



# LOOKING AFTER THE FUTURE

Sustainability Report 2011

**PARSONS  
BRINCKERHOFF**

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# Looking After The Future

## 2011 Sustainability Report



**Caroline Holmstrom**  
Corporate  
Sustainability  
Executive

During 2011, Parsons Brinckerhoff hosted a two day development workshop with some students associated with The Smith Family. The question was asked, 'What is sustainability?' The answer came back — 'It's looking after the future'. This report is named in honour of the accuracy and elegant simplicity of that reply. The design of this report has been created to reflect the natural elements that support that future.

This is Parsons Brinckerhoff Australia–Pacific's (A–P) fourth annual sustainability report. It discusses the company's operations in Australia and New Zealand for the financial year 1 January to 31 December 2011.

Our people and our clients are our greatest stakeholders. It is important that this document speaks to them and is representative of Parsons Brinckerhoff. Our parent company, Balfour Beatty, is also a significant stakeholder.

A change that has affected the structure of the report from previous years is the decision by Parsons Brinckerhoff to adopt the values of Balfour Beatty. It was decided that the Balfour Beatty values of Integrity, Teamwork, Excellence and Responsibility were closely aligned with Parsons Brinckerhoff values and adopting them made sense in forming an aligned future-facing company. As these values encapsulate our business succinctly and eloquently, we have used them to structure this report.

We continue to use the Global Reporting Initiatives (GRI) Sustainability Reporting Guidelines 3.1 to guide our content. These guidelines cover economic, social and environmental performance, and have been used by thousands of organisations worldwide as the basis for their sustainability reporting. During the year additional indicators were added and some changed — these are highlighted in the indicator table.

Materially, there were three areas of emphasis during 2011 — our Zero Harm safety program, bringing our Reconciliation Action Plan to life and a focus on leadership training. Other changes to the business are discussed in the report but these were the two areas that have significant sustainability impacts.

Any questions or comments about this report can be directed to me [cholmstrom@pb.com.au](mailto:cholmstrom@pb.com.au)

## Reflections on 2011

Parsons Brinckerhoff has always been committed to “making a difference” and ensuring we leave a positive legacy for future generations, specifically:

- We work alongside our clients to make a difference and share in their success.
- We work with our people to ensure they are given the opportunities and skills to grow and succeed as professionals.
- We always follow our values and ensure we keep the community and our people safe.

The broad value that sustainability brings to our organisation is as a focus and constant reminder to look after the future in all that we undertake. Sometimes it as simple as a reminder to stay safe, sometimes as complex as an innovative engineering design — in either case the result is a positive impact on the future.

The year 2011 marked a period of consolidation and adaptation to the market, one in which we worked hard to build a platform for 2012 and for the future. In a tight and highly competitive marketplace, we ensured our business and services aligned with the market and our clients’ needs. The business group Sustainable Communities and Water was restructured, and re-named Environment and Water to better reflect their services and meet clients’ needs. As part of this, we saw value and synergy in absorbing the skills of the business line of Climate Change and Resource Efficiency into the larger environment group.

Globally, Parsons Brinckerhoff and Balfour Beatty are moving towards a sustainability program built on principles which run across all business and service lines, and integrate with all projects and pursuits — versus operating as a discrete service line. This program is designed to be embedded in the way we think, the way we operate and the services we provide.

We recognise that staff, clients and community demand that the principles of sustainability be entrenched in all aspects of the organisation. We reduced carbon emissions by 11% compared to 2009 levels with a goal of to reduce by 20%. Reducing our impact on the environment will continue to be a strong area of focus in 2012.

Our focus has always been on servicing our clients: their success is our success. We now ensure that all our systems, processes and support roles match with this client-facing focus. In this context, our Regional Directors also become Client Directors, with alignment to specific markets and clients — this focus will continue in 2012.

In 2011, the Asia and Australia–Pacific Power businesses merged, as part of an initiative to be as efficient and effective as possible, and to ensure we are leveraging expertise across all regions. As a continuation of this initiative, in 2012 the Power business will operate as a business unit discrete from A–P. This follows the success in 2011 of separating the Global Mining Business from the larger A–P business, in order to provide the focus and expertise to grow this area and align with our clients’ needs.

In 2011, we saw the fruition of key areas of our strategy with growth in Western Australia (WA) and New Zealand (NZ), with key project wins in both regions. WA and NZ will both continue to be key areas of focus in 2012.

We continue to be committed to the ten principles of the United Nations Global Compact (UNGC). In 2011, we saw the consolidation and adoption of these principles into the business. Initiatives leading our response include the Diversity Council, with a commitment from directorate to increase the number of female leaders in the organisation, the Corporate Responsibility program and our Reconciliation Action Plan. More detail on these initiatives is contained in this report.

We achieved much in 2011, but there is still more to accomplish. Our continued success in A–P is contingent upon working together across Parsons Brinckerhoff, and our larger parent company of Balfour Beatty, in particular working alongside Asia, Australia–Pacific Power, Strategic Consulting and Global Mining.



**Jim Mantle**  
Managing Director



## People and Corporate Sustainability



**Deborah Burt**  
Director People and  
Corporate Sustainability

Sustainability is a concept that touches all aspects of society and business. Understanding the interdependency of the financial, environmental and social triple bottom line is fundamental to the future. Flexibility and responsiveness are also fundamental to sustainability.

In understanding this, sustainability was reviewed in 2011 and as a result, responsibility for corporate sustainability at the directorate level has now become part of my portfolio, adding to and enhancing the People function.

The relationship between human resources and sustainability has rarely been explored beyond attraction and retention strategies. We are keen to look for the opportunities that sustainability has for personal and professional development as well as how to knit the concept into our people strategy and beyond.

It is also a new way to explore the connection sustainability has to our clients and their businesses; to consider our corporate functions from a business delivery perspective, a healthy approach given the current economic climate. As a consulting company, relevance to business is paramount.

# Parsons Brinckerhoff in 2011

## What We Do

**INSPIRE** the world's best teams to **CREATE** innovative solutions for physical assets that **ENHANCE** our communities for future generations.

## How We Achieve Success

**INTEGRITY**  
WE ALWAYS DO  
WHAT'S RIGHT.

**TEAMWORK**  
WE ARE BETTER  
TOGETHER; WE PARTNER  
WITH OUR CLIENTS  
AND CARE FOR OUR  
COLLEAGUES.

**EXCELLENCE**  
WE SHARE KNOWLEDGE  
TO SOLVE DIFFICULT  
CHALLENGES.

**RESPECT**  
WE UNDERSTAND  
AND ACCEPT OUR  
RESPONSIBILITY TO  
EACH OTHER, TO OUR  
COMMUNITY AND TO  
OUR ENVIRONMENT.

## Parsons Brinckerhoff Globally

Parsons Brinckerhoff is one of the world's leading planning, environment and infrastructure firms.

Our comprehensive services include strategic consulting, environmental studies, design, construction management, and project and program management.

We are an integral part of a 14,000-strong global team working in 150 offices across six continents. Since our inception over 125 years ago, we have worked on some of the world's most significant infrastructure projects.

In October 2009, Parsons Brinckerhoff became part of Balfour Beatty plc, the international infrastructure group operating in professional services, construction services, support services and infrastructure investments.

In 2010, A-P became organised as an operating company consisting of: Asia, Australia-Pacific and southern Africa.

Parsons Brinckerhoff enhanced its capabilities with the addition of Heery International, serving as its US buildings operating company, and Halsall Associates, serving as its Canadian operating company with a focus on delivering sustainability.

Parsons Brinckerhoff serves as the global professional services division of Balfour Beatty plc.

## Parsons Brinckerhoff A-P

The A-P team is made up of professionals offering a comprehensive range of services and total delivery. We have worked on infrastructure projects for more than 40 years.

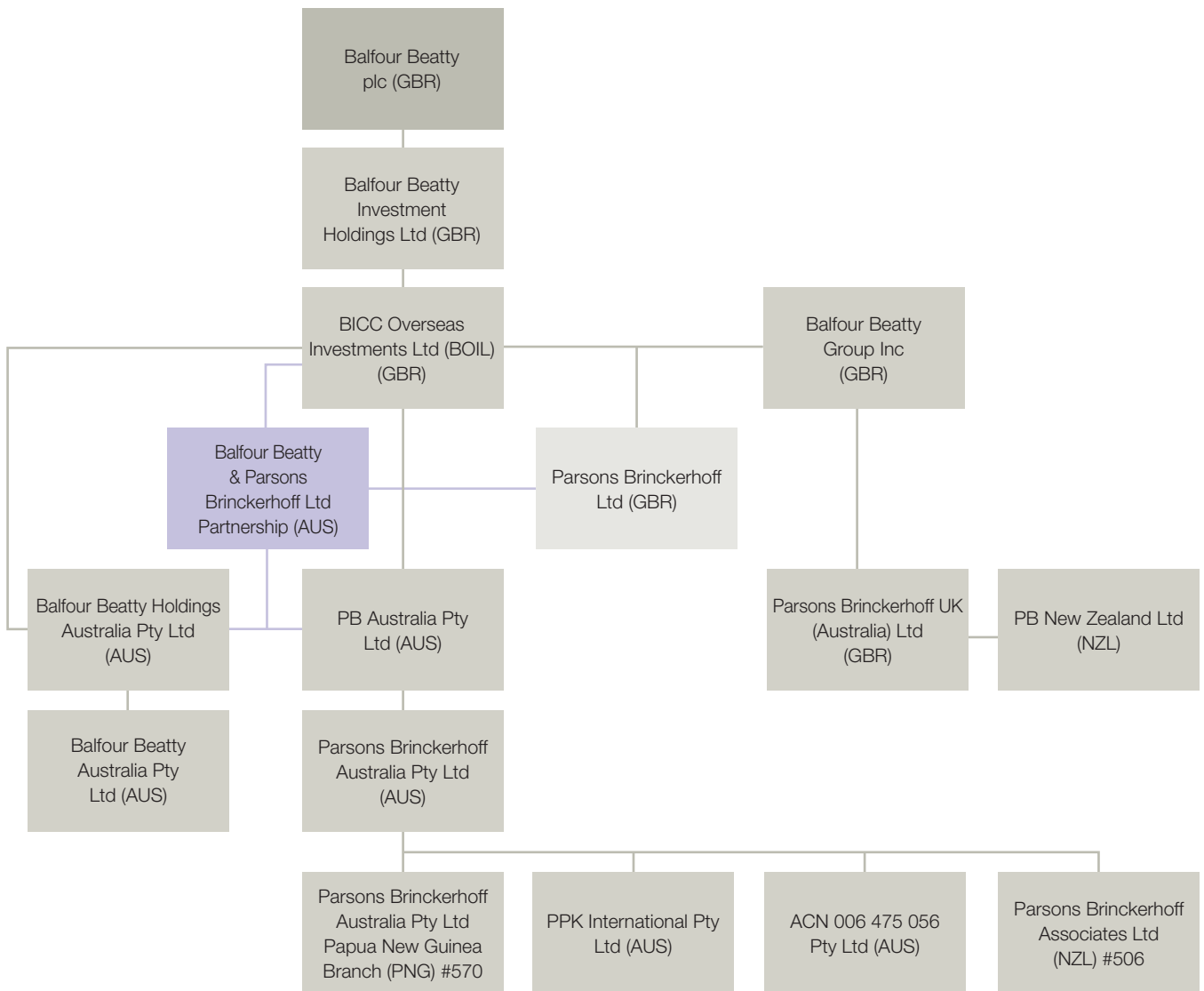
In Australia, our work spans nation-building projects in transport, power, renewable energy, urban development, water, resources and industry. In New Zealand the team has developed a strong presence in the power and hydro sectors and, more recently, in transport and water

## Balfour Beatty

In October 2009, Balfour Beatty plc completed the acquisition of Parsons Brinckerhoff Inc., which became a wholly-owned subsidiary company. Balfour Beatty is a world-class business with a pool of 55,000 employees globally.

Balfour Beatty has four market-leading businesses in professional services, construction services, support services and infrastructure investments. It delivers services essential to the creation and care of infrastructure assets, including investment, project design, financing and management, engineering and construction, and facilities management services. These services can be brought together in any combination to provide an integrated capability.

Balfour Beatty is guided by the vision articulated in their 2020 Sustainability roadmap and the view that sustainability is a collective responsibility. Sustainability is at the heart of their business strategy.



## Sustainability in Parsons Brinckerhoff

Around the world, Parsons Brinckerhoff is taking steps to incorporate sustainability into how projects are delivered. 'There is an urgent need for setting a strong strategic plan to make sustainability an integral part of the way we do business' says CEO George J Pierson. 'Sustainability needs to be embedded in the way we think, the way we operate and the services we provide to clients.'

The drive to enhance sustainability within Parsons Brinckerhoff is being led by the newly formed Sustainability Council, chaired by Peter Halsall, President of Halsall and Global Market Leader for Sustainability. 'The aim is to create the structure and processes required to embed a coherent sustainability program throughout the firm and to allow it to win work through sustainability expertise.' The Council seeks input from all areas of Parsons Brinckerhoff and A-P is represented by Caroline Holmstrom, Corporate Sustainability Executive.

In addition, during 2011 in A-P, a Sustainability Leadership Team was formed to oversee the sustainability strategy. The team consisted of directors and executives.

## GOALS

### Progress on 2011 Goals

2011 Goal	Result
Reduce Parsons Brinckerhoff's all-injury frequency rate (AIFR) by 20% compared to 2010 performance.	Not achieved — only a 9% reduction was achieved due to many very minor injuries being reported. However, a 35% reduction in lost time injury rate was achieved which is an exemplary result.
Increase the proportion of safety audits completed by Parsons Brinckerhoff managers by 20% compared to 2010 performance.	Achieved — 79% increase from the previous year.
Increase Parsons Brinckerhoff's hazard observation frequency rate by 100% compared to 2010 performance.	Achieved — a 344% increase was achieved.
Each Green Team to arrange at least one event or initiative collaboratively with a co-tenant, client or joint venture partner.	Partly achieved — a variety of collaborative events and initiatives have been held around Australia and New Zealand in order to positively influence others.
Reduce Parsons Brinckerhoff's overall carbon emissions by 20% compared to 2009 performance.	Not achieved — only a 10.7% reduction was achieved, however a 20% reduction has been achieved compared to 2008 data.
Reduce the amount of paper used by 40% compared to 2010 performance.	Not achieved — only a 3.4% reduction was achieved, however a 40% reduction has been achieved compared to 2008 data.
Information — select and implement a Library Management System, the measurement of which will be through an online catalogue of resources and services.	Achieved — in a thorough review and selection process a Library Management System has been selected and key staff trained on how to use the system. Parsons Brinckerhoff library and catalogue data is being input into the system and will 'go live' in 2012.
Collaboration — establish a workable methodology for the start-up and sustainability of Communities of Practice (CoP), the measurement of which will be through anecdotal evidence and survey.	Achieved — a full start-up and sustainability methodology has been created alongside a very thorough how-to guide for CoP leadership teams. Changes in Parsons Brinckerhoff have seen some CoPs disband as the business structure allows this type of knowledge sharing to occur as an everyday part of work. However, there is still demand for CoPs in some parts of the business. The A-P connection with the global CoP program remains strong, and we see many staff participating in and accessing knowledge and expertise through these global communities.
Lessons Learned — deploy Lessons Learned framework and procedures, the measurement of which will be through the number of Lessons Learned activities being conducted and entered into an online Lessons Learned library.	Achieved — the lessons learned framework and procedures have been created, deployed and embedded into our Business Management System. Our Business System Managers have been conducting lessons learned activities on many projects. The lessons are stored and made accessible to staff in an online library on the intranet. To date 111 lesson documents are included in the library.
PB-CUSP (Curtin University Sustainability Policy Unit) Alliance — 2011 will also see a far greater alignment of the Alliance outputs with the needs of the four PB A-P business groups. The focus will be on identifying links between the PB-CUSP Alliance and the needs of our Brand clients.	Not achieved — in 2011 we reviewed our research needs and decided to pursue other avenues for innovation opportunities.

