

# Sustainability

An aerial photograph of a long, multi-lane cable-stayed bridge spanning a body of water. The bridge features a series of white, A-frame piers supporting the deck. Several white cables fan out from a central point on the right side of the frame to the bridge deck. The water is a deep blue-green, and a sandy beach is visible in the bottom right corner. The word "Sustainability" is written in large, bold, white sans-serif font across the middle of the image.

# SUSTAINABILITY

## Defined as:

Acting today with the future in mind for our customers, our people, our shareholders, environments and communities.

Going beyond simply replacing what we take, our goal is to support regeneration, enabling our environment and communities to thrive and achieve abundance.



# Infrastructure Sustainability & McConnell Dowell

*‘Infrastructure Sustainability’* can be defined as; infrastructure that is designed, constructed and operated to optimise environmental, social and economic outcomes in the long term.



*‘Creative Construction’* is more than just our tagline. McConnell Dowell delivers infrastructure sustainability through creative engineering and sustainable solutions. Our ability to innovate is one of our differentiators and this applies to all areas of our business – including sustainability.

# Our Sustainability Policy

## SUSTAINABILITY POLICY



McConnell Dowell undertakes its activities integrating social, environmental, economic and good corporate governance considerations. We do this with the objective of avoiding and mitigating harm to the environment, contributing to and enhancing the resilience of the communities in which we operate, and creating shared value for our customers and our people. We commit to:

- Industry leadership through our professionalism, competence and active industry participation.
- Industry leading approaches to shared value generation through the delivery of safe, smart and efficient infrastructure.
- Accountability and management responsibility through delivering on what we promise and understanding and meeting our customers' needs and community expectations.
- Promotion of sustainable construction practices, including the prevention and mitigation of environmental pollution, climate change adaptation, the efficient and sustainable use of resources, and the principles of inclusion, engagement, equality and diversity.

- Generating growth in our business and the industry by fostering long-term, strong and positive partnerships with customers, communities, regulators, industry bodies and other key stakeholders.
- Actively encouraging continual improvement and promoting innovation, adaptability and resilience.
- Consideration of the appropriate use of materials, including water and energy, and the resulting generation of waste and carbon emissions in all our activities. Understanding and reducing our carbon, energy, materials and water footprints.
- Creating opportunities and involving, engaging and integrating with the communities in which we work.
- Nurturing the health, wellbeing and quality of life of those we work with and alongside. Everyone goes home without harm, every day.
- Protecting our business, our partners and customers through good corporate governance, compliance and sound risk management.

*Note to self....remember these key points !!*



*Scott Cummins*

**Scott Cummins**  
Chief Executive Officer  
McConnell Dowell Corporation Limited



# The Comprehensive Business Case For Sustainability

Sustainable practices are those that do not harm people or the planet - **Safety & Care**, create **value for stakeholders** and focus on improving environmental, social, and governance (ESG) performance in the areas in which the company or brand has a material environmental or social impact (such as in their operations, value chain, or customers). Significant **cost reductions can result from improving operational efficiency** – **Performance Excellence** - through better management of natural resources like water and energy, as well as minimising waste.

Much of the strategic value of sustainability comes from the need to continually talk with and learn from key stakeholders – **Working Together**. Through regular dialogue with stakeholders and continual iteration - **Honesty & Integrity**, a company with a sustainability agenda is **better positioned to anticipate and react** to economic, social, environmental, and regulatory changes as they arise - **Customer Focus**. Failure to establish a good relationship can lead to increased conflict and reduced stakeholder cooperation.



# What does Sustainability mean us?

## Economics

Build and maintain a robust and enduring business which provides an acceptable economic and financial return to our shareholders

## Health & Safety

Ensure the well-being and protection of our workforce, encouraging behaviour and practices that entrench the McConnell Dowell Group's safety vision 'Home Without Harm, Everyone Everyday'.

