combined self-reflection, mentoring, coaching and sponsorship and included group, pair and individual activities. We held this program again in 2021 with eight sponsors and eight participants.





Leadership masterclasses

Introduced in 2020, managers were invited to attend voluntary leadership skill training sessions during 2021. Leaders attended sessions that covered being an authentic leader, motivating others, listening skills, building trust and having stay discussions.

Learning and Development Portal

We have continued to build on the content included in our Learning and Development Portal. The portal provides employees with information on training programs and direct access to relevant online learning modules.

Client relationship management training

Client relationship management training modules are now available to all employees via our Learning Management System. The modules provide interactive learning using text, documents and videos.

Equal Employment Opportunity training

SMEC's Equal Employment Opportunity 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. Equal Employment Opportunity 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 Performance Appraisal System (PAS) in which employees are assessed against agreed upon goals and KPIs, as well as SMEC's values. This process considers not only what our employees achieve, but how they achieve it, and is intended to encourage a value-based approach to what we do. The training and development needs of employees are also reviewed bi-annually as part of PAS.

Chartership Support Program

SMEC supports employees in their professional development through sponsoring the attainment of chartership through Engineers Australia. This includes funding the registration cost and ongoing assessment fees – in 2021 this totaled over AUD \$46,000. In the support of achieving chartership, all managers monitor their employees progress, provide development opportunities, offer mentoring and guidance, and encourage the submission of Engineering Competency Claims. During 2021, 25 employees applied for chartered status through Engineers Australia.

Graduate development

SMEC's 2021 ANZ Graduate Development Program provided 186 graduates with development opportunities related to building personal and professional skills. Female graduates made up 36.02% of program participants. The program combines virtual classroom-based learning, self-directed online modules and mentoring.

In South and Central Asia (SACA) Young Leaders Program (3.0) launched to nurture and develop young leaders within the region. Six young leaders were selected, and they delivered a presentation to the divisional leadership team in March 2022 with one person selected and given a position in India. SACA also undertook sponsored scholarship for bright students from IIT-Madras, India who will join SMEC post completion of their course.

Work Health and Safety

Our goal is to eliminate or mitigate hazards and practices that could cause accidents, injuries or illness.

Highlights and summary

- Over 80 project managers, people managers and field/site activity leads completed the Leading Safety Program, which aims to create a shared approach to how we engage with employees about safety and risk.
- Our Workforce Safety Action Plan was completed following staff consultation about key themes arising from the safety culture survey we undertook in 2020.
- To support employees in adapting to new work arrangements during the COVID-19 pandemic, information continued to be provided on how to work from home safely. Support included education on safe workspaces at home, working productively from remote locations, and recognising and seeking support for mental health concerns. Work commenced on a digital 'work anywhere' safety checklist to improve employee experience.
- Work health and safety is a regular agenda item in divisional management, regional management, and project meetings.
- Leadership masterclasses to assist managers and provide support with the challenges of managing a remote workforce.
- SMEC delivered its new Safety Essentials resource which describes the minimum requirements for conducting high risk activities.
- The Corporate Health and Safety Policy was translated into Bahasa Indonesia and Vietnamese to ensure that this policy is in a language that every employee in Southeast Asia and Pacific is comfortable

- with. This enables local employees to have a much better understanding of what the company's commitment to promoting and maintaining a culture and a work environment where risk to health and safety through our work is unacceptable.
- In Africa several town hall meetings and health awareness talks were organised for staff to educate them on the importance of living a healthy life in 2021. Topics included: Prevention of Lifestyle conditions; Flu and Natural Remedies; Mental Health in the Workplace- Coping from COVID-19 impact; Post Covid Recovery and vaccination; Mental Health Awareness; and Sexual harassment.
- As a way of ensuring safety in road transport operations, 18 SMEC drivers in Africa participated in an in-house refresher journey management training. This training created awareness on planning and controlling road journeys to reduce risk and improve communication in 2021.
- Four SMEC Drivers in Kenya participated in Vehicle Care Maintenance training in 2021 to improve maintenance culture and ensure safety of passengers is maintained during road journeys.
- Continued engagement of senior managers on safety and operational improvement meetings as a way of improving health and safety culture.
- All countries in the SACA division are preparing for ISO certification. Pakistan has already been certified and India and Bangladesh have applied for certification.

Looking to 2022

We plan to obtain our employees' perceptions of work-related mental health hazards by using a recognised survey tool and analysing key survey themes further within small groups. An action plan will be developed to address key areas for improvement.

Health and safety commitment

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

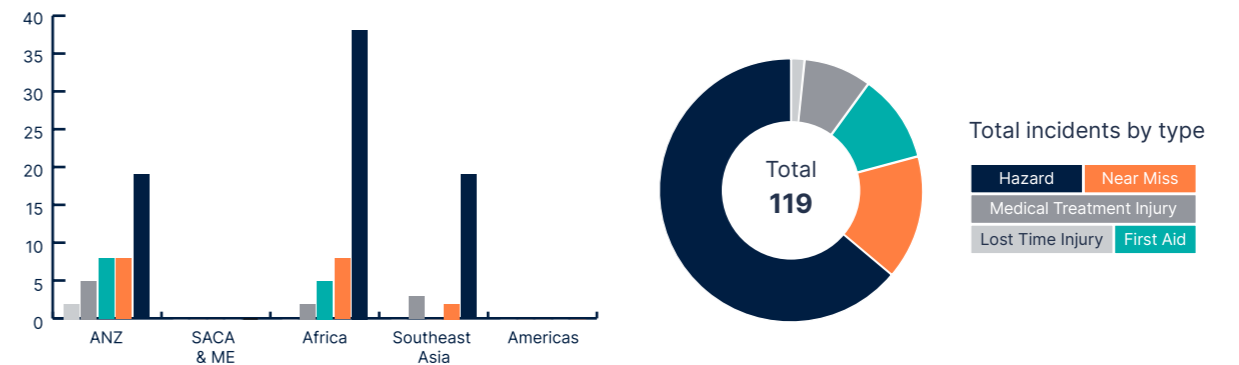
Safety in Design

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.