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Progress on 2011 Goals – *continued*

2011 Goal	Result
Achieve 2% below the Consult Australia industry average of employee turnover by December 2011.	Not achieved — the Consult Australia turnover percentage for 2011 was 14.9%. Our result for 2011 was 13.5%.
Operational excellence — achieve a 5% improvement on our 2010 customer service baseline measure in operational excellence in critical service delivery areas (mobility, recruitment).	Achieved — while these areas of operation were not measured individually, the overall result for 2011 was 84% — an improvement on the 2010 of 66%.
Good leaders — achieve a 7% improvement in our 2010 leadership effectiveness scores (measured on our staff engagement survey) by developing and implementing a leadership development approach that ensures Parsons Brinckerhoff has leaders and managers capable of delivering our business and people strategies.	Achieved — according to our employee engagement survey our 2011 figure was 63% — an improvement on our 2010 result of 49%.
Employee growth and development — achieve a 4% improvement in our 2010 employee growth and development baseline scores (measured in our staff engagement survey) by embedding Success Profiles across the business and therefore creating a career development framework.	Not achieved — our figure for this metric has remained stable at 62%.
Workforce plans and talent management — embed workforce planning and talent management processes across our business to ensure our resource requirements can be met.	Partially achieved — talent management reviews held in Business Groups for the top two layers and results recorded using nine box grid. Succession Planning for top two layers has occurred.
Competitive remuneration practices — develop and implement a competitive remuneration strategy with the goal of at least 60% of staff satisfied that they are fairly remunerated.	Achieved — our result for 2011 was that 64.8% of our staff believe they are fairly remunerated.
<p>Gender leadership targets — by 2013, Parsons Brinckerhoff A–P will have achieved the following increases in the representation of female leaders:</p> <p>Overall — from 22% to 27%</p> <p>General Manager — from 11% to 20%</p> <p>Director — from 8% to 20%</p> <p>Executive — from 12% to 20%.</p>	<p>Partially achieved — we attribute the shortfall in our overall figures organisational redesign in 2011 and realise that a concerted effort needs to be made in 2012 to achieve our target for 2013. Revised targets are included in goals for 2012. The figures for 2011 were:</p> <p>Overall — 17%</p> <p>General Manager — 10%</p> <p>Director — 6%</p> <p>Executive — 14%.</p>

## 2012 Goals

Making safety personal — all employees to document a safety objective in their personal RYP objective setting process — each section to 'make SHE personal' by documenting and sharing at least one personal SHE story or lesson learned.

Hazards — increase hazard/observation reporting rate equivalent to one per employee per year.

Injuries — reduce total recordable injury frequency rate below 2.8 per million hours.

Carbon — reduce CO2 emissions by 5% from the previous year (per capita).

Information and Library — go live of the Library Management System with all collections available online, the measurement of which will be through an online catalogue of resources and services by the end of 2012.

Information Management — development of supporting information management practices and principles to enable the successful implementation of the new content management system (CMS). This will be measured through the successful incorporation of the practices and principles into the CMS.

Knowledge Networks and Retention — a move in focus towards multiple tools/ approaches which can be tailored to help projects, business units and capability teams share their knowledge more effectively and build capability. The measurement of this will be through the availability of a knowledge resource centre.

Lessons Learned — integration of lessons learned practice into projects through incorporation into the business management system, the measurement of which will be through the number of Lessons Learned activities being conducted and entered into the online Lessons Learned library.

Operational excellence — maintain or improve the 2011 result for operational excellence, i.e. 84% or better.

Good leaders — achieve a 5% improvement in leadership effectiveness scores as measured in the staff engagement survey.

Employee growth and development — achieve a 4% improvement in our 2011 employee growth and development score as measured by the staff engagement survey.

Competitive remuneration practices — ensure Parsons Brinckerhoff has competitive remuneration practices so that at least 65% of staff believe they are fairly remunerated as measured by staff survey.

Gender leadership targets — increase women directors from 5% to 15% by end of 2014 — increase women in leadership from 10% to 20% by the end of 2013. Leadership roles include general managers, executives and leader roles.

## Stakeholders

Our stakeholders are those we engage with who are involved in the funding, delivery and operation of infrastructure in the markets in which we operate — water, transport, urban development, government, power, mining, oil and gas and industry sectors. They include:

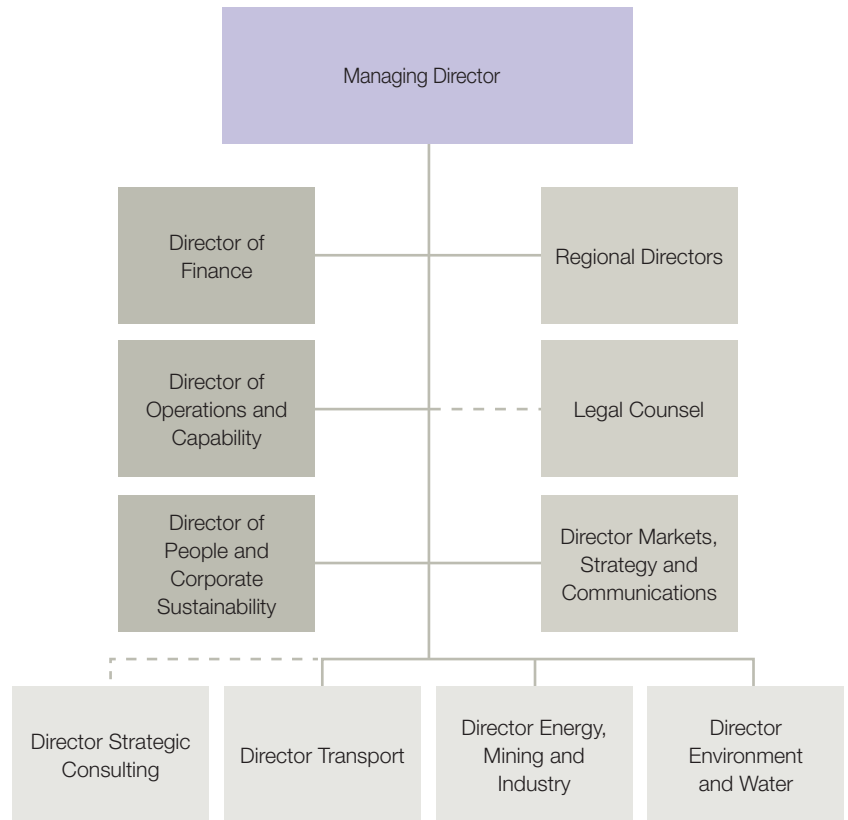
- clients
- current, past and future employees
- government
- industry bodies
- other similar firms we team with
- suppliers
- media.

### Our engagement approach includes:

- participation on key industry association committees
- attendance at industry functions
- sponsorship of industry events and research
- industry award submissions
- corporate communications (publications, website)
- client and stakeholder events on various subjects and technical disciplines run by Parsons Brinckerhoff
- media relations
- trade displays
- meetings
- government relations (in NSW, we employ a dedicated Government Relations Manager).

Through our Trusted Adviser Program (TAP) and as part of our business procedures, we perform client satisfaction audits throughout each project milestone. In addition, each year we participate in an industry benchmarking study, Engineering Beacon, that rates the performance of Australian engineering firms (also see Teamwork). The results of the audits help to shape our client relationship management plans and inform our client relationship managers (CRMs) on any key issues.

## Governance



## Directorate

The highest governance body within the Parsons Brinckerhoff A-P region is the directorate, consisting of directors from each of the three business groups: the director of strategic consulting, the director of people and corporate sustainability, the director of finance, the director of operations and capability, legal counsel, a representative for the regional directors and the A-P managing director who chairs the directorate.

In November a director of markets, strategy and communications was appointed, replacing the Asia, Australia-Pacific, southern Africa (AAPSA) director of communications, and they now also attend the directorate. From November 2011 the business group Sustainable, Communities and Water was renamed Environment and Water to align more with clients. The managing director for A-P reports to the chief operating officer for AAPSA.

### Informing the directorate are committees for:

- people and culture
- clients and delivery
- finance and operations.

These committees link directly with our strategic plan.

Across our corporate governance structure, we abide by our values and ethics.

Subcommittees operate providing specific areas of expertise, such as the remuneration committee which sits under the finance and operations committee.

Employees have the opportunity to raise issues with the directorate through contact with the directors or managers.

There is regular communication with all staff through:

- a monthly e-newsletter with intermittent all-staff emails for urgent news items
- articles posted on our intranet site
- a corporate-wide monthly presentation delivered by the regional director or, in smaller offices, the local office manager
- PB Notes via email and hard copy
- team meetings.

In September and October 2011 the managing director, or in smaller offices the regional director, made a presentation to staff on 2011 performance and expectations for the rest of the year. The managing director followed this up in November and December 2011 with a presentation to staff on the year in review and the strategy for 2012. These presentations also provided the opportunity for staff to ask questions.

## MANAGING DIRECTOR



**Dr Jim Mantle**

Jim is committed to working alongside our clients and staff to make a difference and ensure we leave a positive legacy for future generations.

Jim has been Managing Director of A-P since 2008. Previously at Parsons Brinckerhoff, Jim was director of operations and led the Victorian arm for over 15 years, growing the practice from a project 'start-up' operation to more than 250 staff.

Jim has over 22 years of project delivery and leadership experience. He has assisted in delivering exceptional results for government and industry clients across a broad range of infrastructure and environmental engineering projects, including Airport Link, Tullamarine-Calder Interchange Alliance and the M1 West Gate Freeway Alliance.

Jim is Chair of the Board of Engineering Aid Australia, a registered charity that aims to grow the number of Indigenous engineers in our community.

## BUSINESS GROUP DIRECTORS



**Mark Keogh**  
Director  
Transport

Mark's key focus is on all operational and business development aspects of Parsons Brinckerhoff's transport group and the accelerated capability development of this business.

Mark's professional consulting specialities include project director and manager of multidisciplinary project development commissions, environmental impact assessments, strategic and statutory planning studies, strategic communications advice, policy development and environmental management reports.

Mark has previously fulfilled the roles of Parsons Brinckerhoff's NSW Environment and Planning Executive, Parsons Brinckerhoff's NSW Infrastructure Executive, Director of National Delivery and Director of National Services.



**Roger Pattison**  
Director  
Energy, Mining and Industry

Roger brings 15 years of hands-on engineering experience in mining, transport, water and urban development to his position, and a further ten years experience managing complex multidisciplinary studies and projects.

He has been at the forefront of some of Queensland's most notable engineering projects, including the Rolleston Coal Project, Dawson Valley Project, Tugun Bypass Planning Alliance, Port of Brisbane Motorway, Future Port Expansion Seawall Alliance, Tarong Alliance, North-South Bypass Tunnel, Lake Lindsay, Airport Link and the Coal Stream Alliance – Jilalan.

In his previous role as regional director, for Parsons Brinckerhoff Queensland, Roger led a values implementation program that encouraged and supported staff in achieving excellence in all aspects of their working life. Roger is a member of Griffith University's Industry Advisory Panel for Environmental Engineering, and is active in a range of professional associations.



**Dr David Adams**  
Director  
Environment and Water

David was appointed to the role in June 2009, when Parsons Brinckerhoff moved to a markets-aligned business model. In his leadership role, David oversees water, government services, environment and planning.

David has helped develop sustainable outcomes for complex projects for a wide range of our transport, energy, mining, industry, sustainable communities and water clients. 'The Environment and Water group adds value to all our projects by aligning client and community expectations,' David states.



## SHARED SERVICE DIRECTORS



**Shaun Nugent**  
Director  
Operations and Capability

As director for operations and capability, Shaun has been instrumental in the growth and continued prosperity of the business groups within Australia and New Zealand. He brings to his position 21 years of hands-on engineering experience in civil infrastructure, structural, materials handling, coastal, ocean and systems engineering. He has extensive experience in the design and delivery of power and industrial sector projects that require multidisciplinary teams, and has taken a number of these projects from inception to full operation, guiding them through the feasibility study stage, permitting, design and construction.

Shaun has been involved in some of our most notable engineering projects as a member of alliance leadership teams and project boards. He has collaborated with clients and project members to determine strategy, stimulate innovation and ensure projects meet and exceed their key performance indicators. He has been a part of the senior management teams for the Rolleston Coal Project, Dawson Valley Project, Tarong Alliance, North-South Bypass Tunnel, Lake Lindsay, Airport Link and the Coal Stream Alliance — Jilalan.



**Deborah Burt**  
Director  
People and Corporate  
Sustainability

Deborah is the steward of Parsons Brinckerhoff people management strategy, which aims to ensure that every staff member can realise their potential while helping to achieve the company's priorities and goals. In her role, she offers a wide range of business skills in change management, negotiation, and learning and development. These are further coupled with project management, financial acumen and leadership skills.

Deborah has over 30 years HR experience, most recently as a freelance HR consultant providing services in human resource management, mediation and corporate sustainability. Prior to this, she was with Zurich Financial Services Australia, where she worked for more than six years as Head of HR and for six months as Acting Chief Information Officer. Deborah is a graduate of the Australian Institute of Directors, holds a Bachelor of Economics (Hons) and is currently studying for a Masters in Environmental Management.



**Peter Hiley**  
Director  
Finance

Peter is a seasoned CFO with over 25 years experience in professional services within legal, consulting and engineering across Asia and global enterprises. He has strong expertise in leading finance under GAPP and IFRSs, and the management reporting to international stakeholders.

Specific functions incorporates the development of strategies to deliver effective and efficient services from the finance function, business process re-engineering, asset/cash management, risk management, project profitability, and implementing cost reduction strategies.

Immediately before joining Parsons Brinckerhoff, Peter was a financial consultant to many of the leading legal firms within Australia. His experience includes roles as a CEO and also as a Chief Financial Officer (Asia-Pacific) for Norton Rose, National Business Director and Controller of Ernst & Young Consulting (Asia-Pacific). Peter initially trained as an auditor with PwC.

## SHARED SERVICE DIRECTORS



### **Ross Young**

Director  
Markets, Strategy  
and Communications

Ross has been involved in infrastructure planning and delivery in the mining, power and water sectors for over 30 years. He has worked in the public and private sectors and has a broad mix of project, business and management experience.

As Director Markets, Strategy and Communications Ross is accountable for guiding the creation and execution of the firm's strategy, positioning Parsons Brinckerhoff as the firm our clients and partners most want to work with. Fundamental to success is that all our people are engaged in the strategy, achieved through a commitment to extraordinary communication.

## REGIONAL DIRECTORS



### **Dr David Cruickshanks-Boyd**

Regional Director  
South Australia

David is responsible for developing and maintaining strategic client relationships for Parsons Brinckerhoff in South Australia. Since 2002, he has led Parsons Brinckerhoff through an aggressive growth phase to the point where the firm now delivers many of South Australia's most significant infrastructure projects. He is an advocate for alternative project delivery methods, and has an excellent understanding of the benefits of modern alliancing approaches and delivery models.

David is the former deputy chair of South Australia's Environment Protection Authority, and was actively involved with the State of the Environment Report in late 2003. A Fellow of Engineers Australia, he is the Immediate Past President of Engineers Australia SA Division. He is also on the Board of the Engineers Australia Centre for Engineering Leadership and Management (CELM). In his role with Engineers Australia David is on the National Steering Committees for Code of Ethics, and Reconciliation Action Plan. David is also on the Board of Austraining International.



### **Paul Reed**

Regional Director  
Western Australia

Paul has over 34 years of experience as a consulting engineer, primarily in Western Australia but also with consulting firms with national and international operations. He is currently a Director of Consult Australia, a Fellow of Engineers Australia and a Fellow of the Chartered Institute of Logistics and Transport.

During his career, Paul's consultancy experience has encompassed the planning and design of major road and rail infrastructure, planning for ports and marine infrastructure as well as associated industrial sites, solid waste management and disposal, contaminated land assessments, development and implementation of clean-up strategies, community consultation programs, and the leadership of term consultancy contracts for government agencies.

Paul has held a leadership role in a major road alliance contract and for a variety of high profile consultancy contracts. He has worked within consulting organisations to set and lead the implementation of strategic directions for the business. He has prepared and administered contracts across the industry, including consulting assignments, design and construct, alliance, procurement and construction projects.

## REGIONAL DIRECTORS



**David Stuart-Watt**  
Regional Director  
New South Wales and  
Australian Capital Territory

David was educated in Australia and France and holds Bachelors and Masters degrees in Engineering, and a Master of Business Administration. He is a Fellow of the Institute of Engineers Australia and a Member of the Australian Institute of Company Directors, President of Roads Australia and a member of the World Executive Committee of International Road Federation.

Before joining Parsons Brinckerhoff, David was the Director of Licensing, Registration and Freight with the NSW Roads and Traffic Authority, as well as a Director of ARRB Group, Transport Certification Australia and the former Tow Truck Authority of NSW.

For 25 years, David held a variety of positions with the Department of Main Roads and then the Road Transport Authority (RTA) before joining local government in London, England. In 1995, David returned to the RTA as a Director, and in 2000 was a Director of Transport Operations for the Sydney Olympic Games. David has held senior executive roles for the past 15 years, and has over 30 years' experience in infrastructure, regulation, traffic and transport.



**Denis Cook**  
Regional Director  
Queensland

Denis applies more than 40 years of experience in engineering and project management to lead a regional strategy based on high performance and a client-focused culture. He is responsible for engaging with our Brand clients in Queensland and working with the business groups to strengthen the organisational culture.

While Denis holds qualifications in civil engineering, specialising in estuarine and coastal processes, for the past 20 years his focus has been on strategic planning and the early stages of project development.

Prior to working with Parsons Brinckerhoff, Denis was the Deputy Coordinator-General for the Queensland Government, providing strategic leadership to the state's economic development and infrastructure initiatives. He was awarded the Public Service Medal in the 2006 Queen's Birthday Honours for outstanding public service and leadership in the planning, development and delivery of major infrastructure throughout Queensland. Denis is a Director of the Australian Green Infrastructure Council and Fellow of Engineers Australia, and a Member of the Australian Institute of Company Directors.