## Environment

Minimise the environmental impact of our activities through the efficient use of resources including energy, water and construction materials; Promote innovative thinking and practices to achieve positive environmental and sustainability outcomes

## Governance

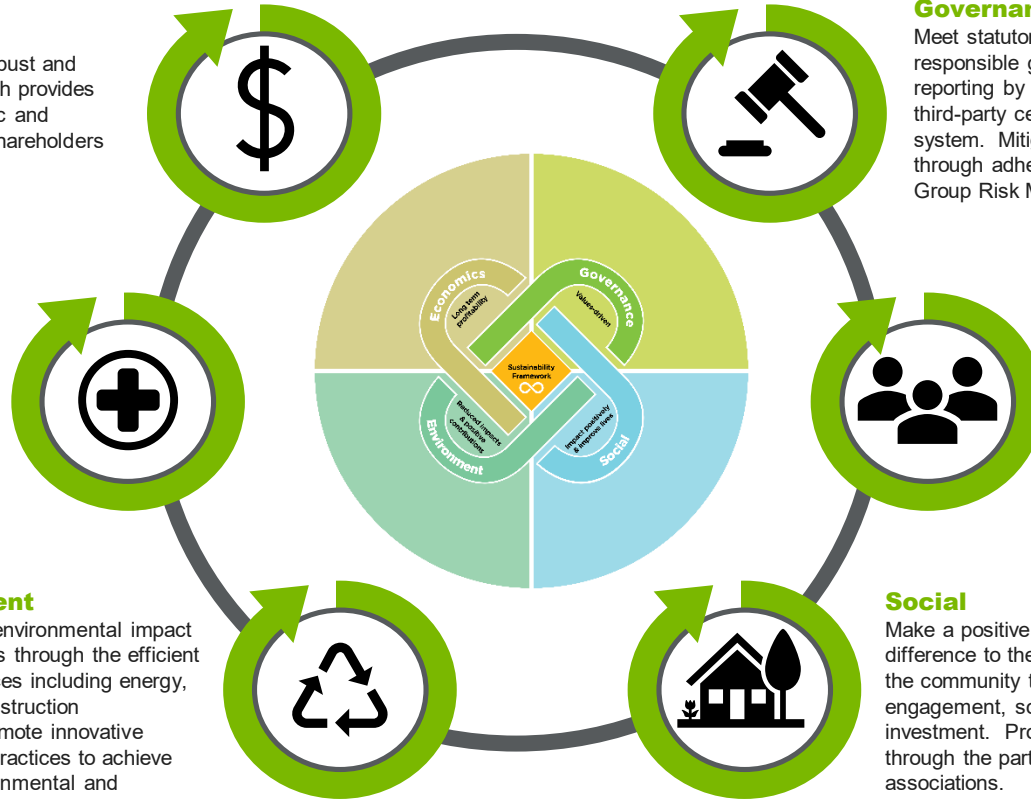
Meet statutory obligations and ensure responsible governance with transparent reporting by operating in accordance with our third-party certified integrated management system. Mitigate risk to acceptable levels through adherence to McConnell Dowell Group Risk Management practices.

## Our People

Enhance the wellbeing of our workforce through skills and professional development, lifelong learning, increased ability to deliver sustainable outcomes, and participation in the direction of the organisation.

## Social












Make a positive and meaningful difference to the health and well-being of the community through stakeholder engagement, social support and investment. Provide industry leadership through the participation in peak industry associations.




