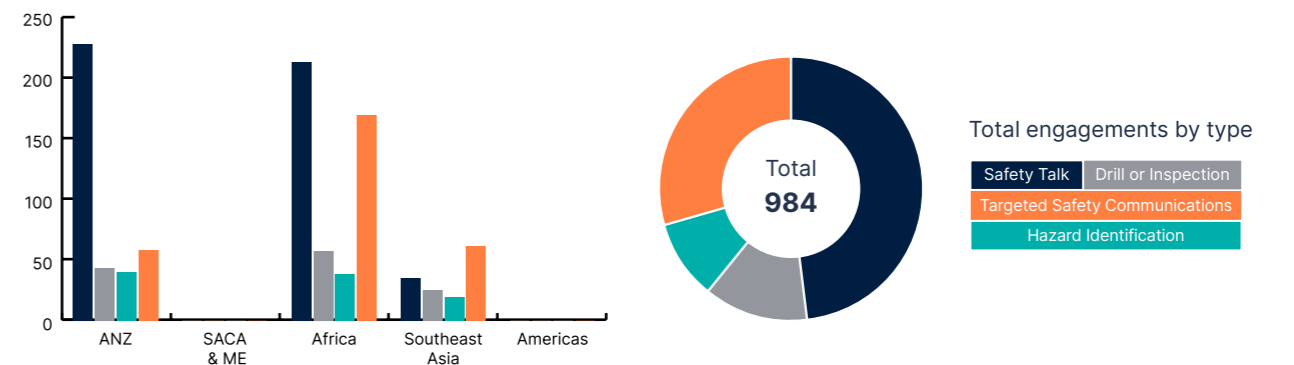
Health and Safety data

SMEC continues to proactively improve its health and safety initiatives and report globally:

Safety Incidents



Proactive engagement:



Human rights

Our objective is to protect and uphold internationally proclaimed human rights. SMEC is a United Nations Global Compact corporate participant and incorporates the Ten Principles of the United Nations Global Compact into its business activities.

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



Modern Slavery

SMEC has a Modern Slavery Policy which confirms its commitment to addressing risks of modern slavery within its operations and supply chains and provides a framework for SMEC to prevent, mitigate and, where appropriate, remedy modern slavery within its operations and supply chain.

SMEC's modern slavery framework includes a commitment from the Board of Directors, supply chain mapping, risk based due diligence, training, a grievance mechanism consistent with the United Nations Global Compact (UNGC) guidance, remediation and continued improvement.

During 2021, SMEC implemented risk based enhanced modern slavery due diligence on its suppliers and continues to gain a deeper knowledge of our supply chain to identify and mitigate any potential adverse human rights impacts in our supply chain.

In 2021, SMEC published its first Modern Slavery statement for the financial year 2020 and will publish its second statement for the financial year 2021 in the second quarter of 2022.

Eradication of forced labour

SMEC is committed to the elimination of all forced and compulsory labour. We comply with all national and international employment legislation and protocols to ensure the highest standards of protection for our employees. Our Code of Conduct ensures that ethical employment and labour practices are implemented across our organisation. Through its modern slavery framework and due diligence, SMEC is also committed to the identification and remediation of such practices within its supply chain.

Indigenous rights

In 2020, Innovate, the second phase of our Reconciliation Action Plan (RAP), was endorsed by Reconciliation Australia. SMEC's RAP formalises our commitment to implement and measure practical actions that create opportunities for, and build respectful relationships with, Aboriginal and Torres Strait Islander peoples. The RAP is implemented by a dedicated, cross functional employee working group.

During the reporting period, we continued our efforts particularly in the areas of indigenous recruitment and support for indigenous communities.

Child Protection Policy

SMEC maintains a zero-tolerance policy in relation to child exploitation and abuse. Child Protection Policy training and police checks for those working with children is mandatory for all SMEC employees. 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.

Community development

SMEC continues to strive to deliver the best possible social outcomes for local community programs and people in need, especially as we recover from the impacts of the COVID-19 pandemic. We support and encourage our employees to take part and contribute to the development and wellbeing of the communities in which we live and work.



The SMEC Foundation

The SMEC Foundation continues to donate small-scale grants to a range of development projects around the world. Established over 20 years ago, the Foundation is focused on Health, Education, Environment, Community Development and Emergency Relief to those in need.

The SMEC Foundation made charitable grants worth approximately \$153,149 in 2021 to Deductible Gift Recipients (DGRs). There were no natural disaster emergency cash assistance grants made in 2021 (Non DGR).

More detail on the Foundation's activities can be found in our annual SMEC Foundation Review, which is made available to the public on our website.

Corporate Social Responsibility (CSR) programs

Our global CSR program is supported by regional Corporate Social Responsibility (CSR) committees that are set up in each of our operating divisions (Australia & New Zealand, South Asia and Central Asia, the Middle East, Southeast Asia, and Africa) to support local charities and communities.

During 2021, the regional CSR Committees donated approximately AUD \$156,859 to fund projects in the areas of health, education and community development. SMEC has committed funding for the Divisional CSR Committees in 2022 to continue to make a difference where we can.