**Derek McCoy**  
Regional Director  
New Zealand

Based in Auckland, Derek has over 30 years' experience in infrastructure engineering in the United Kingdom, South Africa and New Zealand. During his career he has developed special competence in commercial management, negotiation of infrastructure contracts, planning consents and associated legal agreements, management of transportation, development and multidiscipline engineering projects.

Derek has developed strong working relationships within the New Zealand Transport Agency, the NZ Government's transport delivery organisation, and within major New Zealand contracting organisations. Since his appointment in early 2010, Derek's local knowledge and experience has been a great asset as he focuses his efforts on guiding Parsons Brinckerhoff's strategic growth across all sectors.

He joined Parsons Brinckerhoff after a successful consulting career in New Zealand, as well as various UK-based consultancies.



**John Theodoulou**  
Regional Director  
Victoria

John has more than 29 years' experience in engineering, marketing and business management in consulting services firms and the construction sector. His skills include business unit management, business development, strategic planning, design management and financial analysis. His career spans project and design work in buildings, bridges, maritime structures, oil and gas, and the industrial sector.

John is responsible for optimising the total outcomes for Parsons Brinckerhoff in Victoria, ensuring collaboration across all areas of the business, providing strategic and long-term focus, and developing and delivering capabilities and processes that meet clients' needs.

## Remuneration

Senior staff are eligible for an annual bonus, based on the financial performance of the company and in relation to identified key responsibility areas and performance indicators. These indicators range across the areas of values, people and culture, clients and delivery, and finance and operations, and are a means of assessing the performance of the directorate.

The three components to the scheme are:

- key performance indicators (KPIs)
  - a one-in-all-in notion of shared responsibility for our achievements against our company key result areas and strategy
- business unit function KPIs — evaluated against business unit or functional targets
- individual KPIs — tied to our annual performance review program, Realise Your Potential (RYP).

The system is open and transparent and drives alignment between individual, team and corporate goals. Everyone in the scheme is given feedback on their individual performance and on the company as whole. The scheme also contains a discretionary bonus clause for staff who sit outside the bonus plan but are identified by management as deserving of recognition.





# Integrity

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To me, integrity is not just about acting consistently within your values, it is also about understanding what your values and beliefs are, and how they impact others in terms of creating a sustainable and positive culture in our society at large. For me, it's about taking a stance even at personal cost, and helping others understand and see different perspectives. I think it is not only important to have integrity, but also to ask yourself to what and whom do I have integrity.

Integrity is not just about being honest, it is about holding yourself and others to account. I see the value of integrity as critical for my role and personally.

**Jodi Needham**

Group People Executive, Energy, Mining and Industry



## Our Approach

Parsons Brinckerhoff believes in acting with integrity and respect across all operations and business dealings. We believe sustainability is, above all, an ethical responsibility that involves respect for our environment, our population and future generations in equal measure. At Parsons Brinckerhoff acting with integrity in servicing the needs of our clients, upholding the law, caring for the environment and generating beneficial outcomes for our own and our clients' stakeholders, governs how we work. We also consider disclosure of our financial status to be an issue of integrity, and therefore report our financial performance under this value.

## Our Code of Conduct

Parsons Brinckerhoff's reputation as a highly ethical global organisation is one of its most valuable intangible assets. This reputation, forged over more than 125 years in the engineering and construction management industry, provides assurances to our clients, teaming partners, vendors, and employees that the organisation is committed to the highest standards for honesty, respect, integrity, and transparency. In support of this commitment, Parsons Brinckerhoff implemented a Global Compliance Program with its Code of Conduct. The Code of Conduct provides guidance and instruction to all stakeholders on personal and business integrity, working relationship, sustainability, company property, resources and information management. The company insists on integrity in all aspects of its business and from those with whom it conducts business.

As a subsidiary of Balfour Beatty, we have aligned with their code of conduct policy, which includes access to an ethics hotline.

The Balfour Beatty ethics training adds to the standards, procedures and codes that cover expectations of our behaviour in regard to our professions, our personal conduct, the way we do business, the integrity of our marketing and the standards of our project partners.

Balfour Beatty has in place policies based on the company's values of integrity, teamwork, excellence and respect. Balfour Beatty's code of conduct stems directly from its values. These policies and values ensure that all employees make the right decisions and prevent them from conducting business unethically or from being exposed to serious risks.

The code underlines the company's ethics and the responsibility of all employees to protect the company from risk, both legal and reputational. It also offers employees principles on how their values can be translated into everyday actions.

### Key issues covered within the Balfour Beatty code of conduct include:

- risk management
- safety and health
- environment
- human rights
- equal opportunities
- ethics and competitive behaviour
- data protection.

We understand that the advice we give to all stakeholders needs to be consistently objective, unbiased and based on the appropriate laws, regulations and industry standards.

To ensure our values and ethics continue to inform how we think, act and behave, an e-learning module was developed, and in 2010 all staff were requested to review the module and affirm their commitment to the values and ethics that drive our business.

All new staff joining our business are introduced to our values and ethics soon after commencing. This represents some 737 employee hours spent in values and ethics training during 2011.

### Ethics Training

Q1		Q2		Q3		Q4		Total	
Employees	Hours	Employees	Hours	Employees	Hours	Employees	Hours	Employees	Hours
130	194	125	175	126	181	115	187	496	737

## UNITED NATIONS GLOBAL COMPACT

Parsons Brinckerhoff became a signatory to the UNGC in 2009, and since then we have mapped new and ongoing initiatives to these principles. Our focus in 2011 was on diversity through the initiatives outlined by the Diversity Council and in our Reconciliation Action Plan.

### UNGC 10 principles and Parsons Brinckerhoff responsive initiatives

	Principles	Responsive initiatives
1	Businesses should support and respect the protection of internationally proclaimed human rights	Corporate Responsibility program based on Millennium Development Goals (MDGs), Organisation for Economic Co-operation and Development (OECD) guidelines, 2010 representation on UN Global Compact working group on business and human rights
2	Businesses should make sure they are not complicit in human rights abuses	Ethics training and hotline
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Human Resources policy
4	Businesses should uphold the elimination of all forms of forced and compulsory labour	Procurement policy
5	Businesses should uphold the effective abolition of child labour	Not identified as a problem within the business
6	Business should uphold the elimination of discrimination in respect of employment and occupation	Diversity Council, Reconciliation Action Plan, signatory to the UN Women's Empowerment Principles
7	Businesses should support a precautionary approach to environmental challenges	Since 2009, the precautionary approach has been included in our Environment policy
8	Businesses should undertake initiatives to promote greater environmental responsibility	Climate Change policy, Green Teams, Fly-Free Weeks, Environment Week initiatives, partnering with Conservation Volunteers
9	Businesses should encourage the development and diffusion of environmentally friendly technologies	Investment in research and development and innovation, including the Sustainable Built Environment national research centre, and founding members of the Australian Green Infrastructure Council
10	Businesses should work against corruption in all its forms, including extortion and bribery	Ethics training and hotline

## UNGC – Parsons Brinckerhoff Hosts Inaugural Training Session

On June 6 2011, Parsons Brinckerhoff hosted the inaugural UNGC national training day. The session, run by Rosemary Saintry of the UNGC focal point, coached those who attended through reporting requirements and provided an opportunity for signatories to talk about their experience in implementing the UNGC. Corporate Sustainability Executive, Caroline Holmstrom of Parsons Brinckerhoff, talked about the implementation of the Women's Empowerment Principles in the organisation.

## UN Women's Empowerment Principles

In 2010, Parsons Brinckerhoff became a signatory to the UN Women's Empowerment Principles. These principles provide Parsons Brinckerhoff with a framework to ensure a holistic and values-based strategy towards gender diversity, challenging the company to broaden its thinking. Below is a summary of the principles and Parsons Brinckerhoff's response.

### Women's Empowerment Principles and Parsons Brinckerhoff responsive initiatives

	Principles	Responsive initiatives
1	Establish high-level corporate leadership for gender equality	<p>CEO-level hard commitment to increasing female representation at Board and leadership level on 2012 strategic plan</p> <p>CEO's Statement for Support of the UN Women's Empowerment Principles</p> <p>Women's Network replaced by Diversity Council to allow focus on gender diversity more broadly — not just female-focussed issues</p> <p>Diversity Council and associated strategy invests in creating an inclusive culture by valuing and promoting women in our business</p> <p>Managing Director and Directorate involvement in understanding why women leave Parsons Brinckerhoff</p> <p>Recruiting female leaders</p> <p>The inclusion of a non-executive director of multiple Australian companies involved in Diversity Council</p>
2	Treat all women and men fairly at work — respect and support human rights and non-discrimination	<p>Supporting carer responsibilities</p> <p>Enabling successful part-time managers</p> <p>Corporate code of ethics and conduct</p> <p>Corporate values</p> <p>Corporate policies for harassment, bullying and discrimination</p>
3	Ensure the health, safety and wellbeing of all women and men workers	<p>Whole of Life strategy and program enabling flexible working arrangements and employment conditions</p> <p>Increased maternity allowance of 16 weeks' pay for permanent female employees</p> <p>Accreditation from the Australian Breastfeeding Association for the provision of breastfeeding facilities in our main capital city offices</p>

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## Women's Empowerment Principles and Parsons Brinckerhoff responsive initiatives – *continued*

	Principles	Responsive initiatives
4	Promote education, training and professional development for women	<p>Female role models and mentors program in its second year with 96% enrolment in 2011</p> <p>Strengthening of female external and internal networks</p> <p>Focus on realising women's leadership potential as part of the overall approach to leadership</p> <p>Talent management strategy, including Success Profiles for each capability and role type within Parsons Brinckerhoff</p> <p>Coaching Clinic to encourage a coaching approach to leading and managing people</p>
5	Implement enterprise development, supply chain and marketing practices that empower women	<p>Sponsorship of International Conference for Women Engineers and Scientists – nine papers presented or included in proceedings</p> <p>Considerations in the development and implementation of employee value proposition and recruitment campaigns</p>
6	Promote equality through community initiatives and advocacy	<p>Supply chain procedures updated to include human rights and labour practices</p> <p>Parsons Brinckerhoff involvement with Business and Professional Women through the Corporate Sustainability Executive</p>
7	Measure and publicly report on progress to achieve gender equality	<p>Setting gender leadership targets</p> <p>Annual Equal Opportunity for Women in the Workplace Agency reporting</p>

## Ethics and Communicating With Our Clients

Parsons Brinckerhoff has a media policy that outlines our ethical approach to media relations. In addition, our clients and markets business procedures describe the actions to be taken to implement our marketing plan and to support the marketing function across the business.

The Parsons Brinckerhoff brand is an important and valuable asset. The way our brand is represented has a direct influence on our reputation. It is the sum of our attributes: our name, values, offerings, people, history, reputation and the way we do business with our clients.

We do not indiscriminately email clients with promotional material and our group email communication with clients is for purposes of event invitations, email newsletters for clients in selected markets and for the distribution of our company magazine. The magazine is informative, highlights points of interest, and provides technically related, project-oriented information to our clients to educate them with industry-relevant advice and research.

Each email targets a list of existing clients and stakeholders nominated by our staff and provides an unsubscribe option. Event invitations and email newsletters are sent from a named employee with clear contact and feedback within the email.

We use Vision6 for our internal e-newsletters and external group communications. The system has an 'unsubscribe' feature.

## CORPORATE RESPONSIBILITY PROGRAM 2011

2011 was the second year of our formal corporate responsibility program. Corporate responsibility is an acknowledgment by organisations that they have an obligation to contribute to the overall wellbeing of society and communities.

Underpinning the program are the 10 principles of the United Nations Global Compact (<http://www.unglobalcompact.org/aboutthegc/thetenprinciples/index.html>), OECD Guidelines (<http://www.oecdguidelines.nl/guidelines/general-humanrights/>) and the Millennium Development Goals (<http://www.un.org/millenniumgoals/>).

## 2011 Partnerships

### Engineers without Borders

Engineers without Borders (EWB) is an international development organisation. It provides opportunities for engineers to volunteer on projects in disadvantaged communities in Australia and overseas.

EWB aligns with our core business, as well as being an organisation that is well supported by our people. Parsons Brinckerhoff people have been involved in a variety of roles with EWB over the years.

Through our partnership with EWB and in the spirit of our Reconciliation Action Plan, Abtin Misagh from the Sydney office was given the opportunity to experience first hand what connection to land is all about.

Travelling with 11 passionate engineers and technical professionals from across Australia, relevant issues and concerns to Aboriginal communities were studied. Dialogues on Country (DoC) was a unique opportunity to learn from traditional elders on country about the Aboriginal culture, community development and connection to country.

DoC is aimed at connecting engineering professionals with the traditional owners of the land. This initiative is in its second year and is themed around connecting land, water and culture. Approximately 5000 kilometres was covered in two weeks through Queensland, New South Wales, Victoria and South Australia.

### Engineering Aid Australia

Engineering Aid Australia (EAA) is a philanthropic organisation that aims to encourage Indigenous students to pursue engineering careers.

The Indigenous Australian Engineering Summer School (IAESS) is its principal program on behalf of young Indigenous Australians. The school is held annually for Aboriginal and Torres Strait Islander students from around the country. It is a seven-day, live-in summer school, featuring a combination of engineering and social activities that give students a taste of engineering studies and careers.

Parsons Brinckerhoff has been a supporter of IAESS since the first school in 1998. Support of EAA aligns with our core business, builds the skills of our people as they share their knowledge with the Indigenous students, builds capacity for the students and demonstrates Parsons Brinckerhoff's commitment to Aboriginal and Torres Strait Islander communities. Our support of EAA aligns with the intent of our Reconciliation Action Plan.

In 2011 the schools were run in the University of New South Wales and Curtin University in Western Australia.



Learning about water use at Murra Murra





**Thomas Farren**  
Graduate of EAA  
Summer School 2007

## Engineering Possibilities

Indigenous high school student Thomas Farren always had an interest in how things worked and how they came to be, but was uncertain about how to utilise his interests and where they could take him in the future. It was then that an opportunity with the Indigenous Australian Engineering Summer School program became available, and Thomas joined the Summer School at the University of New South Wales in January 2007.

The Indigenous Australian Engineering Summer School (IAESS) is an annual event, established 14 years ago by Engineering Aid Australia. The program provides a challenging environment for Indigenous students to meet engineering role models and to gain insights into the opportunities engineering can provide to our communities.

The Summer School program exposed Thomas and the other students to many experiences both within and outside the university walls. Students participated in hands on activities that explored the many areas of engineering, and were taken on a tour through Sydney to see engineering at work, for example, the CBD underground power station and the internal infrastructure for pumping water at the Taronga Zoo. The students also got to meet the likes of New South Wales Governor, Marie Bashir at Kirribilli House, as well as former prime minister, Bob Hawke.

*"Before the Summer School I had an interest in engineering and was keen to learn more about it and if it would be right for me. [I discovered that] an engineer is essentially a problem solver, similar to a super hero that saves the day with the best solution. After completion of the Summer School I knew I definitely wanted to be an engineer."*

After his rewarding Summer School experience, Thomas was set on following a career path that led to engineering, and started his Engineering Degree in 2009 at the University of South Australia. Thomas has since completed the first three years of his degree and is specialising in structural engineering with ambitions to become a professional Structural Engineer.

*"I look forward to being able to feel a sense of accomplishment in physically seeing a structure and knowing that I played a part in its creation."*

## Royal Flying Doctor Service

Royal Flying Doctor Service is a not-for-profit service that provides aero-medical emergency and primary health care to people who live, work and travel in regional and remote Australia.

We see partnership with the Royal Flying Doctor Service as an extension of Parsons Brinckerhoff's occupational health and safety policy as it enhances the capacity to care for our people working in remote areas.

## Conservation Volunteers

Conservation Volunteers is a not-for-profit, non-political organisation committed to providing opportunities for the community to make a positive contribution to the environment, through participation in managed volunteer projects that deliver on-ground conservation outcomes.

## Other Activities

In addition to support of the above partners, Parsons Brinckerhoff also donated to the Queensland Premier's flood fund, and the Japanese and Christchurch earthquakes through the Red Cross.

Below is a summary of regional activities:

### Queensland

YoungCare  
Cerebral Palsy League  
Daniel Morcombe Foundation  
Premier's Disaster Relief Appeal

### Western Australia

Dreamfit Foundation  
World Vision  
State Emergency Services

### South Australia

WaterAid  
The Smith Family  
State Emergency Services

### Victoria

Cancer Council Victoria  
Melbourne City Mission  
Red Cross

### New South Wales

Humpty Dumpty Foundation  
Hunter Medical Research Institute  
Multiple Sclerosis Australia

### New Zealand

Christchurch Earthquake Response  
Salvation Army  
Life Flight – Auckland, Wellington and Christchurch

## RECONCILIATION IN PARSONS BRINCKERHOFF

### Smart Infrastructure Project Award

#### **The Remote Area Essential Services Program (RAESP) – Winner, Providing essential indigenous services**

Parsons Brinckerhoff – RAES  
Program manager; CleanTeq  
– Technology provider

The Remote Area Essential Services Program (RAESP) provides essential services like sewerage, power and water, to 89 remote Aboriginal communities. The program has been managed by Parsons Brinckerhoff since 2005.