# OUR SUSTAINABILITY FRAMEWORK

# THE SUSTAINABILITY RELATIONSHIP FRAMEWORK

SUSTAINABILITY PILLAR	MCD VALUE	GLOBAL REPORTING INDEX	UN Sustainable Development Goal Alignment	UN Global Compact Principle
<b>Social</b> Make a positive difference to the health and well-being of the community – an impact to improve lives and diversity	<b>SAFETY &amp; CARE</b>  <b>WORKING TOGETHER</b>  <b>PERFORMANCE EXCELLENCE</b>  <b>HONESTY &amp; INTEGRITY</b>	GRI 403 -2 OHS management system and its continual improvement GRI 403-6 Promotion of worker health (and services available) e.g. employee assistance, skin cancer checks GRI 405-1 Diversity of the Governance body (board/exco); and employees by age, gender and other GRI 201 - 1 Direct economic value generated – community investments (link to global compact report)	SDG3 – Good health and well-being SDG9 – Industry innovation and infrastructure  SDG10 – Reduce inequality SDG11 - Sustainable cities and communities     	<b>Principle 1</b> – Businesses should support and respect the protection of internationally proclaimed human rights:  <b>Principle 6</b> – the elimination of discrimination in respect of employment and occupation.
<b>Governance</b> Adoption of applicable international governance codes and practices	<b>PERFORMANCE EXCELLENCE</b>  <b>HONESTY &amp; INTEGRITY</b>	GRI 419-1 Non-compliance with laws and regulations in the social and economic area Disclosures 101, 2 and 3 GRI 205 - Anti corruption GRI 206 - Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	SDG16 – Peace, justice and strong institution  	<b>Principle 10</b> – Businesses should work against corruption in all its forms, including extortion and bribery.
<b>Environment</b> Reduced environmental impact and positive contributions	<b>SAFETY &amp; CARE</b>  <b>CUSTOMER FOCUS</b>  <b>WORKING TOGETHER</b>	GRI 302-1 Energy GRI 303-5 Water GRI 306-2 Waste	SDG7 – Affordable and clean energy SDG12 – Responsible consumption and production SDG14 – Life below water SDG15 – Life on land     	<b>Principle 9</b> – Encourage the development and diffusion of environmentally friendly technologies
<b>Economics</b> Balance Sheet resilience through a diverse portfolio & high performing successful businesses	<b>PERFORMANCE EXCELLENCE</b>  <b>CUSTOMER FOCUS</b>	GRI 204-1 proportion of spending on local suppliers  KPI 404-3 – performance and career development reviews	SDG8 – Decent work and economic growth SDG17 – Partnership for the goals   	<b>Principle 4</b> – The elimination of all forms of forced and compulsory labour



# PROVIDING A BETTER LIFE

 Environment	 Social	 Economic			
<div>Carbon</div> <div>A leader in low carbon infrastructure</div> <div>30% reduction in carbon intensity (CO2 tonnes per \$ revenue, FY20 baseline)</div> <div>Roadmap developed for a carbon neutral McConnell Dowell by 2050</div>	<div>Our Environment</div> <div>A leader in sustainable infrastructure</div> <div>All projects committed to 3 initiatives to reduce potable water consumption</div> <div>All projects diverting over 90% waste from landfill</div> <div>PEH:EI ratio &gt; 80</div> <div>Net positive environmental impact realised on each project and documented</div>	<div>Our Community</div> <div>Engagement with the communities in which we work</div> <div>Net positive legacy realised on each project and documented</div> <div>Elevate Reconciliation Action Plan (RAP)</div> <div>3% social procurement spend across the group</div>	<div>Our People</div> <div>Attract, develop and keep our people safe</div> <div>PH:AI ratio consistently above 150 and promotion of worker health</div> <div>Home without Harm</div> <div>L&amp;D commitment to employees</div> <div>Year on year increase in targeted employment hires i.e increase in diversification</div>	<div>McConnell Dowell</div> <div>Recognised and respected market leaders</div> <div>Profitable and Sustainable company with year on year revenue growth</div> <div>Effective and functional enterprise risk and opportunity management</div> <div>Balance sheet resilience</div>	<div>Our Networks</div> <div>Strong relationships at every level</div> <div>100% of supply chain committed to sustainable practises</div> <div>Realise sustainability outcomes and Innovations from partnerships with key suppliers</div> <div>Direct economic value generated by community investments</div>
<div>Measure and verify Scope 1 &amp; 2 (organisational) CO2 emissions and trial reduction initiatives</div> <div>Industry led improvement on Scope 3 (subcontractor) emission reporting</div> <div>Engineering and design considers climate change and adaptation measures. MMS Procedures updated</div> <div>Roadmap to 2050 – centralised initiatives and sharing of ideas</div>	<div>Business wide Sustainability and Resource Efficiency plans in place</div> <div>Explore circular economy opportunities</div> <div>Leverage partnerships to reduce resource consumption and improve resource efficiency</div> <div>Environmental educational series in place i.e handbook, videos, celebrate environmental events</div> <div>Continue with ISCA rated projects</div>	<div>Community &amp; Stakeholder Relations Procedure &amp; template on MMS</div> <div>Social Procurement Framework/ Procedure established across the Group</div> <div>Progressive implementation of RAP objectives</div> <div>Corporate Social Responsibility commitment rolled out with CSR consideration seen as business as usual on all projects</div>	<div>Engagement with schools to promote STEM and the importance of females in our industry</div> <div>Develop targeted employment strategy including career progression – leading to diversity of the Governance body (Board/Exco)</div> <div>Wellness Committee established to review our wellbeing framework</div> <div>Training for all employees</div>	<div>Continue to Innovate on our projects. Innovations are shared</div> <div>Procure as whole of business process e.g. site set-up including sheds, electricity (including renewable), waste.</div> <div>Ensure sustainability is a part of all decision making processes</div> <div>MCD Sustainability Report (in line with the Global Reporting Index) and UN Global Compact Communication on Progress Report produced annually</div>	<div>Commitment to local supply chains</div> <div>Sustainability forms part of MCD procurement and risk management processes</div> <div>Inter-Group opportunities leveraged</div> <div>Sustainability criteria of all packages is evaluated</div>
<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>	<div>14 LIFE BELOW WATER</div> <div>15 LIFE ON LAND</div>	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div>	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>10 REDUCED INEQUALITIES</div>	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>17 PARTNERSHIPS FOR THE GOALS</div>	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>17 PARTNERSHIPS FOR THE GOALS</div>