Highlights and summary

During 2021, the SMEC Foundation, SMEC Alumni, our regional CSR committees and charity partners continued to make a positive difference where we could. Below are some of the highlights of how we were able to give back where it was needed most.

Africa

The SMEC Foundation has continued its support of non-profit organisations, So They Can and Action on Poverty. In Tanzania, SMEC is helping to supply water to two schools as part of the So They Can's School Improvement Project, as well as providing aid to construct more classrooms in government primary schools as part of their Education Program. In the Dowa District of Malawi, SMEC helped Action on Poverty in its drive to supply clean water, sanitation, and health care for Malawians through the rehabilitation of six non-functional water points, and training and hygiene promotion. The projects were partly funded by the Busbridge Family Benevolent Fund.

SMEC continued its support in the development of the Alastair McKendrick House orphanage. During 2021, the construction of a poultry farm and greenhouse was completed that will generate income to self-sustain the operations of the orphanage. Opened in 2019 with the capacity to home 180 children, the Alastair McKendrick House was built and named in the memory of long serving SMEC director and CFO.

The South African Medical & Education Foundation (SAME) undertakes high impact community development projects to improve healthcare and educational facilities of poverty-stricken communities in South Africa. SMEC partnered with SAME to help improve the overcrowding conditions and lack of science, technology, engineering, and maths (STEM) resources at the Almont Technical High School situated in the informal settlement of Protea South, Soweto. The project provided new equipment and resources and modern learning areas consisting of five new classrooms, two science labs, a new computer centre with 40 new computers and a dedicated classroom for engineering graphics and design. As a result, the school was able to sponsor ten female students to take part in the Top Women in Leadership online conference.

In South Africa, SMEC donated toward the purchase of several Braille Note Taking devices as part of Jicama89's ongoing education program to support visually impaired and disabled children. Delivered to the Sibonile School in December 2021, the devices have already improved exam results as well as enhancing the relationship and interface between pupils and teachers.

Mobile Health Clinics run mobile clinics to check the health of students in schools found in semi-rural poverty-stricken communities. SMEC Africa's CSR committee donated funds to help schools in desperate need of health services for their pupils. Funding was given to the Gauteng schools to provide pupils with primary healthcare screenings; dental screening with scaling and cleaning services; vision screening with free spectacles for those with problematic eyesight; and health education sessions. In 2021, over 16,000 screenings across nine projects were conducted, of which SMEC funded 8%.

The Manger Care Centre (MCC) offers an environment to support destitute citizens through various support programs, housing, counselling and education services to improve self-esteem and aid with the integration back into society. SMEC is supporting two students who are undertaking studies that will result in a SETA-Accredited Certificate. The students are then supported to either set up their own co-op, find work on a farm or help on the Benoni farm (Bonna Batemo) that was set up by past students of the program.

The SMEC CSR committee in Africa supported the construction of water reservoirs, a rain harvesting system and handwashing system for the Ngirubi Secondary School, located in Limuru, Kenya. Having a reliable water source will improve the health and hygiene of the students and school community and reduce costs through rainwater harvesting. The Committee also provided funding for essential PPE supplies during the pandemic to reduce the spread of COVID-19 amongst the pupils and teachers at the Jesus Founder Community School in Zambia.

South Asia and Central Asia

SMEC Alumni, with partners Kathmandu Environment Education Project and the BridgIT Water Foundation Australia provided sustainable community managed water supplies to remote rural villages in far west Nepal. The BridgIT Sigas Rural Municipality Water Project provides piped water systems and distribution outlets to make safe and clean drinking water to improve the health and hygiene for the villages in the Baitadi District. Previously the residents, mainly women, would have to make long and dangerous journeys to reach water sources for drinking and household use. This project was fully funded by the McKendrick Family.



The SMEC Foundation partnered with the Danish Red Cross, to deliver over 2.4 million face masks from Copenhagen to Bangladesh in support of the Bangladesh Red Crescent Society (BDRCS) nationwide fight against the COVID-19 pandemic. Working together with our local CSR committee, the SMEC Foundation provided financial support for the purchase, delivery and distribution of face masks to vulnerable groups to help reduce the risk of COVID-19 infection and community transmission during 2021. The face masks were distributed to all 68 Units of BDRCS across the country, including 56 Maternal and Child Health Centres, helping an estimated 125,000 families or 625,000 individuals.

In Pakistan, SMEC has partnered with the Shahid Afridi Foundation in its mission to improve education for underprivileged communities. SMEC provided funds to build a new computer lab at the Foundation's school located in Nowshera in the Khyber Pakhtunkhwa province. As part of the school's core curriculum, the 256 students will have a qualified computer instructor providing basic computer literacy skills through to advanced level programming for its dedicated computer IT lab with the latest technology and tools.

The IITM Incubation Cell (IITMIC) is an umbrella body for nurturing and overseeing innovation and entrepreneurship at IIT Madras. SMEC supplied funding to help in the promotion of the incubators as leading innovation and entrepreneurial hubs in India's private sector.

Southeast Asia and Pacific

SMEC donated to the Coalition of Services of the Elderly (COSE), a non-government organisation dedicated to older people's health and well-being in the Philippines. The aid will improve access and conditions for abandoned, homeless older women in COSE's group home in Bulacan, Central Luzon in the Philippines. COSE's group home is close to the ongoing Manila International Airport Land Development Project, where Surbana Jurong, SMEC's parent firm, is providing construction management services.

In partnership with Aspire Network Fiji (a local non-government organisation), SMEC completed work on the SMEC-Aspire Vunimanuca Learning Centre, replacing a classroom ravaged by tropical cyclone Yasa in December 2020. Wreaking havoc for nearly two weeks, the Category 5 cyclone's 240-kilometre per hour-strong winds left the small, rural community school of over 70 students to continue their education in tents with limited resources. The classroom was rebuilt, transforming it into a modern learning centre with the latest learning tools, complete with an art space and a library.