The location of these communities means that access to town water and other services is not available. Naturally elevated levels of nitrate in the groundwater supply had meant that water quality did not meet the Australian Drinking Guidelines. Parsons Brinckerhoff has worked with the WA Department of Housing, the Department of Health, technology providers and the community to develop a solution to remove the nitrate from the potable supply.

Commonly used technologies such as reverse osmosis and ion exchange were ruled out, meaning a unique solution was required.

The Smart Infrastructure project award recognises excellence in conception and commission of smart technologies to deliver better infrastructure services — and takes into account Infrastructure Australia's key themes.



## Reconciliation Action Plan

During 2011 we began to act upon the actions that we committed to in our 2010 Reconciliation Action Plan (RAP). This saw several changes in the organisation, from celebrations of Reconciliation Week, to the creation of regional engagement strategies and establishing an Aboriginal and Torres Strait Islander Advisory Committee. The committee oversees our RAP and, more importantly, acts as a point of reference for guidance on any Aboriginal or Torres Strait Islander matters.

Our approach to creating Parsons Brinckerhoff's RAP has been to look to where we already make an impact, such as our work in remote areas and our support for the Engineering Aid Indigenous Summer Schools, and provide pathways to build on and improve these relationships.

In support of our focus on education as an employment strategy, we provide five scholarships for Aboriginal and Torres Strait Islander tertiary students. These are administered by The Smith Family.

## The Professional Growth Network (PGN) and Corporate Responsibility

In 2010, the PGN A-P rebranded Community Involvement Week as Corporate Responsibility Awareness Week (CRAW) to better align with the Corporate Responsibility program. CRAW proved so successful that in 2011 the program was extended to a month thus becoming CRAM.

CRAM was held from 9 May to 3 June in 2011 and included marking Reconciliation Week.

### The key goals of CRAM in 2011 were to:

- build sustainable relationships with the communities in which we live, work and play
- increase awareness of the existing CR Program
- promote corporate responsibility within Parsons Brinckerhoff
- encourage client participation
- be as inclusive of as many staff as possible
- incorporate Reconciliation Week.

Over 900 people were involved across Parsons Brinckerhoff A-P, including family and friends of staff and clients, with over \$10,000 being raised for Parsons Brinckerhoff partner organisations.



**Rebecca Rule**  
Corporate Responsibility  
Initiative Leader

## Learning to Lead

*"The role of initiative leader for Corporate Responsibility is an extremely rewarding position within the PGN leadership team.*

*It was very satisfying participating in the CR committee and playing an active role in promoting and supporting our partners and providing opportunities for staff to be involved with the program. The role gave me increased exposure to senior management and the chance to meet and report to the directors in our organisation.*

*I developed many important skills which young professionals would not always get until later in a professional career including leadership, people management, project management, problem solving and conflict resolution, communication and reporting."*



## EXTERNAL SUSTAINABILITY INITIATIVES

### Sustainable Business Australia

Sustainable Business Australia (SBA) draws membership from many sectors and including investors, bankers, technology and infrastructure developers, consultancy and engineering companies. SBA is a not-for-profit membership-based organisation, and has no political ties. Funding is derived from membership subscriptions and from staged events and conferences.

Parsons Brinckerhoff has been member of SBA for the past two years and is represented on the National Council of Directors.

In May 2011, Parsons Brinckerhoff sponsored an SBA forum, 'Energy Efficiency's role in Australia's Green Economy', featuring Martin Bowles, Deputy Secretary from the Department Climate Change & Energy Efficiency, and other industry specialists.

### Australian Green Infrastructure Council (AGIC)

The Australian Green Infrastructure Council (AGIC) is a member based industry association committed to the delivery of more sustainable outcomes from the design, construction and operation of Australia's infrastructure. AGIC was formed in 2008 by industry professionals from engineering, environmental, planning, legal, financial and construction backgrounds working in both private and public organisations related to infrastructure.

Parsons Brinckerhoff is a Foundation Member of AGIC. A number of our staff have also supported AGIC since its inception in a voluntary capacity.

The principal method for achieving AGIC's aims is through the development of an infrastructure rating scheme due for release in 2012.

### Sustainable Built Environment National Research Centre

The Sustainable Built Environment National Research Centre (SBEnc) is the successor to the CRC for Construction Innovation. Established on 1 January 2010, the SBEnc is a key research broker between industry, government and research organisations for the built environment industry.

The SBEnc's goal is to build an enduring value-adding national research and development centre in sustainable infrastructure and building with significant funding from Commonwealth, state and industry members around Australia and internationally.

The three research streams focus on environmental, social and economic sustainability, areas identified by national industry stakeholders as the key areas that will drive productivity and industry development in the built environment industry over the next ten years.

## FINANCIAL DISCLOSURE

### Our Approach

We understand that financial management and reporting to stakeholders contributes to the economic impact an organisation has on the communities in which it operates and is an issue of integrity. Good governance and recognition of codes of behaviour and ethics is paramount.

As one of the world's leading planning, environment and infrastructure design firms, Parsons Brinckerhoff plays an important part in the growth and development of the economy, by facilitating investment across transport, power, mining, renewable energy, urban development, water resources, industry, and federal projects.

We conduct business from approximately 60 locations across Australia, not only in our cities and core urban centres, but in regional communities and on project sites. We are supporting all areas of the market through employment and investment across diverse locations.

Our contributions to the economy are through the direct and indirect employment and use of skilled personnel, investment in capability, research and product development and, ultimately, servicing industries within the infrastructure sector.

Government projects represent a significant proportion of our services, presenting us with the opportunity to participate in community programs such as roads, railways, ports, environmental work, townships and water utilities.

The social programs delivered have been diverse and have affected the wealth and growth of the nation. These programs vary from assisting in the development of housing, communities and towns, to the remediation and clean-up of contaminated sites, or design and program management around the building of bridges and roadways.

In 2010 and 2011, we saw less reliance on government stimulus investment, with funding returning to the private sector. However, the federal government stimulus package introduced in response to the global financial downturn has seen a significant number of projects near completion. New investment is taking place despite the consistent rises in the cost of capital through the year.

We see an ongoing demand for mass transit across urban areas. We also see an ongoing investment in roads and in public transport, due to population growth still driving demand for core infrastructure, not only in transport but in power, water, property, education and health.

Parsons Brinckerhoff remains a major contributor to growth in infrastructure, as we support our clients to meet local demand for infrastructure and to accommodate their growth in supply of services to the growing economies.

Our business has invested in excess of \$220 million in wages and salaries for our people, and more towards training. We have a spend profile across Australia and New Zealand that supports a broad range of industries, with dominant expenditure in travel, equipment, recruitment and consulting services.

Our business now operates under various market groups — Power, Engineering Services, Mining, Transport, and Environment and Water. In support of these market groups, we provide Strategic Consulting services.

Energy, Mining and Industry continued to feel much of the impact of the slowdown in the economic environment across 2010–2011, with the proposed introduction of the mining industry resource super profit tax, and continued uncertainty around the future of the emissions trading scheme impacting upon business certainty in Australia. The 2011 financial year did not see a reversal of this indecision, but we saw stronger resource prices leading to new investment in infrastructure spending and greater opportunities in the market.

### Some of the group's major wins and project completions were:

- Ulan coal mine project management, New South Wales
- Te Mihi geothermal power project, New Zealand
- Energy Australia Alliance power systems project, New South Wales.

Transport provided a significant contribution to company performance and growth, albeit below expectation.

### Some of the group's major projects were:

- Airport Link, Northern Busway (Windsor to Kedron) and Airport Roundabout Upgrade, Queensland
- Ipswich Motorway Upgrade, Queensland
- Victoria Park Tunnel, New Zealand
- Hunter Expressway Alliance, New South Wales
- Glenfield Junction Rail Alliance, New South Wales.

Sustainable Communities and Water (now Environment and Water) has also been affected by the economic environment, which has resulted in a slowdown in environmental work.

### Some of the group's major wins and project completions were:

- continued delivery of Victoria's desalination plant, now into the construction phase
- Moorebank Intermodal Project, New South Wales
- North–South Interconnector System Project, South Australia.



## Key Financial Indicators

### Earnings, Assets and Revenues

	2007 (\$m)	2008 (\$m)	2009 (\$m)	2010 (\$m)	2011 (\$m)
Retained Earnings	\$39	\$69	\$114	\$138	\$175
Current Assets	\$82	\$103	\$105	\$152	\$258
Gross Revenues	\$256	\$363	\$448	\$470	\$538

## Financial Assistance Received from Government

The Research and Development (R&D) tax concession, administered by AusIndustry, is an ongoing scheme designed to increase the level of R&D being conducted by Australian companies. It is broad-based, neither industry-specific nor market-driven, and the applicant decides on the scope and timing of the R&D.

Parsons Brinckerhoff and our clients have generated a significant amount of R&D expenditure. This includes salary expenditure, contracted expenditure paid to registered research agencies, and other expenditures (including overheads and consumables) incurred directly in respect of eligible R&D activities.

Eligible R&D expenditure into the industry has increased significantly:

- \$23m in 2007
- \$38m in 2008
- \$29m in 2009
- \$27m in 2010.

At the time of printing, the figure for 2011 was unavailable but will be updated in our next report.

## Contributions to Political Parties

Parsons Brinckerhoff works with many state and federal government departments to deliver essential infrastructure throughout Australia. To engage with government, as a significant client, Parsons Brinckerhoff is in regular contact with departmental staff in the usual course of business development, project planning and infrastructure implementation.

Parsons Brinckerhoff is a member of several organisations that engage with business on behalf of political parties in Australia. Memberships to these organisations, in the 2011 financial year, totalled \$16,100, which is down from \$16,380 the previous year. Memberships with these organisations include a schedule of free events, which allow Parsons Brinckerhoff to remain engaged in policy developments affecting the infrastructure sector in Australia.

## Environmental Protection Expenditure

We consider environmental protection to be an ethical integrity issue and have invested in ensuring all our people are trained in environmental awareness. Training is further supported by ongoing initiatives aimed at raising awareness and minimising environmental impact in addition to provision of unlimited access to up-to-date environmental legislation through the online database EnviroLaw.

The sharing of costs across various areas of the business has made it difficult to accurately determine environmental expenditure. However, we estimate that in 2011 we spent approximately \$130,000 — based on budgets, sound logic and, wherever possible, realised costs.

## Precautionary Principle

An outcome of the 1992 Rio Conference, the precautionary principle states that if an action or policy might cause severe or irreversible harm to society or the environment, in the absence of a scientific consensus that harm would not ensue, the burden of proof falls on those who advocate taking the action.

Parsons Brinckerhoff seeks to implement the precautionary principle in the following ways:

- adopting a risk-based, context-driven approach to all decision making, notably with respect to safety and environmental management
- continually improving the company's environmental management system to keep pace with best practice
- responding to the challenge of climate change by striving to continually reduce our carbon emissions and offsetting those which cannot be reduced.

As a values-driven company, we recognise that the work we do impacts the environment and our communities, so we strive to implement the principles of sustainable development in all our work.



# Teamwork

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Together Everyone Achieves More. Corny or truism?

Have you ever thought about it? What does the saying really mean? Surely it's more than a play on words.

I asked around and this is what my colleagues say about teamwork.

- united with one purpose in mind
- mutual trust and respect
- working collaboratively and supporting each other in solving our clients challenges
- confidence in all those around you
- faith and hope in times of adversity, problem solving and high workloads
- a sense of belonging and camaraderie amongst like-minded souls
- shared leadership.

## **Scott Newman**

Section Executive, Structural Engineering





Queensland staff volunteering with Conservation Volunteers Photo – Chris Jensen

## Our Approach

People are what makes our business. The power of people working together makes for a better workplace, better outcomes and better project delivery for our clients.

*The challenge of providing infrastructure with less funding, fewer resources and more environmental constraints poses complex issues for our clients: how should we invest, organise, implement? Clients require business and engineering solutions that are practical, intelligent and innovative.*

*Teamwork is at the core of bringing together such solutions. The Strategic Consulting Group works as an integral capability within the wider Parsons Brinckerhoff team to leverage expertise in the business and the Balfour Beatty Group. Within the Strategic Consulting Group, project managers work closely with dedicated industry sector leads and client directors to focus expertise and services for clients in mining, power, energy, transport, environment and water. Collaboration and knowledge sharing are essential to create efficiencies for our clients, and promote the development of emerging markets, such as facilities management.*

### Strategic Consulting Group

## CLIENTS

## Our Approach

We work with our clients, not just for them. Our client relationship management (CRM) approach aims to direct our resources to our clients' projects and continues to strengthen these relationships through excellent delivery.

We invest in understanding our clients' business environment to provide a consistently high standard of project delivery. We provide practical advice that meets our clients project needs and business drivers.

## Being a Trusted Adviser

Throughout 2011, we continued to develop our Trusted Adviser Program (TAP), which is dedicated to building client relationships.

### The TAP program:

- recognises that client relationships are long-term
- regards client relationships as a role that everyone in the business plays
- understands that client relationships impact at strategic, cultural and operational levels
- understands that client relationships are ongoing and not just project-based
- recognises that relationships are formed and maintained through direct, personal contact.

Our internal training and development programs underpin the success of this program, and our systems allow us to involve technical experts from across the world to contribute to the success of a project.

Collaboration is critical to the success of this approach, and we take practical steps to work effectively with our clients, such as agreed relationship and service briefs, joint meetings to discuss industry issues and problem-solving and regular client satisfaction audits throughout each project.

## Post-Project Client Survey

We survey our clients about our performance (service and technical quality) at the end of our projects. The surveys are conducted face-to-face, by telephone or by email. The outcomes of the survey are forwarded to an appropriate person for follow-up as required. Reports on individual strong performance or poor performance are sent to the Business Systems team and included as part of the improvement process.

A number of key performance indicators (KPIs) relating to client satisfaction are outlined in the A–P strategic plan and measured from this survey process.

In 2011, 301 surveys were completed, from 444 surveys sent — a 68% strike-rate.

## Top Three Strengths and Weaknesses

### Top Three Strengths

	Score out of 10
Friendly/strong rapport	8.35
Technical expertise	8.12
Listened to your needs	8.03

### Top Three Weaknesses

	Score out of 10
Occupational health and safety leadership and/or performance	7.24
Value provided by Parsons Brinckerhoff on the project as assessed by project performance relative to fees paid	7.27
Cost consciousness	7.35

## Client Relationships

A team representing all of Parsons Brinckerhoff's operating companies and Heery International have been working together to review the tools needed to globally support our client relationship management approach. In 2012, we will be implementing a global client relationship management solution, Oracle CRM OnDemand. This system will support the technical needs and collaboration required to further enhance our CRM approach.

In addition to project conversations, we need to undertake more relationship level conversations with clients that can provide insight into their business and check the strength of our relationship. We also need to increase the level of training related to client relationship management methodology, so that people within the business and those who have taken on roles as part of CRM teams have the skills they need for success.

## COLLEAGUES

### Our Approach

Parsons Brinckerhoff understands that the sustainability of our business is driven and influenced by the performance, motivation and productivity of our people, along with the efficiency and effectiveness of the systems, policies and procedures in place to support them. We see that delivering on our commitment to be a sustainable business requires significant investment in a range of strategic and operational people initiatives.

#### In 2011 our focus was on:

- driving operational excellence in critical service delivery activities (including mobility, recruitment and system effectiveness)
- enhancing our leadership and management development approach that ensures we have the leaders and managers capable of delivering our business strategy
- embedding career development framework to ensure our people are able to work on interesting projects with interesting career paths
- using workforce planning and talent management processes to achieve a competitive advantage
- developing remuneration strategies and practices that sustain our business performance and drive employee attraction and retention.

As a values-based organisation, we have a long history and heritage of developing our people, and creating a positive, flexible and rewarding working environment. Our initiatives include flexible work hours, recognition of individual performance, and offering services and benefits that contribute to the wellbeing of our employees.

## Principles That Drive Our Approach

### A Positive Culture

We are proud to have established a positive and constructive corporate culture. Since 2007, we have set up strategies to purposefully develop a sustainable working culture that is fair, safe, challenging and rewarding — both for our people and our clients. We strive for a culture where we can seamlessly and efficiently realise the potential of our business and our people in an environment focused on achievement and collaboration.

We have conducted external benchmarking and measurement of culture using the Human Synergistics Organisational Cultural Inventory (OCI) in 2007, 2008 and 2009. Our next survey is planned for March 2012.

### A commitment to Employee Engagement and Satisfaction

Our global employee engagement survey is undertaken annually and is administered by Kenexa.