# Governance

- Meet statutory obligations and ensure responsible governance with transparent reporting - by operating in accordance with our third-party certified integrated management system.
- Mitigate risk to acceptable levels through adherence to McConnell Dowell Group Risk Management practices.

## Examples Of How Do We Do This On Projects?

- Utilise the MMS and audit process
- Application of the Code of Conduct and Annual Pledge
- Communication – demonstrate leadership
- Use the Legal and Commercial functions
- Risk registers updated regularly

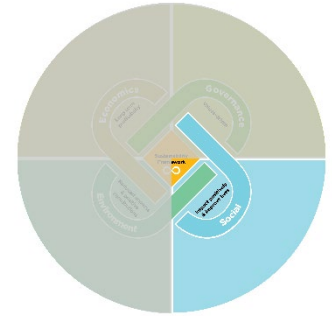


# Social

- Make a positive and meaningful difference to the health and well-being of the community through stakeholder engagement, social support and investment.
- Provide industry leadership through the participation in peak industry associations.
- Long term partnerships with Indigenous or social business

## Examples Of How Do We Do This On Projects?

- Working with local charities
- Social procurement and involvement with Social Traders
- Supporting local schools
- Safety begins at home – provide education
- Using local labour



# Environment

- Minimise the environmental impact of our activities through the efficient use of resources including energy, water and construction materials.
- Promote innovative thinking and practices to achieve positive environmental and sustainability outcomes
- Be recognised as industry environmental guardians.

## Examples Of How Do We Do This On Projects?

- CEMP implementation
- Reuse of material
- LED or solar light towers
- Use sustainable materials
- Innovative engineering



# Economics

- Build and maintain a robust and enduring business and provide acceptable economic and financial return to our shareholders.
- Realise sustainability outcomes from our partnerships with key suppliers.
- 100% of our supply chain committed to sustainable practices.



## Examples Of How Do We Do This On Projects?

- Accurate and timely reporting
- No surprises culture
- Use lessons learnt
- Good customer relationships





# Why use Our Values & Global Objectives ?

## Why reference MCD Values ?

They were developed from a staff survey and reflect the organisation. Metrics measured against them reinforce that the values are relevant and part of the integral fabric of the McConnell Dowell Group.

**We are living our values.**

## Why reference the Global Reporting Index (GRI) ?

Disclosing significant economic, environmental, and/or social impact in accordance with a globally-accepted standard. The GRI Standards create a **common language** for organisations and stakeholders, with which the economic, environmental, and social impacts of organisations can be communicated and understood.