SMEC Foundation supported the Australian Foundation for Fostering Learning in the Philippines Inc. (AFFLIP) in the purchase of equipment, materials and supplies for the construction of outdoor structures to help in the education of poor public-school children in Talomo District in Mindanao.

In November 2021, SMEC and sister company Robert Bird Group employees took part in a beach clean-up in Ting Kau in Hong Kong, as part of Environmental Protection Department's Clean Shorelines campaign.

In PNG, WaterAid's water, sanitation and hygiene (WASH) program is implementing access to safe, resilient, drinking water to the rural Wewak District. Significant population growth in the area has resulted in water shortages and unsanitary conditions for households, schools and health care facilities. SMEC Foundation and SMEC Alumni supported WaterAid in its goal to improve conditions, that included a new borehole, an elevated water storage tank, community tap-stand, a dedicated caretaker to run and manage the water supply system as well as community sessions to update residents on COVID-19 and WASH practices.

Australia and New Zealand

SMEC continued to champion education in Indigenous communities in Australia through our partnerships with Engineering Aid Australia and the Indigenous Literacy Foundation, now in their fourth year. From learning about our partnership with the Indigenous Literacy Foundation to engaging and creating relationships through our membership with Supply Nation, our employees have been enabled to connect and help us continue our reconciliation journey.

For a second year we continued our relationship with the Cathy Freeman Foundation, which provides education for Indigenous children and their families living in remote communities. We were also proud to donate to new charity partner Deadly Science, whose mission is to supply STEM resources and early reading material to remote schools across Australia.

Our Reconciliation Action Plan (RAP) committee launched a work experience placement program and hosted three high school students from our partner charity Engineering Aid Australia, who provide opportunities for Indigenous students with an interest in and aptitude for engineering.

SMEC continues to work through the innovate phase of our Reconciliation Action Plan

SMEC's long standing involvement with Cycling Development Foundation continued in 2021. For a third year running, SMEC employees Barry Wilson and Nicholas Tinworth took part in the Laverton Cycling Project. The annual charity ride saw the pair ride 1,171 km from Perth to Laverton over eight days to raise funds for Indigenous youth and community cycling programs in the Laverton community of Western Australia. The program educates youths and community members on the value of exercise through a bike building program that also teaches rapport, fine motor skills, problem solving, teamwork and mentoring. The program has also been proven to positively influence school attendance and engagement.



Pictured above: The SMEC Story by Narelle Urquhart recognises SMEC's history through song line (history and country) and the triumphs that have come in engineering and human diversity and unity.

Looking to 2022

We will continue to review and address cultural awareness training needs at SMEC and increase the representation of Indigenous businesses in our supply chain.

We are committed to a vision for reconciliation for Australia to grow as a nation built on trust, understanding and respect. We will support our journey through our Innovate Reconciliation Action Plan (RAP) and will work closely with employees across our organisation and in partnership with Reconciliation Australia to implement our RAP.

We will continue to work closely with our clients to ensure the rights and heritage of Aboriginal and Torres Strait Islander people are protected in the planning and execution of projects.

Sustainability and environment

At SMEC, we are committed to embedding sustainability principles throughout our business. We strive to undertake all project and office activities in an environmentally responsible manner, and to identify, manage and mitigate any risks that may impact negatively on the environment. At an operational level our aim is to optimise energy efficiency and reduce Greenhouse Gas (GHG) emissions.

Environmental Management – policy and framework

SMEC's company-wide Environmental Management Policy and Environmental Management System (EMS) formalises our commitment to environmental responsibility. The group 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.
- The Corporate Environmental Management Policy had been translated into Bahasa Indonesia and Vietnamese.

Commitment to Net Zero

During the reporting period SMEC ANZ developed an action plan to commence accreditation with the Science Based Targets initiative (SBTi) which drives ambitious climate action in the private sector by enabling organisations to set science-based emissions reduction targets. The Net Zero commitment and action plan was endorsed on 30 June 2021 and is aligned to declarations made by key clients including Transport for NSW, Transurban and Fortescue Metals Group (FMG).

We continue to improve our understanding of the sources, scope and extent of our resource use, and are committed to improving the energy efficiency of our offices and reducing the Greenhouse Gas (GHG) emissions generated by SMEC's operations. SMEC is in the process of developing a carbon inventory to reduce scope 1 and 2 emissions, reducing material scope 3 emissions, and investing in carbon removal projects to become net positive.

Summary of outcomes

- The SMEC board endorsed the updated ANZ sustainability policy
- SMEC initiated the process to submit our net zero commitment to the SBTi
- Development of a carbon inventory and dedicated net zero action plan
- Endorsement of the high level action plan.

Sustainable procurement initiatives

SMEC is committed to being a leader in Corporate Social Responsibility (CSR). As part of this commitment, SMEC requires all supply chains to comply with all minimum legal standards, reduce the demand on natural resources, reduce carbon emissions, and consider ethical, environmental, social and sustainability impacts on the communities in which we operate. As part of SMECs Sustainable Procurement Procedure, employees must complete an Environmental Sustainability and Social Equity Questionnaire for all procurement of items valued over AUD \$150,000.