Our most recent survey was undertaken in May 2011 and was completed by 1,549 employees within A–P, equating to a 74% employee participation rate — a significant improvement from 61% in 2010.

The survey provided a snapshot of staff engagement, based on their responses to four questions which comprise the employee engagement index. In addition, employees were asked to provide a rating in response to the statement ‘my manager is an outstanding leader’ as an indication of the overall effectiveness of our managers.

The employee engagement score was steady at 62% as a year-on-year result. However, global average scored by Kenexa clients increased from 65% in 2010 to 74% in 2011 creating a considerable gap in our result.

Manager effectiveness score was 63%, showing a significant improvement on 2010 (49%) but with more work to do when compared to the global average of Kenexa clients 74%.

Both of these scores, and the corresponding priority items, have continued to inform the actions Parsons Brinckerhoff is taking to positively influence engagement and manager effectiveness. This applies at an A–P employee, business group, and in some cases, team level.

In 2011, the results were shared with all staff and a summary of their feedback comments was also provided. Individual managers with their HR partners used the material to hold discussions with their teams on an ad hoc basis. Analysis of different group results enabled senior management and HR to identify specific problem areas and implement improvement plans.

## Respect for Individual Choices: Freedom of Association and Collective Bargaining

Parsons Brinckerhoff respects its employees’ freedom of association. Our current employee contracts and collective agreement set no boundaries on this.

In 2011, 32% of employees were covered by a collective agreement. This agreement is specific to clauses that comply with the building and construction industry code of practice. All other terms and conditions of employment are included in relevant state awards, Notional Agreement Preserving a State Award (NAPSA), and supplemented in individual contracts.

## A Snapshot of Our Workforce Profile

Striving for sustainability through operational efficiency and excellence.

### Recruitment Practices

The recruitment focus for 2011 was to support strong organic growth in certain sectors, for example mining, and maintain employment levels in other sectors such as transport and environment. We prefer to conduct our own recruitment using in-house recruitment specialists.

Our source of hires has changed significantly over the past few years. We have decreased our recruitment agency usage to only 11% of hires, with a corresponding decrease in cost to the business. With this decrease, we have seen an increase in other sourcing methods such as advertising, direct approach and employee referrals, which in 2011 accounted for 28% of new hires. This has almost doubled in the past two years.

Our focus on these strategies has also led to an increase in the retention of our new starters. In 2008, 11.35% of new starters left in the first six months. In 2011 there was a 7% turnover amongst new hires. This has significant impacts on the sustainability of our recruitment function, and is also a large saving for our training and development, and recruitment budgets. It means that the people we select are competent to perform the role and a good fit for our culture.

In 2011, we saw a 7.3% decline in our workforce, with total employee numbers decreasing from 2,387 at the end of 2010 to 2,212 at the end of 2011. The vast majority of this decline occurred as a direct result of the decision to start a new business — the Global Mining Business. A large number of engineering employees with mining experience previously employed by A-P transferred to the Global Mining Business, which is not covered by this report.

### Staff Turnover and Retention

By the end of 2011, the annualised turnover rate was 13.5% compared to an industry average of 14.9%.

In 2009, a concerning trend in our female retention rate was identified, with the rate being some 30% higher than our male turnover rate. After initiatives supported by our Women's Network, formed in 2009, the business experienced a significant reduction in the percentage of female turnover, with the difference between males and females falling to 16% by end of 2010. At the end of 2011 we were very pleased to see that voluntary turnover amongst women was 12.7% compared to 14.1% for men.

### Absenteeism

The number of days lost through sick or carer's leave as a % of payroll has been:

**2009** — 2.1%

**2010** — 2.0%

**2011** — 2.2%

This rate is not considered to be a cause for concern.

### Employment Profile

Category	Full-time permanent	Part-time permanent	Casual and in-house contractors	Fixed-term contractors	Total
P13 Financial year 2007	1,395	114	212	74	1,795
P13 Financial year 2008	1,794	152	257	42	2,245
P13 Financial year 2009	1,842	163	244	45	2,284
P13 Financial year 2010	1,988	172	191	36	2,387
P13 Financial year 2011	1,822	170	178	23	2,193

Parsons Brinckerhoff A-P financial year is divided into 13 four-week reporting periods. P refers to those four-week periods.



## Notice Periods

While the notice period as outlined below did not alter during 2011 from our previous structure, during 2011 we did improve the redundancy compensation for longer serving employees (20 years and over) to 22 weeks' pay for <45 years and 26 weeks' pay for over 45 years.

### Notice Periods

	Employment type	Pay period	Years of service	Minimum notice period
Notice to be given by the employee when termination is initiated by the employee	Any	Not applicable	On probationary period	2 weeks
	Permanent	Fortnightly	Not applicable	2 weeks
	Permanent	Four-weekly	Not applicable	4 weeks
Notice to be given by Parsons Brinckerhoff when the termination is initiated by Parsons Brinckerhoff*	Any	Not applicable	On probationary period	2 weeks
	Permanent	Fortnightly	Not more than 3 years continuous service	2 weeks
	Permanent	Fortnightly or Four-weekly	More than 3 but not more than 5 years continuous service	3 weeks

\* The Notice period given by Parsons Brinckerhoff shall increase by one week if the employee is over 45 years old and has completed at least two years of continuous service with the employer. The above notice periods also do not apply for redundancy situations; redundancy notice periods are given below.

### Notice Periods – Redundancy

Period of continuous service	Notice of termination in redundancy situations
Less than 1 year	At least 1 month
1 year and less than 5 years	At least 1 month
5 years and over	At least 5 weeks

## Diversity

Our overall workforce numbers have been relatively static during 2011, and so too is our workforce profile of age, gender and years of service.

Parsons Brinckerhoff continues to induct all new staff into our diversity and equal opportunity policies, with 304 people trained in 2011, representing 285 hours of investment.

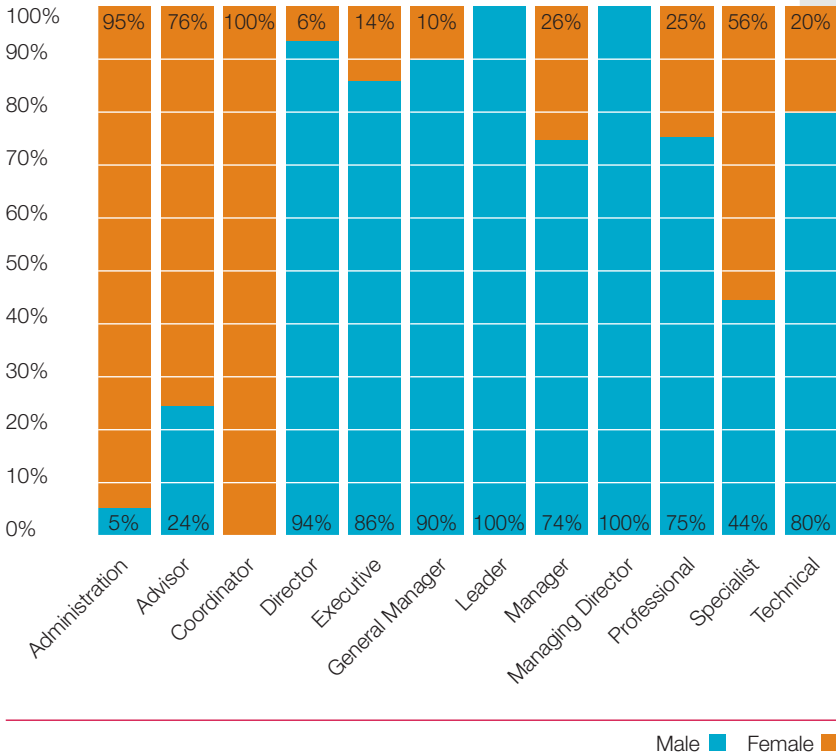
### Gender

At the end of 2011, our permanent workforce gender profile was 31% female and 69% male. This ratio has remained stable for several years.

In April 2011, we reported on our current performance in gender pay equity. This was 92% of female pay to male for an equivalent position. Given the wider industry statistic that shows females typically earn 18% less than men, it is important to note that performance in gender pay equity in Parsons Brinckerhoff is much more balanced.

As we are committed to performance-based remuneration structures, gender salary parity will continue to be monitored. During 2011, justifiable steps were taken to specifically address this issue, with the average salary increase for female staff members being 5.03% compared to 4.83% for males.

Gender % by Position Category FY11



In 2011 a survey was conducted and found the following:

### Awareness

While staff are making use of various facilities provided in the Whole of Life program, a large number appear to be unaware of the details of the program. In particular, managers need to be made aware of the program, and need to apply it consistently throughout the organisation.

### Perceptions

While 89% of respondents indicated that they felt that their colleagues were supportive of flexible work arrangements, there were multiple comments relating to poor perceptions held by colleagues. The prevailing workplace attitudes and practices have not adapted to accommodate carer responsibilities. Women are expected to work as hard or harder than their colleagues to advance. Men with carer responsibilities are in an equally difficult position as the expectation that they have a wife who will manage care remains, despite the large number of women in the Australian work force.

### Advancement

Staff making use of flexible work hours have expressed concern about limiting their career advancement through missing out on the major projects that require full-time involvement. Respondents noted that it is easy to become 'out of the loop' when your availability is limited. Others tend to schedule meetings during non-core hours, at short notice or on days when not all participants are available.

Following a restructure in 2009, we established new position categories in 2010, with staff being mapped to the new structure. This restructure makes some data difficult to compare with data prior to 2009. However, the results in 2011 have not improved when compared to 2010:

- We have seen no change in gender representation at director and general manager level during the reporting phase.
- The increased number of women holding managerial positions in 2010 — from 22% in 2009, to 28% in 2010 — has declined slightly, from 28% to 26%. Most positions in our new structure were appointed via an open and competitive process.

We continue to work to improve gender equity in the workforce, and we see this as a challenge that will enhance our workplace and make us a more sustainable organisation.

To help address our gender balance, we have developed initiatives aimed at attracting and retaining women in our workplace.

### The following initiatives are highlighted:

The Women's Network, formed in late 2009, was renamed The Diversity Council in 2011 to better reflect the inclusive nature of the group's work. In 2011 the Council focused on flexibility:

- enabling successful part-time working relationships and promoting the concept of part-time managers
- understanding whether there are any cultural or systems barriers to ensure part-time work is a successful and viable option for staff. The number of people categorised as managers and working part-time at the end of 2011 was 165
- understanding the support needs of our staff (child care/elder care).

The following initiatives are in response to the survey results:

— **Women's mentoring**

In 2011, all women falling into the category 'executive' which includes managerial and non-managerial roles (29 women), were offered the opportunity to partner with a mentor, either internally or externally sourced — 27 accepted. In late 2011 we began the process to match all female team leaders with a mentor as well. Four female team leaders have been matched to a mentor so far.

— **Development opportunities for women**

The major leadership development programs in 2011 were the Accelerated Development Program (ADP), which had a 36% female participation rate, and Leadership Essentials which had a 23% participation rate.

— **Women's internal networking**

Regional representative teams conducted a variety of guest speaker and networking opportunities for female staff within each office/region. Male staff were invited to participate though the emphasis on each occasion was to explain the role of the Diversity Council and/or showcase a female leader and their journey to reach their career goals.

— **Diversity council communications**

The 2011 Diversity Council Annual Report showcases our work and raises the profile of men and women who are taking advantage of the opportunities provided for flexible work practices and personal development.

**Family-Friendly Workplace Program**

Parsons Brinckerhoff continues to provide a family-friendly workplace by providing paid maternity leave, support for fathers after the birth of a child and flexible working hours.

In 2011 we decided to continue our 16 weeks paid maternity leave (offered to permanent female employees with a minimum of 12 months service) in addition to the legislated parental leave entitlements. Fathers may access their accumulated sick leave to take a maximum of 10 days carer's leave when their child is born.

**Women in Leadership**

The number of women holding senior leadership roles — director or general manager — has not improved. Steps taken in 2011 to change this include:

- Directorate (our senior leadership team) have agreed to be accountable for achievement against leadership targets and will review progress on a quarterly basis.
- In taking on this accountability, directors understand expectations about preferred background and experience must change. The potential to perform a role is now based less on traditional career progression and more on transferable competencies and capabilities. The appointment of two non-engineering people to engineering management roles in 2011 is a sign of a new willingness by traditional business managers to reconsider the relative priority of different selection criteria.

**Nationality of Origin**

Australian legislation prevents the collection of data regarding ethnicity except on a voluntary basis. Although we ask employees to volunteer this information when we collect new hire information, approximately only 5% of employees do so. Therefore, to report this data would be a false representation of our employee profile.

**Discrimination**

Parsons Brinckerhoff is committed to providing an environment where employees and others in the workplace are treated fairly and with respect, free from discrimination, harassment and bullying.

We have equal-opportunity guidelines that all employees can easily access on Hub, our global intranet. The purpose of these guidelines is to ensure employment decisions are based on an individual's merit and relevant attributes.

Should any employee believe they are being discriminated against or harassed, we have easily accessible advice regarding reporting procedures. We also provide contacts for outside agencies that can be of assistance.

## WORKING IN PARSONS BRINCKERHOFF

### Benefits

In Australia, legislation requires that all part-time employees (except temporary employees) have the same benefits as full-time employees. These employees receive:

- annual leave
- sick or carer's leave
- compassionate leave
- long service leave
- parental leave.

In our Australian operations, we pay employer contributions of 9% to an employee's superannuation fund, as required by legislation. In New Zealand we comply with the appropriate legislation.

## WELLBEING

### Employee Assistance Program

Our Employee Assistance Program provides short-term, free, confidential counselling and support for our people and their families. This covers both work and personal issues they would like to discuss.

The program is provided by PPC Worldwide, an international organisation whose main focus is employee wellbeing. All coaching and counselling is provided either off-site at one of PPC Worldwide's national counselling locations or over the phone. PPC Worldwide's counsellors are all professionally qualified psychologists or social workers with substantial experience, located throughout Australia and New Zealand.

### Employee Recognition

#### Quarterly Excellence in Values Awards

Parsons Brinckerhoff is committed to acknowledging and rewarding employees who show exceptional effort and outstanding achievement that aligns with our values. Every quarter, employees can nominate a team or individual in one of the award categories. The winner receives a recognition plaque and a monetary award of \$500. We also offer a travel opportunity each year to further recognise one of our award winners.

#### Length of Service Awards

Parsons Brinckerhoff recognises the need to celebrate and reward employees who have achieved significant service anniversaries with us. Gifts are presented to employees who achieve 5, 10, 15 or 20 (or more) years of service.

## Flexible Working Arrangements

Flexible work hours allow the best possible balance between our employees' work requirements and their personal commitments.

Parsons Brinckerhoff has a range of flexible working arrangements, including permanent part-time work, part-time work after parental leave, casual work and carer's leave. Our *Whole of Life* program includes:

- variable starting and finishing times, with core hours between 10 am and 3 pm
- self-funded annual leave — the opportunity to purchase additional annual leave
- mid-service leave — the ability to accrue 12 weeks over three years and take three months leave
- parental leave — up to 16 weeks salary (increased from six weeks in 2010) in paid maternity leave to permanent female employees with over 12 months service; new fathers may take a maximum of 10 days carer's leave at the time of their child's birth.

Self-funded annual leave has proved popular. Numbers decreased slightly from 297 in 2010 to 294 in 2011 after a 45% increase from 2009 to 2010. Permanent full-time and part-time employees are able to purchase additional annual leave (up to two more weeks per year). This scheme has been introduced to allow greater flexibility for employees to achieve effective work-life balance.

Self-funded leave can be taken in conjunction with other forms of paid and unpaid leave such as annual leave, long-service leave, parental leave and leave without pay.

## GLOBAL OPPORTUNITIES PROGRAM

Being committed to professional development extends beyond our own business to providing the possibility of secondments to, and exchanges with, our clients and key industry partners, both interstate and internationally.

## Mobility Profile

Our Mobility team offers a variety of services to support the business with its mobilisation needs, such as assisting managers in assignment planning (structuring assignment packages, researching visa, tax and migration issues) and supporting employees in coordinating their relocation activities.

All of the initiatives undertaken by the Mobility team are aimed at improving service levels to our employees, ensuring Parsons Brinckerhoff is seen as a compliant employer within the communities in which we work, and most importantly, ensuring our people are supported as much as possible when relocating.