## Why reference the UN Sustainable Development Goal Alignment (SDG) ?

The SDGs are designed to enhance the global comparability and quality of information about these goals, thereby enabling **employees to know what part they play** and accountability of organisations.

They are a comprehensive plan of action to improve human lives and protect the environment.

## Why reference the UN Global Compact ?

We are signatories to the UN Global Compact and report annually. Meeting these criteria reinforces the commitment to a set of core sustainable and socially responsible values.

These provide a **balanced picture** of the organisation's material topics (values) and related impacts (economic, environmental, or social), as well as how these impacts are managed.

**THE  
McCONNELL  
DOWELL  
WAY**

### Our Purpose

**Providing a better life.**

### Our Vision 2025

**To be a leader in the delivery of infrastructure, building & resource solutions.**



### Our Values

**SAFETY & CARE**  
**HONESTY**  
**& INTEGRITY**  
**CUSTOMER FOCUS**  
**WORKING**  
**TOGETHER**  
**PERFORMANCE**  
**EXCELLENCE**

**McCONNELL  
DOWELL**

CREATIVE CONSTRUCTION™

# Our Sustainability Journey



## LEVEL 1: Initial

- Understanding sustainability in McConnell Dowell
- Aim is to be a sustainable enterprise, increase the company value and convince shareholders and other key stakeholders that there is a need to go further on the sustainability journey for the good of the business

FINDING OUR FEET

## ENABLING COMPLIANCE

### LEVEL 2: Developing

- Building capacity
- Focus on doing the right things in order to be a successful group of businesses
- Role of sustainability champions within Operating Groups is crucial visible leadership
- Determine KPIs – “what is measured gets improved”

## CREATE OWNERSHIP

### LEVEL 3: Engaged

- Business case understood
- Sustainability initiatives are seen as investments and opportunities with a multi cost analysis undertaken to assess feasibility of each initiative
- Concept of sustainability being internalised by key personnel and processes in the business

## ENSURE SUSTAINABILITY

### LEVEL 4: Optimised

- Value proposition
- Enhanced business value created through focus on sustainability
- Sustainability is integral to the business as sustainability approaches are linked to key business strategies
- Innovative engineering solution approach to sustainability

## LEVEL 5: Transforming

- Recognised market leaders
- McConnell Dowell is a smart, profitable, sustainable business
- Commitment to sustainability is associated with the McConnell Dowell brand
- Sustainability-based thinking, perspectives, and behaviours are integrated into everyday operating procedures and the culture of McConnell Dowell

2025

REVIEW SUSTAINABILITY

# Resilience & Sustainability Together

Resilience links to sustainability through mitigation of risk, formation of strong, inclusive networks and building the framework to be prepared for the future.



## Economics

- Local materials, resilient local workforce
- Sustainable procurement
- Apprenticeships & training
- Creating opportunities for funding & finance

## Governance

- Management responsibility
- Leadership, commitment & good governance
- Human rights supported and protected
- Preparedness for future events

## Social

- Health, safety & well-being for all
- Inclusion, engagement & diversity
- Local community and stakeholder engagement
- Community benefit & resilience

## Environment

- Energy & carbon management
- Climate change resilience and adaptation
- Resource use, waste reduction & recycling
- Pollution mitigation

# MCD Resilience Strategy

## What is Resilience Anyway?

**RESILIENCE** within infrastructure and built environment construction refers to the capacity of individuals, communities, institutions, businesses and systems to cope with Chronic Stresses and Acute Shocks.

Chronic Stresses include:

- Ineffective public transport systems
- Lack of access to community facilities
- Climate change
- High unemployment, or lack of access to training and employment opportunities

Acute Shocks include:

- Natural disasters, such as bushfires or floods
- Disease pandemics
- Extremist acts

**SUSTAINABILITY** is a key PART of Resilience – it means acting today with the future in mind – proactive learning and adaptive capacity. Sustainability is the inclusion of social, environmental, economic and governance considerations in decision-making processes to avoid or mitigate harm and create positive lasting legacies.

# BOUNCE

Toughness and recovery skills

# GROW

Enthusied by change and challenge

# CONNECT

Respect and care for others and nature

# FLOW

Develop talents and opportunities