Employees who undertake procurement must assess whether their purchases uphold sustainable procurement principles such as:

- Avoiding unnecessary purchases
- Obtaining Value for Money across the product lifecycle
- Responding to climate change through mitigation and adaptation measures
- Reducing greenhouse gas emissions
- Reducing water use by purchasing products that are energy and/or water efficient
- Maximising resource efficiency
- Protecting and restoring natural resources
- Provision of a safe, healthy and enjoyable working environment
- Conservation of biodiversity and ecosystems
- Support for community and philanthropy
- Consideration for carbon footprint, and alignment with internationally recognised sustainability performance standards
- Avoiding the purchase of products that pollute soils, air and waterways during production and use
- Avoiding the purchase of hazardous chemicals that may be harmful to human health or ecosystems
- Incorporating ethical considerations in the evaluation process as relevant to the purchase e.g. fair trade coffee.

In 2021, as part of our broader sustainability strategy, SMEC Australia partnered with South Pole, a global climate action expert, to offset a portion of our carbon footprint through the purchase of carbon credits. South Pole works with businesses and governments around the world to address climate change impacts and support decarbonisation pathways across industries.



Harpley Estate, Australia

Sustainability in the workplace

Sustainable offices ANZ

In 2021 each of the ANZ offices continued to practice sustainable and environmental initiatives and adopted new initiatives that have an overall impact on SMEC's environmental footprint. These are as follows, but not limited to;

- Recycled paper products
- Follow me print to reduce overprinting
- Installing sensor-operated lighting
- Electronic visitor sign in systems
- Mobile phone, battery and printer cartridge recycling
- Separate kitchen bins for waste, glass and plastic and soft plastics
- Monitor stickers/emails to remind employees to switch off at night and over weekends/holiday periods
- Environmentally friendly detergents/dishwashing tablets
- REDcycle – soft plastic recycling and containers for change
- Employees encouraged to bring keep cups to the office
- E-waste collections for old electronic devices
- Swapped to recycled tissue and toilet paper and recycling of used coffee pods which are sent to different organisations for their own use
- Sensor water taps (including zip taps)
- Recycling and shredding bins for documentation
- LED lighting
- Air conditioning only during office hours.

SMEC has also been investigating which of our offices have renewable energy sources. Currently three SMEC offices have renewable energy sources. SMEC will investigate into further expansion over other offices.

Corporately SMEC collate information regarding air and ground transport using kilometres and litres as a measure. This information is reported annually to our parent company.

Our focus in 2022 is to continue our sustainability work across our organisation. The National Committee is focussed on sustainable practices and encourage an environmentally friendly culture across SMEC, with the assistance of the new Environmental Compliance Planner to apply further sustainability initiatives across our offices. We are also investigating changing each office over to a green energy supplier during 2022.

CitySwitch

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) 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), NABERS measures 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 through reducing our energy consumption, lowering carbon impacts, and improving the sustainability of our operations.

In 2021, 16 Australian offices completed a CitySwitch Energy Audit, with results showing an average NABERS energy rating of 4.5 stars. This is an increase from our average rating of 4.4 stars in 2020. 13 of the 16 offices reached or exceeded the target energy rating of four stars.

All of 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.



Energy performance by office

Office	Nabers Rating	Office	Nabers Rating
Adelaide	4 Stars	Melbourne	5.5 Stars
Brisbane	4 Stars	Newcastle	3 Stars
Cairns	4.5 Stars	North Sydney	5.5 Stars
Canberra	5.5 Stars	Paramatta	5 Stars
Darwin	5 Stars	Perth	5.5 Stars
Geelong	6 Stars	Sunshine Coast	2 Stars
Gold Coast	6 Stars	Townsville	4 Stars
Grafton	5.5 Stars	Traralgon	5 Stars

Environmentally sustainable projects and services

As an organisation SMEC advocates for environmentally sustainable outcomes on our projects and strives to educate employees, clients, partners, and contractors about the importance of environmental sustainability.

SMEC offers sustainability services for a range of infrastructure projects to push environmental, social and economic project outcomes beyond 'business as usual'. This includes a comprehensive suite of advisory services to help clients achieve their sustainability objectives from planning through to construction.

SMEC are leaders in skillfully scoping, assessing, and delivering sustainability services to efficiently guide client's projects through sustainability ratings, such as Australia's Infrastructure Sustainability (IS) Rating Scheme. We provide our clients with advice and guidance which enables them to embed sustainability into their projects across the asset life cycle.

Our global team of sustainability specialists, social scientists, environmental planners, environmental scientists, ecologists, asset managers, urban designers and engineers work collaboratively to deliver wholistic project outcomes across the triple bottom line (environment, economic and social).

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

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.

		Impact				
		1	2	3	4	5
		Insignificant	Minor	Moderate	Major, but reversible	Catastrophic
Likelihood	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
Ratings		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.				

Ecologically sustainable design (ESD) consulting, summary of services

Environmental 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
- Energy advisory services

Social services

- Social impact assessment (SIA)/Social risk analysis
- Resettlement and livelihood restoration
- Social management planning and community investment programs
- Social compliance and due diligence auditing
- Governance
- Community and stakeholder engagement

Sustainability services

- Sustainability planning, monitoring, and reporting
- Sustainability integration, management, and assessment
- Sustainability rating implementation and delivery



Pacific Motorway Upgrade: M1 Varsity Lakes to Burleigh Interchange, Australia

Environmental considerations at forefront of interchange upgrade



The Pacific Motorway (M1) is a vital transport link between Queensland and the southern states, carrying interstate freight, tourist, and commuter traffic.

The 10km section of the motorway between Varsity Lakes and Tugun known as VL2T, currently carries around 90,000 vehicles each day and is frequently congested during both weekday and weekend peak periods. Traffic demand for this section of the motorway is growing and by 2026 is expected to exceed 100,000 vehicles each day. The Australian and Queensland governments have been progressively upgrading the M1 line with the Pacific Motorway Nerang to Tugun Masterplan with the section being one of the highest priorities.