## MEMBERSHIPS IN 2011

Alliancing Association of Australasia

Asia-Pacific Professional Services Marketing Association

Association of Consulting Engineers New Zealand

Association of Land Development Engineers

Australasian Institute of Mining and Metallurgy

Australasian Railway Association

Australasian Society for Trenchless Technology

Australasian Tunnelling Society

Australian Contaminated Land Consultants Association

Australian Geothermal Energy Association

Australian Green Infrastructure Council

Australian Industry Group

Australian Institute of Energy

Australian Institute of Project Management

Australian Institute of Traffic Planning and Management

Australian Water Association

Business SA

CEDA (Committee for Economic Development of Australia)

Chamber of Commerce and Industry Western Australia

Clean Energy Council

Concrete Institute of Australia

Consult Australia (formerly ACEA)

Defence Teaming Centre

Energy Supply Association of Australia

Engineers Australia

Environmental Consultants Association (WA)

Five Hundred Club (500 Club)

Geospatial Information and Technology Association

Hunter Coal Environment Group

Infra-News (in conjunction with PB Consult)

Infrastructure Partnerships Australia

Institution of Professional Engineers New Zealand

Institution of Railway Signalling Engineers

International Association for Hydrogeologists

International Association of Public Transport Australia/New Zealand

International Society for Trenchless Technology

Melbourne Mining Club

Millennium Forum, Liberal Party of Australia

Minerals Council Australia

Mining & Energy Services Council of Australia

National Association of Testing Authorities

New Zealand Council for Infrastructure Development

New Zealand Geothermal Association

Permanent Way Institution

Planning Institute of Australia

Progressive Business, Australian Labor Party

Property Council of Australia

Queensland Resources Council

Rail Track Association Australia

Railway Technical Society of Australasia

Roads Australia

SAI Global (Standards)

South Australian Chamber of Mines and Energy

Stormwater Industry Association of WA

Sustainable Business Australia

Sydney Mining Club

Urban Development Institute of Australia

Water Industry Alliance

Water Industry Operators Association of Australia

Western Sydney Business Council





# Excellence

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Excellence ... is bringing together the best minds and our relevant experience and knowledge from around the globe and working with our Clients to solve challenging issues in a way that creates value for them.

**Ross Young**

Director, Markets, Strategy and Communications





Gippsland Water Factory

## Gippsland Water Factory

The award winning Gippsland Water Factory is a wastewater treatment and recycling plant that processes 35 million litres of residential and industrial wastewater each day from more than 15,000 households and businesses in the Gippsland region of Victoria. The plant, the first of its kind in Australia, also produces 8 million litres of high-quality recycled water daily which is sold to Australian Paper for use in industrial processes at its Maryvale Mill.

By selling recycled water to Australian Paper, the Gippsland Water Factory frees up an equivalent amount of freshwater (about 3 billion litres annually) from the region's rivers and reservoirs — enough water to service a town of 40,000 people for an entire year. The project's carbon footprint was constrained from the start and design decisions were guided using carbon emission foot printing, with greenhouse gas emissions being reduced by 38%.

The Gippsland Water Factory is also home to the Vortex Centre — Gippsland Water's new water educational resource. The state-of-the-art 'green' facility features interactive displays, touch-screens and videos, with a focus on water conservation and sustainable water management, highlighting water as a precious resource at a local, state, national and global level.

Parsons Brinckerhoff first began working with Gippsland Water on the project in 2001. The focus — which started as a the development of a management strategy to solve short term environmental issues — quickly turned into looking at the long-term sustainability of the entire region's water supply, and assessing the variety of benefits the plant could deliver.

In late 2011, the Gippsland Water Factory project won three awards at the 2011 Banksia Environmental Awards: the 'Water' award, the 'Education' award for the Vortex Centre and the Gold Banksia award.

Parsons Brinckerhoff was one of four companies (including Gippsland Water) comprising a project alliance to deliver the project, which began operations in 2010.

## 2011 AWARDS

### Industry

#### Adelaide Rail Revitalisation

Consult Australia Awards for Excellence, Certificate of recognition - Specialist Services category

#### Brimbank City Council Alternative Water Strategy - Stage 2

Stormwater Victoria Excellence Awards, Excellence in Strategic or Master Planning Award

#### Clare North Substation Project

Engineers Australia, South Australian Engineering Excellence Award - Project Infrastructure category

#### CLEM 7

Engineers Australia Queensland Awards

- 1. Infrastructure over \$50 million category
- 2. Hawken award

Engineers Australia, National Excellence Award

#### Coal Stream Alliance

Safety plaque for '2 million man-hours lost time injury free'

#### Dalby Wastewater Recycling Scheme

Water Awards (QLD), Commendation - Infrastructure Project Innovation category

## Gallipoli Underpass

Cement & Concrete Aggregates Australia (CCAA) Public Domain Awards

- 1. Special commendation - Concrete Walls category
- 2. State Winner – SA

## Gippsland Water Factory

Banksia Environmental Awards

- 1. Water category
- 2. Education category - for its Vortex Centre and 'Water Wonders' education program
- 3. Gold Banksia Award

## Glenfield Junction Alliance

WorkCover NSW SafeWork Awards finalist - 'Best workplace health and safety management system' category

Permanent Way Institute Erickson award, Permanent Way Institute

## Ipswich Motorway Upgrade

Consult Australia Awards in Excellence, Gold Award - Transport & Civil category

Queensland Major Contractor's Association, Project Safety Excellence award

## Jacinth-Ambrosia Mineral Sands Mine

Australian Institute of Project Management Achievement Awards, South Australian chapter

- 1. Regional development category
- 2. Project of the Year

National Project Management Achievement Award - Regional Development category

## Johnsonville Tunnels

Institution of Professional Engineers New Zealand, Engineering Excellence Awards

## Logan Water Alliance

QLD Water Awards, Infrastructure Project Innovation category

## M1 Upgrade: Monash, CityLink, West Gate Freeway and West Gate Bridge Strengthening

Engineers Australia Victoria Awards - Infrastructure category

## North South Interconnection System Project (NSISP)

South Australian Spatial Excellence Award - Infrastructure and Construction category

## Parsons Brinckerhoff

Fire & Emergency Safety Authority of Western Australia, Volunteer Employer Recognition Program - Bronze category

## Remote Area Essential Services Program (RAESP)

IPA National Infrastructure Awards, Smart Infrastructure Award

## Victoria Park Tunnel

New Zealand Contractors Federation AFM National Awards 2011

- 1. AB Equipment Safety Award (Projects over \$10M)
- 2. AB Equipment Safety Award (Supreme Winner)
- 3. Hynds Group Environmental Excellence Award (Projects over \$10M)

## West Gate Freeway Alliance

Australian Constructors Association, Australian Construction Achievement Award

Consult Australia Awards in Excellence, Certificate of recognition - Transport & Civil category

## Individual

### Nicolai Ahlstrand, Global Mining - Regional Team Executive

Australian Institute of Building, Leighton Contractors Young Achiever of the Year

### Jim Mantle, Managing Director, Australia-Pacific

Top 100 Australia's Most Influential Engineers, Consulting category, Engineers Australia Magazine

### Ian Cameron, Environment and Water - Technical Executive, Logan Water Alliance

Water Professional of the Year, QLD Water Awards

### Sean Myers, Transport - Project Manager

Young Engineer of the Year, Railway Technical Society of Australia

### Ceit Wilson, Environment and Water - Graduate Planner

Ministers Town Planning Prize, Planning Institute of Australia

Thesis topic: Housing Resource Communities: The Role of Mining Companies in rural development



**Jin Weng Lim**  
Electrical Engineer



**Speros Galanopoulos**  
Executive for New  
Business Initiatives

## Emerging Professionals Paper Winner Jin Weng Lim

Each year Parsons Brinckerhoff holds a global technical paper competition for emerging professionals. In 2011 the question posed by the paper was, 'How can Parsons Brinckerhoff and its employees harness innovation to create a more sustainable world?' Judged by a global panel, the competition was won by Jin Weng Lim, Electrical Engineer based in the Adelaide office.

His submission explored the issue of sustainable living and the connection to and importance of engineering design in making this a reality. The paper also explored the mechanisms required in an organisation to deliver — both internally and the reach required to create an understanding of the value of sustainability.

## Parsons Brinckerhoff Partners with The University of Adelaide to Foster Innovation

Parsons Brinckerhoff once again demonstrated its commitment to innovation by committing to a three year partnership with The University of Adelaide's Entrepreneurship, Commercialisation & Innovation Centre (ECIC) in its new Corporate eChallenge competition. The competition will run alongside the existing ZEN eChallenge program, where students develop a business plan around a new previously unfunded concept. The Corporate eChallenge, developed in partnership with Parsons Brinckerhoff, expands the student model to cultivate an innovative culture within an organisation.

The University of Adelaide's Vice Chancellor, Professor James McWha, said that the alliance would not only expand and develop the competition itself, but also build and sustain a culture of innovation for both organisations, stating 'We have seen the benefits this leading entrepreneurial competition brings for our own students, for new developing businesses and for the community, and we believe that Parsons Brinckerhoff will similarly benefit from the energy and innovation this competition helps create and direct.'

Parsons Brinckerhoff Executive for New Business Initiatives, Speros Galanopoulos, said of this new partnership 'It comes back to creating a sustainable business, and to do that you've got to... foster innovation, foster development of ideas that enable our business to continue to differentiate ourselves in a very competitive marketplace.'

Mr Galanopoulos said that in the past the company had committed about \$250,000 per annum on the 'front end' development of 130 new ideas in its own program, of which six were developed into new ventures.

## KNOWLEDGE MANAGEMENT

### Our Approach

We believe that the sharing of knowledge — knowledge about who we are and what we can achieve, both corporately and technically — is important to create a sustainable organisation. Knowledge sharing and the systems that support knowledge sharing are essential for us to honour our sustainability principles.

### Knowledge Management in Parsons Brinckerhoff

Parsons Brinckerhoff is committed to working as an ongoing trusted adviser with our clients to provide the best possible solutions to their challenges.

The major asset we leverage in delivering sustainable solutions is our knowledge. Our knowledge is a combination of expertise in our key disciplines and our experience in delivering solutions.

We support our staff to sustain knowledge acquisition, creation and sharing through a number of systems, tools and practices, including our corporate Hub, library services, knowledge networks, creative problem solving, organisational learning and sound information management.

Parsons Brinckerhoff views its knowledge and that of its employees as a strategic asset. It provides not only a rich resource for our employees to draw from, but is also an indispensable tool. The value we place on knowledge can be seen in our approach to attracting and retaining employees, capability development, increased problem-solving speed, improved continuous improvement practice leading to greater outcomes, and an increase in overall motivation.

### Increased Services to Meet Internal and External Client Needs

2011 has seen the team's skills grow in the area of facilitation. This has been a response to business need. The addition of facilitation services now provides guidance to teams for effective resolution and solution generation. This is mostly applied to the d6 Creative Problem Solving program, strategy workshops, planning and lessons learned.

This past year has seen an emergence of need from our clients for help with knowledge and information management. Therefore, much of our effort has concentrated on offering direct advice and service to our clients on information management projects. We have delivered this by developing sound information management principles, practices and architecture relevant to their business.

This emphasis on information management is also being experienced in the Parsons Brinckerhoff business. By articulating the information management vision for our own business, we will be able to deliver more value to our clients through both improved internal work practices and to bolster capabilities and knowledge sharing.

At the culmination in late 2012, the business will conduct a pilot implementation of a content management system. This will support access to information, easy management, improving find ability and increasing trustworthiness of our information to support better decision-making.

### A Complimentary Suite of Services

The Knowledge Management team in Parsons Brinckerhoff A-P provides a strong suite of capabilities and services to help foster knowledge creation, access, sharing and transfer. These include:

#### Parsons Brinckerhoff library services that encompass:

- corporate memory
- collecting all Parsons Brinckerhoff-published content
- research
- collection growth
- provision of access to interlibrary loans and obscure information articles.

#### Knowledge development programs:

- d6 creative problem solving
- Lessons Learned
- Communities of Practice.

#### Intranet services:

- Hub management
- intranet set-up and management consultancy.

#### Knowledge consulting service:

- leading knowledge management practices
- training and facilitation in various knowledge management activities, strategy and planning
- information management consultancy
- bid advice in knowledge management.



# PROFESSIONAL DEVELOPMENT

## Training

An essential element of Parsons Brinckerhoff A-P's operations is the opportunity to provide all staff with training and development options, and access to interesting and meaningful work.

2011 Training	
State	avg per employee
ACT	58.14
NSW	30.03
NT	6.39
QLD	29.46
SA	30.09
VIC	43.57
WA	41.67
NZ	17.50
Total	256.85

## Performance Programs

Parsons Brinckerhoff A-P offers a wide range of opportunities to help employees discover and develop their talents and capabilities and advance their careers.

The following are some of the most popular offerings:

### — Realising Your Potential

(RYP) is our performance and development plan tool. RYP provides all employees with the opportunity to set performance objectives and personal development goals that align with, and complement, our business strategy. This formal process occurs twice yearly, formally at the end of year and informally mid-year, using an online system.

### — Success Profiles

are the architecture of Parsons Brinckerhoff's career development framework. They specify the competencies, skills, experiences, personal attributes and organisational knowledge required for a particular role. Each competency — core, leadership, functional and job family — consists of defined behaviours in five proficiency levels. Learning is aligned to the competencies and employees can assess themselves using our online tool. Success Profiles also assist our employees to plan their career.

### — Our graduate program

(EVOLVE) is a three-year program for graduates that includes: Consulting 101 (a 3.5 day face-to-face program); Online Soft Skills (communication, time management, and managing upwards); Project Management (five modules); Business Development (three modules); and Introduction to Management (a blend of online and face-to-face modules).

## Management and Leadership Development

Parsons Brinckerhoff's management and leadership development programs are based on our five leadership competencies as described in the leadership success profile. They are:

- leading with vision
- delivering exceptional results
- building strategic relationships
- growing capability
- connecting with people.

The development programs take a graded approach focusing on key skills at each level. The learning includes a blend of workshops (one to five days), online courses, coaching and online toolboxes. We currently have four streams of management and leadership development:

- **1.** Leadership Essentials is a 24 month program focusing on leadership skills and developing capability. The program consists of assessments, a five-day residential in the first year followed by a three-day residential 14 months later. On the job learning is included, together with self-reflection, coaching and mentoring. This program's target audience is 'managers of managers' (middle managers). To date we have successfully trained 115 leaders.
- **2.** Accelerated Development Program is an 18-month program consisting of assessments, individual development plans, professional coaching, quarterly reviews and a final 1.5 day program of self-awareness and culture.
- **3.** Directors' Leadership Program is for the senior leadership team (directorates). This is a series of workshops that combine content discussions on various business problems, decision making and planning with new leadership learning and practice.

The Professional Development Program, a signed agreement between Parsons Brinckerhoff Australia and Engineers Australia, assists our emerging professional engineers to obtain their Chartered Professional Engineer status. Engineers obtain a specified range of competencies, which they must be able to demonstrate.

We also have a global accreditation and certification program that encompasses certification in Project Administration, Technical Excellence, Project Management Excellence, Professional Excellence, and Business Development. These are offered at three different levels — associate, senior and principal. A new certification — Design Management Certification — was launched in 2011 targeting Design Managers in A-P.

Our on-line university, Parsons Brinckerhoff University (PBU), offers a wide range of courses covering a range of skills. Online modules from SkillSoft and Harvard ManageMentor and internally developed programs are always available.

A variety of technical training is available and is delivered in-house. This includes extensive project management training for all levels, business development training (approximately eight courses to different levels) and occupational health, safety and environment training. A new Commercial Development Pathway was launched in 2011 to increase the commercial skill set of our commercial managers.

Parsons Brinckerhoff also offers a mentoring program, coaching, induction, tertiary studies assistance, and opportunities to gain new experience through our Global Opportunities program ([see page 39](#)).

While we offer a formal range of career enhancing courses, we also encourage our employees to have an holistic view towards development opportunities and encourage the use of the 70:20:10 formula as the basis for all development:

- 70% of learning on the job, such as job rotations
- 20% of learning through other means of education such as intranet workspaces, global communities of practices
- 10% of learning through formal learning.

## Programs for Lifelong Learning

Programs for skills management and lifelong learning that support continued employability of our employees include:

### Induction and business systems training

- introduction to sustainability, code of conduct, project management process training, internal auditor training, diversity and equal employment opportunity, RYP, environment management system and PBU

### Project management training

- scope management, budget management, communications management, client relationships and teamwork, policy and ethics, and safety management
- knowledge management
- d6 problem solving.

### Safety programs

- occupational health and safety inductions (levels 1 and 2), manual handling, senior first aid, driver training, safety leadership, and construction industry training

### Business development training

- business development for everyone, pursuit management, client relationship management, writing skills, and presentation skills

### Leadership and management training

- coaching clinic, painless performance, quality RYP discussions, and behavioural interviewing

### Accelerated Development Program (ADP)

- introduction to ADP and quarterly review calls

### Graduate programs

- evolve 101, time management, working in teams, negotiation, decision making, and effective email

### Technical professional training

- conferences and seminars, team workshops, professional accreditations and tertiary assistance programs.



PGN Executive with Managing Director Jim Mantle (left)

## Professional Growth Network

The Professional Growth Network (PGN) is a group of staff with 10 years or less professional work experience. It is designed to encourage them to develop both professionally and personally to become leaders in the business. It is supported by senior people who challenge the group and are just as often challenged by them.



**Cynthia Lie**  
PGN Chair 2011

## The Power of Being in the PGN

*"I was asked the question 'What makes working in a team like the PGN such a powerful experience?'"*

*Below are some of my reflections on this as someone who has been involved in the PGN over several years. I believe there are some important lessons for the wider Parsons Brinckerhoff organisation as well."*

### The lessons

How to be influential without position power	As a 'matrix within a matrix', the PGN teaches us about dealing with organisational complexity, and the importance of relationships and knowing your stakeholders.
Relevance	As an overhead function, this teaches the value of having clear organisationally aligned objectives, of demonstrating value and being outcome focused.
The value of good governance and a common sense of purpose	As a voluntary organisation, the PGN makes a good case for what can be achieved when a team is made up of people who want to be there and believe in what they're doing. It is clear that 'fit' matters, especially when it comes to the alignment of values. Members learn the importance of establishing clear expectations and accountabilities, and establishing common goals as well as understanding individuals' motivations. It demonstrates that in a service industry, people truly are your greatest asset.
Investing in the future	The PGN empowers emerging professionals to be 'for' emerging professionals, and is a good example of investing in the future of the organisation.
Global perspective	As a global network, the PGN challenges members to look beyond our own backyard and seek to understand how and why business and cultural norms overseas (or even interstate) are different or similar to our own. It reminds us that 'our way' is not necessarily the only (or the best!) way.
Cabinet solidarity	As a trusted adviser to the Parsons Brinckerhoff organisation, the PGN teaches members how to communicate positions, view different perspectives, respectfully challenge others, and the importance of showing a united front.
Anyone can be a leader	As a team made up of emerging professionals, the PGN reminds us that anyone can be a leader if they are empowered to do so. Sometimes, it shows us what can be achieved when you don't know what you can't do. Where Parsons Brinckerhoff has identified gender equity as our greatest diversity challenge, the PGN leadership team has consistently attracted a high proportion of women relative to our workforce.





**Guy Tuck**  
Team Manager, Energy,  
Mining and Industry

## PGN Manager of the Year Award

The Manager of the Year Award allows emerging professionals to acknowledge managers who have had a significant impact on their growth and development.

In 2011, 30 nominations were received for 26 different managers. The judging criteria were based on our success profile for managers, and nominators were required to identify their manager's specific behaviours in support of their nomination.

This year's winner was Guy Tuck, Team Manager, EMI, South Australia. Guy's success was attributed to his achievement focus, ability to seek feedback, empower others and recognise team members' achievements. Guy promotes a shared leadership approach and supports all members of his team to be leaders in their role, supporting their involvement in development opportunities outside their technical roles. He is described as very values driven, openly and actively living Parsons Brinckerhoff's values.

*"The Manager of the Year award was very unexpected but it's an honour to be recognised by the team and PGN, as it affirms that you must be doing something right as a manager. I'm fortunate to work with a great bunch of people, and while appreciative of the award, I am more so proud of the team and how it reflects on them, their achievements and the team culture. I would also like to recognise the PGN for this initiative and their very professional approach during the selection and interview process. It is great to work for a company that is very supportive of the development of our emerging professionals, which is evident in the level of active participation in the PGN and their many initiatives."*



# Respect

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Respect is not something that we consciously work at every day, but it is at the heart of all that we do and we would quickly notice if it was missing. Respect amongst our colleagues plays a large role in making work enjoyable. Respect for the communities and environments that we work in helps us make a positive difference.

**Martin Predavec**

Capability Executive, Environment

## OCCUPATIONAL HEALTH AND SAFETY

### Our Approach

We are constantly aware of the need to provide safe working conditions for our people, clients, subcontractors and others who are involved with our projects. Our goal is for zero harm in our operations.

## Performance Metrics

Parsons Brinckerhoff is committed to continually improving our OHS performance. To achieve this, objectives and targets are established and reviewed annually. We also have a system of collecting, reviewing and reporting key performance metrics.

Over the last five years, Parsons Brinckerhoff has significantly increased the rate of positive lead indicators, such as hazard and near miss reports in excess of 300%, all the while reducing the frequency of lag indicators, such as total recordable injuries, by around 75%.

### Safety Performance Metrics

	2006	2007	2008	2009	2010	2011
No. of staff	1200	1600	2300	2290	2349	2271
Hours worked	2,368,384	3,032,048	3,774,750	4,271,211	4,328,762	4,007,554
LTI	4	5	3	5	5	3
Days lost	13	27	24	13	17	8
LTIFR	1.69	1.65	0.79	1.17	1.16	0.75
MTI	27	19	27	19	17	10
MTIFR	11.40	6.27	11.40	6.27	4.50	2.5
Total recordable FR	13.09	7.92	5.30	3.75	3.93	3.25
Occupational diseases	0	0	0	0	0	0
All injury FR	29.13	23.09	22.25	18.73	17.56	16.0
Near miss FR	54	52	70	77	125	72
Hazard observation FR	0	0	3	15	26	115

## Leadership

The Parsons Brinckerhoff approach to OHS is underpinned by strong, sustained and visible leadership. Our Managing Director assumes overall responsibility for OHS by establishing our OHS policy, providing resources, delivering initiatives, regularly reviewing our performance and actively participating in formal management reviews.

As support for the Managing Director, all Parsons Brinckerhoff line managers are also charged with providing OHS leadership throughout the organisation. To be more effective, line managers are provided with OHS leadership training that focuses on practical strategies to routinely demonstrate commitment to OHS.

Furthermore, OHS leadership is strongly encouraged for all workers through our induction program and ongoing behaviour-based initiatives. OHS responsibilities for all levels of employees are clearly identified in our OHS Management Manual and within employees' position description/success profiles.

Positive safety behaviour is recognised and rewarded in a variety of ways at Parsons Brinckerhoff. Employees who demonstrate positive OHS behaviour are openly praised by their managers and peers. For any outstanding examples of positive behaviour, employees may also be formally recognised with a quarterly excellence in values award. For executive-level employees, annual performance bonuses include a safety component.

## Zero Harm

Our Zero Harm Journey Plan, which commenced in 2011, centred on the formation of six employee-led focus groups. Each Zero Harm Focus Group was tasked with critically reviewing one of our six highest risk activities then recommending changes to eliminate or reduce the associated health and safety risk. These groups were:

- Driving
- Ground penetration
- Manual handling
- Remote area assignments
- Workplace stress
- International travel.

Subsequently, the Directorate reviewed the focus groups' recommendations, and selected three actions from each group to be consolidated into a Zero Harm Action Plan. Many incremental improvements have been made as a result of the Zero Harm activity during 2011, which will continue in 2012.

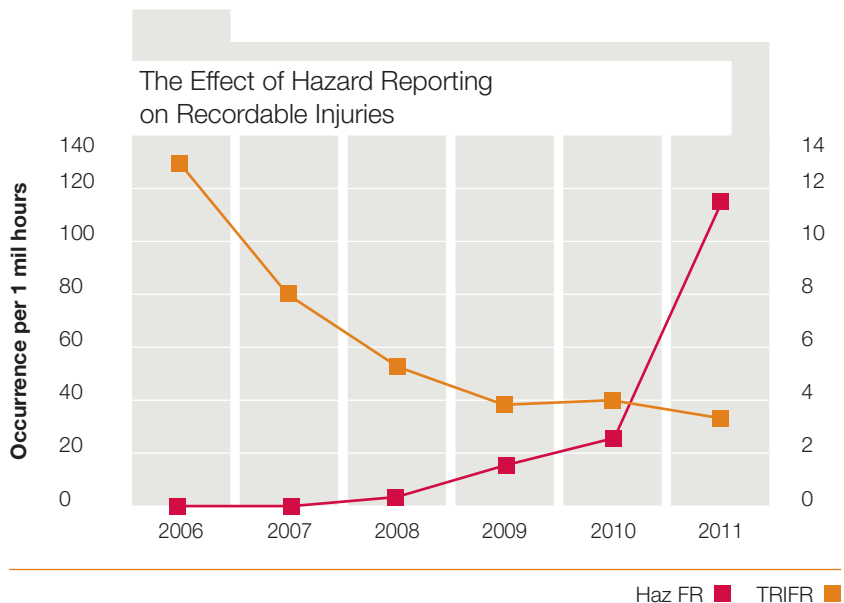
## Technology

At Parsons Brinckerhoff we have implemented the online Integrated Safety Management System (iSMS) to help us capture, review and report OHS incidents and corrective actions. The technology has been developed in-house and is in the process of being commercialised to external client organisations. iSMS is also designed to operate effectively on mobile devices such as smart phones and tablets. For more information contact [iSMS@pbworld.com](mailto:iSMS@pbworld.com)

## Behaviour-Based Safety

As part of Parsons Brinckerhoff's approach to behaviour-based safety, the 'don't walk by' motto is applied to encourage proactive reporting of hazard observations. We believe the more hazards we identify, the less likely we will be harmed by them. Getting in to the habit of reporting hazards does not stop at the workplace, and we regularly see Parsons Brinckerhoff workers demonstrating leadership by reporting and eliminating hazards in the community.

Our focus on behaviour based safety has resulted in an increased rate of positive lead indicators such as hazard observations by over 300%, and reduced the incidence of lag indicators such as lost time injury frequency by around 35% from the previous year.





## Awards

During 2011, Parsons Brinckerhoff was recognised externally for positive safety performance, which includes the following awards:

- Origin Alliance, Ipswich Motorway Upgrade - Queensland Major Contractors' Association (QMCA) award for Project Safety Excellence
- Glenfield Junction Alliance project - WorkCover NSW SafeWork Awards finalist - Best workplace health and safety management system category
- Coal Stream Alliance - Safety plaque received for '2 million man-hours lost time injury free'
- Victoria Park Tunnel - New Zealand Contractors Federation AFM National Awards:
  - **1.** AB Equipment Safety Award (Projects over \$10M)
  - **2.** AB Equipment Safety Award (Supreme Winner).

## Risk Management

All projects involving site work, whether or not Parsons Brinckerhoff controls the site, are required to have a project-specific health, environment and safety plan (HESP). The HESP applies the hierarchy of control to manage risks so far as reasonably practicable and helps with proactive hazard identification, risk assessment and control.

Each HESP is developed to be consistent with current legislative requirements, Parsons Brinckerhoff's standards and client's standards as required. Before it is adopted, each new HESP is reviewed and approved by line management and the SHE Team. All people working under the HESP are made aware of their responsibilities and sign on to demonstrate commitment and accountability.

## Support

Parsons Brinckerhoff employs a team of trained and experienced Safety, Health and Environment (SHE) advisors who are geographically dispersed throughout A-P. The SHE Team members, together with regional safety committees and line managers, are available to provide training, advice, support and assurance to implement our OHS systems on the ground.

Parsons Brinckerhoff people can access SHE support whenever they need it through either a SHE Hotline (ext. 6666) or SHE@pb.com.au email, as well as an intranet Safety support site.

## Subcontractors

Parsons Brinckerhoff's procedures aid in the pre-qualification of tenderers, contract formulation, subcontractor selection, award negotiations and subcontractor management. Our procedures can identify appropriate subcontractors who are committed to achieving a safe outcome and are clear about their OHS obligations. We include them in contract documentation and once they are engaged, we effectively manage and monitor their performance.

## Safety in Design

During all phases of a design project, an OHS risk management approach is applied that is consistent with best practice legislative requirements. During design works, we use a staged series of risk assessments to anticipate potential operating, maintenance and public hazards over the life of a facility.

Such risk assessments involve a representative mix of design, operating and other stakeholder participants, who offer a range of experience and expertise. Parsons Brinckerhoff staff are experienced in qualitative risk assessment methods, such as HAZOP, failure mode and effect analysis, 'What if...?' and checklist analysis. Methods are chosen for the best fit, based on perceived risk, complexity and experience. Results from the risk assessments and various reviews are incorporated into design output and future construction/operating plans.

## Incident Management

Parsons Brinckerhoff has trained personnel, and documented processes, to immediately and appropriately respond to incidents. We also have an online incident management system to promptly report and follow up all incidents and near-misses.

In the event that an incident investigation is required, the SHE Team are specifically trained in root cause analysis and human factors incident investigation techniques. Any lessons generated from an investigation process will be shared with others to prevent a repeat occurrence.

In the event that workers are injured, Parsons Brinckerhoff is committed to support them back to health and return them to work as soon as possible. All injured workers have a tailored return to work plan to ensure their condition improves and is not exacerbated.

## Monitoring and Checking

Parsons Brinckerhoff has a monitoring and checking program to drive continual improvement and to provide assurance that our OHS system is applied effectively and control strategies are adequate.

Internal OHS audits regularly take place in the office, in the field, for legal compliance and personal protective equipment. Senior managers are responsible for the majority of our OHS audits — to ensure their integrity and as an opportunity to visibly demonstrate OHS leadership.

Senior management also formally review our OHS system's effectiveness annually. Actions arising from the management review are documented and acted upon through section action plans.

Our OHS management system is independently audited and certified by Det Norske Veritas to meet the requirements of AS/NZS 4801 and ISO18001:2004 – Occupational Health and Safety Management Systems. In addition, our OHS system is regularly audited as part of our clients' own prequalification process. In recent years, clients such as Rio Tinto and Caltex have rated our OHS system highly.

## Communication and Consultation

Parsons Brinckerhoff has established mechanisms to respond to employee and customer queries, suggestions and concerns and to ensure communication and consultation:

- internally between Parsons Brinckerhoff offices and with the wider Parsons Brinckerhoff organisation
- externally with clients, contractors, suppliers, regulatory agencies, government organisations/agencies and other stakeholders.

Each geographic region has an active OHS committee, empowering employee representatives to champion OHS issues and initiatives. Each committee also provides the organisation with a consultative forum for management and employees to constructively discuss OHS matters. OHS committees provide an important way to harness both employees' practical knowledge of the workplace and its hazards, and management overview of the workplace and organisation. In 2011, approximately 4% of our employees were directly involved in OHS committees.



**Shaun Nugent**  
Director Operations and Capability

## What Does Safety Mean?

*"Safety has existed as a concept since the beginning of time, it is only in the last 60 years or so that it has been defined, legislated, regulated and corporatised. But if we look back to where it all started it may give a view on what is at the core of safety."*

*Primitive humans reacted to their environmental context in a very similar way to how we as modern humans react to similar situations. For example, a powerful animal with large teeth is dangerous, hence if you wish to live a long enjoyable and prosperous life, things must be done to stay safe — like run away. We do these things to stay safe because we all have a role and function in family and community units that we need to perform and be happy doing so — this has not fundamentally changed over time."*

*"Based on the above logic, safety is all the things we do/need to maintain good physical, mental and social well-being at work, at home, day and night, for our family and our work colleagues and other inhabitants of the planet. Stay safe — it's more fun and productive that way. One thing that has changed in all of this time is that we are a lot better at proactively managing our safety rather than leaving it to chance."*

### Safety Responses

Primitive Situation	Modern Situation
On the lookout for threats	Identifying hazards in the workplace
Avoiding areas where predators gather	Assessing risks and implementing the appropriate controls
Hunting in packs	Teamwork
Learning from the mistakes of others	Knowledge sharing
Protecting less experienced members of the tribe from harm	Safety leadership
Using primitive tools such as a stick or club	Implementing engineering controls and using Personnel Protective Equipment
Resting in a safe place	Security

# ENVIRONMENTAL MANAGEMENT

## Emissions Management

### Our Approach

Parsons Brinckerhoff is committed to acting in an environmentally responsible manner. As consultants, we continue to work to mitigate the social and environmental impact of the projects in which we work, and the services we provide to our clients.

To achieve this, we have implemented an environmental management system (EMS) which is independently audited and certified by Det Norske Veritas to meet the requirements of ISO 14001.

### Products and Services

We recognise that many of our business activities have the potential to adversely impact the environment, which is why we have implemented our EMS to manage and minimise the risk. We also recognise that through the technical advice we provide our clients we have the opportunity to positively influence and generate sustainable outcomes. We take this responsibility seriously and pride ourselves on the many 'little' differences that we make each day, which culminate into some of the world class project examples shown throughout this report.