TMR awarded SMEC the design contract for the Varsity Lakes to Burleigh (VL2B) section, including Burleigh Interchange. This two kilometre section of the M1 upgrade included widening the motorway to a minimum of three lanes in both directions and upgrading Exit 87 to the Gold Coast's first Diverging Diamond Interchange.

With a commitment to sustainable infrastructure development, the team worked collaboratively with TMR to ensure sustainable practices were embedded within the project. SMEC undertook the preliminary and detailed design with consideration of two key principles. Firstly, addressing the surrounding environmental values including Tallebudgera Creek and Reedy Creek, and the Burleigh to Springbrook bioregional environmental corridor; and secondly, encompassing the Infrastructure Sustainability Council (ISC) Rating Scheme.

Sustainability objectives were achieved through targeted design initiatives that enhanced habitat values and connectivity while reducing waste, materials and energy consumption, resulting in the project being verified as 'Leading'. These achievements included a 31 per cent reduction in embodied carbon, a 33 per cent reduction in materials use, a 17.63 per cent ecological enhancement, and TMR's first 'Leading' IS Design Rating. These outcomes led to design innovation and Australian-first initiatives such as concrete pavement fracturing (rubblisation and crack and seat), design targets remediation of vulnerable butterfly habitats, and retaining the Reedy Creek flyover.

South Gippsland Highway Level Crossings Removal, Australia

Sustainability assessment informs level crossing removal

The Level Crossing Removal Project (LXRP) was established by the Victorian Government to oversee one of the largest rail infrastructure projects in the state's history.

Central to the project is the elimination of 85 level crossings across metropolitan Melbourne by 2025, in addition to other rail network upgrades such as new train stations, track duplication and train stabling yards. A new intersection will connect South Gippsland Highway to Princes Highway, improving safety and traffic flow. With over 31,000 cars and trucks travelling across the level crossing each day, the removal of this level crossing will create more reliable travel times in one of Australia's busiest manufacturing regions.

SMEC was engaged to prepare detailed design to remove the level crossing from the South Gippsland Highway. Specialist sustainability professionals worked with the Client (Fulton Hogan), the Level Crossing Removal Project team and the internal design team to help embed sustainable practices and design elements into the project which go beyond "business as usual design" to provide innovative, cost-effective design solutions. To verify this process, a Sustainability Assessment against the ISCA IS Rating Scheme was undertaken. SMEC led the management, delivery, documentation and submission of a formal Infrastructure Sustainability Rating to deliver a formal certification rating of "Excellent" for the project.

Some of the key outcomes of the work provided included the 8000m² of community green space incorporated into the design, and improved walking and cycling connections, safety and access to local businesses and services.



Natural hazard risk management framework, Australia

Evidence based risk management framework for natural disasters

Prior to this project, the Northern Territory did not have a Natural Risk Management Framework to guide the actions of decision makers in emergency management. While there was extensive local knowledge guiding emergency planning and preparation, there was no capstone document for the Northern Territory that provided a structure to guide decision makers and direct and validate policy effort.



The objective of the project was to provide a Risk Management Framework for natural hazards in the Northern Territory. The primary focus of the risk assessment is on the seven identified natural hazards: cyclones, floods, earthquakes, tsunamis, bushfires, heatwaves, and severe storm events, as well as being sufficiently flexibly to be applied to other hazards.

SMEC on behalf of the Northern Territory Government provided an evidence base for risk mitigation decisions. It will examine the probability of loss, dependent on hazard, exposure and vulnerability. Through a combination of expertise across various

disciplines, SMEC prepared a detailed yet practical and user-friendly framework. The Risk Management framework created was specifically tailored to reflect the values and context of the Northern Territory.

As well as creating a framework that the Northern Territory did not previously have, the SMEC team also created value by adding an additional hazard simulation workshop so that stakeholders can work through a hazard together. The Natural Hazard Risk Management framework has been well-received by the Northern Territory Government and local stakeholders.

Irrigation and Drainage Improvement Project 2 (IDIP2), Kazakhstan

Irrigation scene improves water supply to thousands for farmers

In Kazakhstan, water resource problems are a major risk to national economic growth. Investment in agriculture and irrigation is important to provide rural employment, increase food security, and reduce poverty. Spanning approximately 105,000ha, Kazakhstan's second Irrigation and Drainage Improvement Project (IDIP) will improve supply conditions for approximately 10,000 farms.

SMEC has provided technical supervision to contractors delivering the program. The team has developed an interactive Project Management Information System (PMIS) which includes visual GIS maps to improve stakeholder communication and reporting. SMEC is also leading capacity building for farm managers and asset owners to support efficient operation and maintenance.

IDIP2 will help improve socio-economic and environmental conditions for the population residing in transboundary river basins in the most densely populated regions of the country – with effective use of water resources addressing a key pillar of the Kazakhstan Green Economy Concept. The seven-year Green Economy Concept aims to improve irrigation and drainage service delivery as well as participation of water users in developing and managing the modernised systems in densely populated regions of Kazakhstan.

Thousands of farming households will benefit from the improved water supply and the project's institutional and agricultural development interventions. The rehabilitated and modernised irrigation and drainage systems on the area of more than 100,000ha will ensure timely and adequate water supply to farmers and help save 300 million cubic meters of incremental irrigation water per year. The project with 2,547km of irrigation canals helps irrigate over 113,000 ha of farmland, serves 157,364 people and acts as the primary lifeline for the region in providing irrigation and drainage facilities.



Jal Jeevan Mission, India

Har Ghar Nal Se Jal - Water for all

Jal Jeevan Mission - Rural Water Supply "HAR GHAR JAL HAR GHAR NAL", the flagship project of Government of India aims to provide a functional tap connection to every house in India. SMEC has been involved in the planning and project management of the project across four different states, setting new technical benchmarks that are sustainable, innovative, and cost-effective. The framework has been developed in a way that can be easily replicated across geographical locations for efficient implementation.

For the project, SMEC has prepared and implemented detailed project reports to frame the roll out in each geographical region. The team has focused on improving health and living standards in 20 districts (area: 2700sqkm) across India, impacting a population of around 15 million by providing over three million tap connections and overall pipeline network of 35,000sqkm. The detailed project reports consisted of proposals for complex water schemes including surveying, engineering design, analysis of ground and surface water sources, water allocation and environmental assessment.

Delivering potable water supply to all households in the country by 2024 will not only substantially improve ease of living, but also improve health status, and empower women. Freeing women from the task



of fetching water, which sometimes creates safety issues, will potentially provide them with opportunities to improve household welfare by market, home production, and other activities. It may bring about positive social and political behavioural change.

By 2024, India is expected to meet its 100% Functional Household Tap Connection (FHTC) goal. The mission brings about a transformative shift from traditional linear water supply delivery to a model that encompasses a circular economy of water conservation.

Kahanki Barrage, Pakistan

Communities thrive with reliable water supply improvements

The New Khanki Barrage replaced the Khanki Headworks, one of the oldest barrages in Pakistan. The replacement barrage is among the latest government efforts to implement its long-term investment plan of rehabilitating and improving Punjab's irrigation infrastructure. The design process of the New Khanki Barrage was a sustainable approach that incorporated modern construction techniques and guided by climate projections for Pakistan.

The new barrage has brought widespread benefits to the community, including increased agricultural output and income of 10% increase in average farm income of 25,000 farming families. 568,000 farming families benefited directly from the reliable irrigation water supply generated by the project.

The project is designed to support water supply and irrigation to over three million acres of land. Protecting upstream fish migration patterns by designing ladders for species like salmon on either side of the barrage, this project aims to reduce the long-term environmental impact of the project for life below water.

To improve the environmental conditions of the area, a Tree Plantation Plan was prepared by the contractor and approved by the engineer. The contractor planted more than 5,123 trees at the project site to enhance the aesthetic value of the site.

The large population in the vicinity of the new barrage, particularly women and girls, gained widespread social and economic benefits in education, health care, transport, recreation, and income generation. The project built a public road bridge, a girls' high school, a health-care facility, and a large recreation park in Khanki Village.

The project also built a much-needed basic health unit. The unit is currently headed by a female community health worker and especially benefits pregnant women and mothers, who can get regular prenatal checkups and receive supplements without having to travel to healthcare facilities elsewhere.



Families from villages and towns in the district and beyond now enjoy a six hectare landscaped park near the barrage. The park has many attractions, such as a play area, fountains, food stalls, jogging area, and gym facilities with a separate area for women. It also has a new mosque with a separate prayer area for women. The park has become a local tourist attraction and a venue for festivals, providing recreational amenity for families from approximately 50 villages.

Appendix A – Scope of this report

Scope of this report

This is SMEC's twelfth annual Sustainability Report which communicates our progress on how our group policies, operations and systems align with the UN global compact. The report evaluates performance from 1 January 2021 to 31 December 2021.

The information in this report pertains to SMEC operations only. It does not include 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.

Defining report content

In compiling this report, SMEC has adhered to the Reporting Principles for Defining Report Content. Implementation of these principles ensures the content contained within this report is relevant, accurate 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.

Mapping SMEC policies and procedures to the UN Global Compact

The following table contains a schedule of policies and procedures applicable to the UN Global Compact. Copies of the policies may be provided upon request.

Strategy	Principle	SMEC Policy
Human Rights	Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and	<ul style="list-style-type: none"> – SMEC Australia Pty Ltd Modern Slavery Policy – SMEC International Pty Ltd Modern Slavery Policy – Child Protection Policy – Corporate Social Responsibility Policy – Corporate Health & Safety Policy Corporate Quality Policy
	Principle 2 Make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> – Corporate Social Responsibility Policy – Corporate Health & Safety Policy – Corporate Quality Policy
Labour	Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<ul style="list-style-type: none"> – SMEC Australia Pty Ltd Modern Slavery Policy – SMEC International Pty Ltd Modern Slavery Policy – Corporate Quality Policy
	Principle 4 The elimination of all forms of forced and compulsory labour;	<ul style="list-style-type: none"> – SMEC Australia Pty Ltd Modern Slavery Policy – SMEC International Pty Ltd Modern Slavery Policy – Corporate Health & Safety Policy
	Principle 5 The effective abolition of child labour; and	<ul style="list-style-type: none"> – Child Protection Policy – Code of Conduct
	Principle 6 The elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> – Diversity and Inclusion Policy – Code of Conduct – Human Resource Management Policy – ANZ Equal Employment Opportunity Procedure – Diversity Procedure – Caring for Our SMEC Community – Recruitment and Selection
Environment	Principle 7 Businesses should support a precautionary approach to environmental challenges;	<ul style="list-style-type: none"> – Corporate Environment Policy – Corporate Social Responsibility Policy – Corporate Sustainability Policy – Sustainable Procurement Procedure
	Principle 8 Undertake initiatives to promote greater environmental responsibility; and	<ul style="list-style-type: none"> – Corporate Environment Policy – Corporate Social Responsibility Policy – Corporate Sustainability Policy
Anti-Corruption	Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> – Business Integrity Policy – Code of Conduct – Procurement Policy – Gifts, Entertainment, Travel and Accommodation Procedure – Employee Due Diligence

Appendix B - Entities

Associated Entities	
Entity	Country of incorporation
PT SMEC Denka Indonesia	Indonesia
Himalayan Green Energy Private Limited	India
LDLC Properties (Pty) Ltd	South Africa
Soilco Materials Investigations (Pty) Limited	South Africa
SMEC (Malaysia) Sdn Bhd	Malaysia
VKE Infrastructure Services (Pty) Limited	Namibia
TT Energy Private Ltd	India
LDLC Properties (Pty) Ltd	South Africa
Soilco Materials Investigations Pty Ltd	South Africa

Controlled Entities	
Entity	Country of incorporation
Global Maintenance Consulting Pty Ltd	Australia
PDR Engineers Pty Ltd	Australia
SMEC Australia Pty Ltd	Australia
SMEC Holdings Pty Ltd	Australia
SMEC International Pty Ltd	Australia
SMEC Services Pty Ltd	Australia
ACE Consultants Limited	Bangladesh
SMEC Bangladesh Ltd	Bangladesh
Engineering Consultants Underwriters Ltd	Bermuda
VKE Botswana Pty Ltd	Botswana
SMEC Chile Limitada (formerly Global Maintenance Consulting Chile Limitada)	Chile

Controlled Entities	
Entity	Country of incorporation
SMEC Asia Ltd	Hong Kong
SMEC Rail India Private Limited (formerly Leadrail Infra Solutions Private 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 Servicios De Ingenieria De Mexico	Mexico
SMEC Mongolia LLC	Mongolia
SMEC Myanmar Company Limited	Myanmar
Vincpro (Pty) Ltd	Namibia
VKE Namibia Consulting Engineers Pty Ltd	Namibia
SMEC New Zealand Ltd	New Zealand
SMEC Nigeria Limited	Nigeria
South Asia Middle East Management Company LLC	Oman
Engineering General Consultants (Pvt) Ltd	Pakistan
SMEC Oil and Gas (Private) Limited	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
SMEC South Africa Pty Ltd	South Africa
SMEC International (Africa) Pty Ltd	South Africa
Soillab Pty Ltd	South Africa
Ocyana Consultants Pvt Ltd	Sri Lanka
SMEC (Tanzania) Limited	Tanzania
SMEC Uganda Limited	Uganda
SMEC Vietnam JSC	Vietnam

Appendix C - Memberships

Australia and New Zealand		
A United Commercial and Allied Employers Association	Tertiary Education Facilities Management of Australia (TEFMA)	
Asset Management Council (Australia)	Urban Development Institute of Australia	
Association of Land Development Engineers	Waste Management and Resource Recovery Association of Australia	
Australasian Corrosion Association	South East Asia and Pacific	
Australian Airports Association	Association of Consulting Engineers Malaysia	
Australian Institute of Landscape Architects	Australia Mining Chambers (Indonesia)	
Australian institute of Traffic Planning Management (AITPM)	Australia Myanmar Chamber of Commerce	
Australian National Committee on Large Dams	Australia Papua New Guinea Business Council	
Australian Water Association	Australian New Zealand Chamber of Commerce, Philippines	
Clean Energy Council	Board of Engineers, Malaysia	
Committee for Geelong	British Chamber Myanmar	
Committee for Sydney (Australia)	Council of Engineering Consultants of the Philippines	
Consult Australia	Ikatan Nasional Konsultan Indonesia (National Association of Indonesian Consultants)	
Consulting Surveyors New South Wales	Indonesia Australia Business Chambers	
Consulting Surveyors Victoria	Malaysia Australia Business Council	
Diversity in Tunneling	Myanmar Oil and Gas Service Society	
Engineers Australia	Papua New Guinea Chamber Mines and Petroleum	
Facilities Management of Australia (FMA)	Singapore Association Myanmar	
Global Compact Network Australia (GCNA)		
Infrastructure Partnerships Australia		
Institution of Surveyors Victoria		
International Development Contractors Community		
New South Wales Business Chamber (Australia)		
Permanent Way Institute – QLD Chapter Gold Sponsors		
Planning institute Australia		
Power of Engineering		
Property Council of Australia (PCA)		
Roads Australia; Roads Australia CEO cohort		
Supply Nation (Australia)		

Africa		
Association of Consulting Engineers Botswana	South African Road Federation	
Association of Consulting Engineers of Namibia	Uganda National Chamber of Commerce (Uganda)	
Association of Consulting Engineers Zambia	Water Institute of Southern Africa	
Association of Tanzania Employers	Americas	
Consulting Engineers South Africa	AIC Membership (Asociación de Empresas, Consultoras de Ingeniería de Chile - AIC A.G.)	
Department of Petroleum Resources (Nigeria)	Professional Engineers Ontario	
Engineering Institution of Zambia	South and Central Asia and Middle East	
Engineers Registration Board, Tanzania	Consulting Engineering Association of India	
Federation of Kenya Employers	Delhi Chamber of Commerce	
Ghana Institution of Engineers	National Energy Services Company	
Institution of Engineers Rwanda	Pakistan Engineering Council	
Institute of Municipal Engineering of Southern Africa	Global	
International Union of Soil Sciences, Nigeria	Internaitonal Association of Impact Assessments	
National Construction Industry Council, Malawi	International Hydropower Association	
National Environmental Standard & Regulations Enforcement Agency of Nigeria		
Nigeria Institute of Soil Science		
Petroleum Authority of Uganda		
PPDA -Public Procurement and Disposal Authority Uganda		
SAAMA (South Africa Asset Management Association)		
Soil Science Society of Nigeria		
South African Bureau of Standards		
South African National Committee on Large Dams		
South African Oil & Gas Association		