### Initiatives Contributing to Performance:

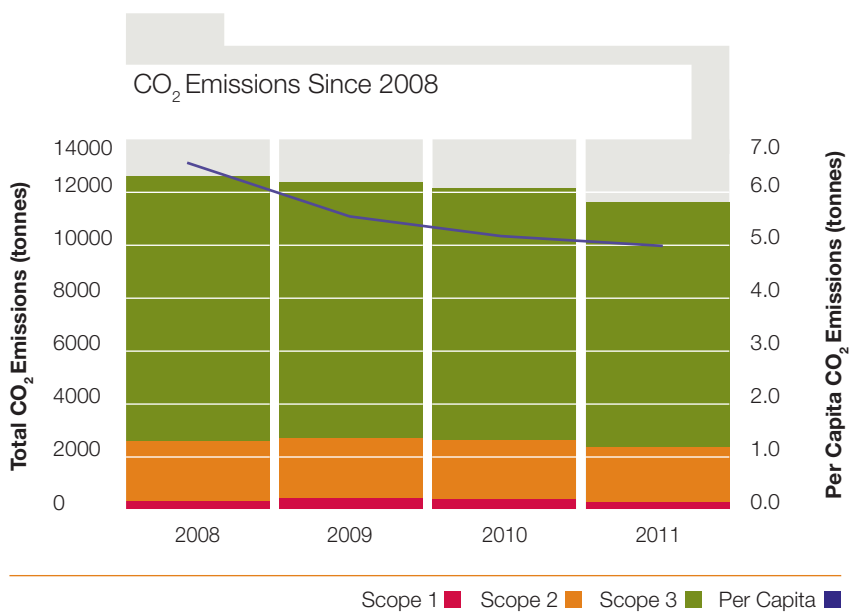
- developing sustainability training for our project managers
- implementing processes to ensure our designers consider environmental impacts during the design phase.

Parsons Brinckerhoff's response to climate change is to be an industry leader in emissions management. We have embraced our parent company's aggressive emissions reduction target of 50% by 2020 — this is per employee based compared with 2008 figures. Furthermore, through our Carbon Neutral program, we continue to voluntarily offset the emissions we can't reduce based on the Greenhouse Gas Protocol methodology.

We do not emit any ozone-depleting substances as part of our operations, nor do we emit any nitrogen oxide (NO), sulphur dioxide (SO<sub>2</sub>) or other significant air emissions, with the exception of carbon dioxide (CO<sub>2</sub>). The below data demonstrates a steady decline in CO<sub>2</sub> emission rates since we began collecting data in 2008, due to multiple initiatives listed throughout the following sections of this report.

### Performance Summary:

- 2.5% reduction in per capita emissions from previous year
- 22.9% reduction in per capita emissions since 2008.



## CO<sub>2</sub> Emissions Since 2008

	2008	2009	2010	2011
<b>Total CO<sub>2</sub> emissions (tonnes)</b>	<b>12,709</b>	<b>12,572</b>	<b>12,093</b>	<b>11,657</b>
Scope 1	331	488	477	352
Scope 2	2,311	2,254	2,124	2,065
Scope 3	10,066	9,830	9,491	9,240
<b>CO<sub>2</sub> emissions rate</b>	<b>6.5</b>	<b>5.6</b>	<b>5.2</b>	<b>5.0</b>

## Direct and indirect Energy Consumption by Source

Source - 2011	Direct	Indirect
Vehicle diesel (kl)	76.4	25.4
Vehicle petroleum (kl)	47.1	445.6
Vehicle bio-diesel (kl)	0.1	0.0
Vehicle LPG (kl)	1.0	26.0
Building natural gas (GJ)	600	0
Building electricity (kWh)	2,436,226	2,401,532
Aviation fuel (CO <sub>2</sub> equivalent - tonnes)	0.0	5,137

## Electricity Usage

	2008	2009	2010	2011
<b>Electricity usage total (kWh)</b>	<b>5,511,281</b>	<b>5,312,467</b>	<b>4,972,497</b>	<b>4,837,758</b>
Indirect	2,593,544	2,522,920	2,475,317	2,401,532
Direct	2,917,736	2,789,548	2,497,180	2,436,226
<b>Electricity usage rate</b>	<b>2,723</b>	<b>2,669</b>	<b>2,113</b>	<b>2,068</b>

## Electricity

Parsons Brinckerhoff is committed to minimising our electricity consumption wherever possible. We recognise that while electricity consumption is required to operate our business, we continue to demonstrate that it is possible for a growing business to continually reduce electricity consumption.

### Performance Summary:

- 24% reduction in per capita electricity consumption since 2008
- 2% reduction in per capita electricity consumption from the previous year.

### Initiatives Contributing to Performance:

- achieving 5 green star ratings for most of our office accommodation
- creating network rules which power down idle electrical equipment more aggressively
- supporting awareness raising initiatives such as Earth Hour
- smarter use of our facilities enabling more people to occupy the same or less floor space.



## Transport

Parsons Brinckerhoff is committed to minimise our transport use as much as is practicable and to utilise energy efficient modes of transport where journeys cannot be avoided. It is noted that to completely avoid travel is not a sustainable option since serving our clients often requires it.

### Performance Summary:

- steady decrease in per capita air travel since 2008 but a marginal increase during 2011
- steady increase in vehicle travel since 2008 proportionate with our growth in revenue.

### Initiatives Contributing to Performance:

- maintenance of an extensive network of video conference facilities
- providing training to support employee use of WebEx and other technologies to minimise the need to travel
- continuation of awareness raising campaigns such as Environment Week and Fly-free Weeks
- maintenance of six hybrid technology vehicles without our corporate fleet
- making public transport tickets available as an alternative to taxi vouchers.

### Travel Emissions

	2008	2009	2010	2011
Air travel (miles)	18,481,195	17,479,527	17,056,281	15,647,755
Air travel rate	9,459	7,754	7,291	7,314
Vehicle usage (km)	3,709,039	5,076,849	5,543,676	5,916,372
Vehicle usage rate (km)	1,898	2,252	2,362	2,529

## Resources

Parsons Brinckerhoff is committed to minimise resource use as much as is practical through reducing, re-using and recycling. We also recognise our ability to influence the supply chain through responsible procurement. Our approach to resource management is detailed within our resource management standard and includes preferentially procuring goods from local suppliers with recycled content. We are also continually looking to implement better and smarter ways to reduce our paper consumption, which has historically been our most significant resource consumed.

### Performance Summary:

- 40% reduction in per capita paper use since 2008
- 3.4% reduction in per capita paper use from the previous year
- approximately 50% increase in the proportion spent on paper and stationary products containing recycled materials.

### Initiatives Contributing to Performance:

- investigating print on demand software to minimise unwanted prints and provide greater accountability to monitor printing behaviour
- greater emphasis upon electronic forms and approval flows reducing the reliance on paper prints.

### Paper Usage

	2008	2009	2010	2011
Paper usage (reams)	23,323	22,905	17,100	16,481
Paper usage rate	11.9	10.2	7.3	7.0

## Water

Parsons Brinckerhoff is committed to reduce water use wherever possible and ensure that only clean water is returned to waterways. No water sources have been significantly affected by Parsons Brinckerhoff's activities to date.

Since Parsons Brinckerhoff office space is generally shared and third party managed we have no way of accurately knowing our water consumption or discharge. Using an estimate of 4kl per employee per year, our 2011 water consumption is assumed to be in the order of 9,000 kl with a discharge assumed to be conservatively 80% of this figure, approximately 7,000 kl. Parsons Brinckerhoff does not have operational control of any other facilities thus we assume no associated water consumption, discharge, recycling or re-use.

### Initiatives Contributing to Performance:

- maintenance of water saving devices in all buildings
- use of perimeter hay bales at all work sites where there may be a risk of rain events spreading sediment and adversely impacting waterways.

## Waste and Spills

Parsons Brinckerhoff is committed to eliminate unnecessary waste disposal and product spills. Some form of waste streaming occurs in all our offices in order to maximise the volume of material that is re-used or recycled and minimise the remainder sent to landfill. While no significant spills have occurred to date, we are prepared to respond in the event of a spill to minimise the environmental impact through the provision of spill kits.

### Initiatives Contributing to Performance:

- introduction of organic waste streams in to most offices
- improved employee awareness of recycling facilities through clearer signage and removal of personal waste bins.

## Biodiversity

Parsons Brinckerhoff is committed to protecting biodiversity including native flora, fauna and ecosystems. Due to the nature of Parsons Brinckerhoff's business, no land is owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value. Similarly, our activities have not made any significant adverse impact to such areas.

Parsons Brinckerhoff's in-house Ecology Team continues to provide expert advice to our clients. During 2011, approximately 50 projects were worked on by the Ecology Team contributing to the protection and restoration of many ecologically significant areas.

### Waste to Land Fill

	Mixed	Food	Paper	Total
Waste to landfill (tonnes)	24.9	26.0	28.3	79.1

## STAKEHOLDER ENGAGEMENT

### Our Approach

Parsons Brinckerhoff's Stakeholder Engagement Team offers a unique combination of technical and communication skills. Our national team of specialists is experienced in the delivery of local, on-the-ground stakeholder and community engagement that provides clients with a valuable presence in the community. Our strategic thinking delivers results, and our approach allows us to anticipate and be responsive to the engagement needs of the community and our clients.

We tailor our strategies to reflect the social, political, cultural, economic and environmental factors that could potentially impact each individual project and base our approach on the early identification, and ongoing proactive management of, project risks and issues.

### Our Achievements 2011

In 2011, Parsons Brinckerhoff's Stakeholder Engagement team enjoyed a rewarding year working on projects in the mining, energy, defence, transport and water sectors throughout Australia. The team continued its sustainable growth while working in partnership with existing and new clients in a continually changing social environment.

In 2012 we will continue to support our company-wide focus on safety and delivering quality outcomes for our clients, while looking forward to expanding our reach across Australia. Community and stakeholder communication and engagement will continue to be a challenge for our clients, and our team is dedicated to managing issues and building better relationships for our clients and the communities in which they operate.

## Engaging Stakeholders on Warwick to Stanthorpe Proposed 110kV Powerline Project

The Ergon Energy Warwick to Stanthorpe proposed 110kV Powerline Project will upgrade the existing energy network to ensure the Southern Downs region in Queensland is provided with safe, secure and reliable power. Ergon Energy investigated a number of line route options and identified a preferred corridor, chosen to maximise the use of existing easements, minimise the need to clear endangered vegetation and minimise the impact on tourist scenic drives in the region.

Parsons Brinckerhoff worked with Ergon Energy to undertake preliminary consultation on the proposed project corridor. The community and stakeholder feedback gained from this process will help deliver a tailored and relevant consultation process as required by the Queensland Government regulated Community Infrastructure Designation process.

Drawing on a decade's worth of experience in delivering community consultation for power projects, Parsons Brinckerhoff assisted Ergon Energy to develop and implement a comprehensive stakeholder communication and engagement plan. This included the development and review of project key messages, development of communication materials, issues and data management, attendance at on-site stakeholder meetings and public displays, and the ongoing provision of strategic advice.

Working collaboratively, Parsons Brinckerhoff and Ergon Energy consultation activities provided the opportunity for stakeholder and community input to be addressed as part of the upfront planning and decision making processes.

One of the key initiatives developed by Parsons Brinckerhoff was the facilitation of a multi-criteria workshop to assist with the initial corridor selection process. The workshop brought together the project's key decision makers to review the corridor options and ensure that stakeholder input was duly considered. This workshop resulted in an adjustment to the preferred corridor to mitigate potential concerns from a key stakeholder group and, in turn, reduced project risks for the client.

This project will continue well into 2012 with the Parsons Brinckerhoff and Ergon Energy partnership well placed to deliver positive project outcomes.

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3.2	Date of most recent previous report	3
3.3	Reporting cycle	3
3.4	Contact point of questions on report	3
3.5	Process for defining report content	3
3.6	Boundary of report	3
3.7	Limitations on report scope or boundary	3

*continues next page*



2011 GRI Table of Contents – *continued*

	<b>GRI index</b>	<b>Reference</b>
	<b>Report parameters</b>	
3.8	Reporting on joint ventures, subsidiaries and leased facilities	In financial year 2011, there continued to be no basis for reporting on joint ventures, subsidiaries, leased facilities or outsourced operations
3.9	Data measuring techniques	74 – 75
3.10	Re-statements from earlier reports	Nothing material
3.11	Changes from previous reporting periods	3, 4
3.12	Table identifying location of standard	60 – 70
3.13	External assurance	As there have been no significant changes to our methodology in data collection, this year the report has not been independently verified and have self-rated at an A standard
	<b>Governance</b>	
4.1	Governance structure of the organisation	7, 11
4.2	Chair and EO	4
4.3	Independent members of highest governance body	12 – 17
4.4	Mechanism for shareholder and employee recommendations to highest body	5
4.5	Link between compensation to senior management and performance	17
4.6	Process for the highest governance body to avoid conflicts of interest	The directorate avoids conflict of interest through adherence to our ethics policy, and to date there have been no breaches
4.7	Process for determining expertise of highest governance body	12 – 17
4.8	Internal systems relevant to sustainability performance	55
4.9	Procedures of the highest governance body for overseeing sustainability performance	4
4.10	Process for evaluating the highest governance body's sustainability performance	8
4.11	Explanation of how the organisation addresses the precautionary principle	29
4.12	Externally developed, voluntary sustainability initiative the organisation subscribes to and/or endorses	27

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## 2011 GRI Table of Contents – *continued*

	<b>GRI index</b>	<b>Reference</b>
	<b>Report parameters</b>	
	<b>Governance</b>	
4.13	Significant association memberships	39
4.14	List of stakeholder groups engaged by the organisation	11
4.15	Basis for identification of stakeholders	Stakeholders have been identified within our strategic process and within our values
4.16	Approaches to stakeholder engagement	11, 58
4.17	Key stakeholder issues and concerns	32
	<b>Economic performance indicators</b>	
<b>Core</b>	<b>Aspect: Economic performance</b>	
EC 1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	23 – 24, 28 – 29
EC 2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	4
EC 3	Coverage of the organisation's defined benefit plan obligations	33, 38
EC 4	Significant financial assistance received from government	We receive no significant financial assistance from government
<b>Additional</b>	<b>Aspect: Market presence</b>	
EC 5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	PB remunerates competitively
<b>Core</b>		
EC 6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	Not applicable as all procurement occurs on a local basis
EC 7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	15 – 17

*continues next page*

2011 GRI Table of Contents – *continued*

	<b>GRI index</b>	<b>Reference</b>
	<b>Economic performance indicators</b>	
<b>Core</b>	<b>Aspect: Indirect economic impacts</b>	
EC 8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	23 – 26, 28
<b>Additional</b>		
EC 9	Understanding and describing significant indirect economic impacts, including the extent of impacts	28
	<b>Environment performance indicators</b>	
<b>Core</b>	<b>Aspect: Materials</b>	
EN 1	Materials used by weight or volume	55 – 58
EN 2	Percentage of materials used that are recycled input materials	As part of our resource management standard, wherever possible, purchased materials are to be re-usable or recyclable, contain recycled material, be non-toxic and, ideally, be locally sourced
<b>Core</b>	<b>Aspect: Energy</b>	
EN 3	Direct energy consumption by primary energy source	56
EN 4	Indirect energy consumption by primary source	56
<b>Additional</b>		
EN 5	Energy saved due to conservation and efficiency improvements	55
EN 6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives	55
EN 7	Initiatives to reduce indirect energy consumption and reductions achieved	55
<b>Core</b>	<b>Aspect: Water</b>	
EN 8	Total water withdrawal by source	58
<b>Additional</b>		
EN 9	Water sources significantly affected by withdrawal of water	Not applicable
EN 10	Percentage and total volume of water recycled and re-used	Not applicable

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## 2011 GRI Table of Contents – *continued*

	<b>GRI index</b>	<b>Reference</b>
<b>Core</b>	<b>Aspect: Biodiversity</b>	
EN 11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable
EN 12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	No significant impacts in 2011
<b>Additional</b>		
EN 13	Habitats protected or restored	Not focussed on in 2011
EN 14	Strategies, current actions, and future plans for managing impacts on biodiversity	58
EN 15	Number of International Union for Conservation of Nature Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	Not applicable
<b>Core</b>	<b>Aspect: Emissions, effluents and waste</b>	
EN 16	Total direct and indirect greenhouse gas emissions by weight	55 – 56
EN17	Other relevant indirect greenhouse gas emissions by weight	56
<b>Additional</b>		
EN 18	Initiatives to reduce greenhouse gas emissions and reductions achieved	8, 55
<b>Core</b>		
EN 19	Emissions of ozone-depleting substances by weight	Not applicable
EN 20	NOx, SOx, and other significant air emissions by type and weight	Not applicable
EN 21	Total water discharge by quality and destination	58
EN 22	Total weight of waste by type and disposal method	58
EN 23	Total number and volume of significant spills	No significant spills have occurred at any Parsons Brinckerhoff sites or as a result of our activities

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2011 GRI Table of Contents – *continued*

	<b>GRI index</b>	<b>Reference</b>
<b>Additional</b>	<b>Aspect: Biodiversity</b>	
EN 24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	Parsons Brinckerhoff does transport small amounts of asbestos and other samples from project sites which we do not weigh. We may also advise a client on the appropriate management of hazardous substances
EN 25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff	Not applicable
<b>Core</b>	<b>Aspect: Products and services</b>	
EN 26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	55
EN 27	Percentage of products sold and their packaging materials that are reclaimed by category	Not applicable. Parsons Brinckerhoff does not sell products that require packaging
<b>Core</b>	<b>Aspect: Compliance</b>	
EN 28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	In financial year 2011, there were no fines or sanctions for non-compliance with environmental laws and regulations
<b>Additional</b>	<b>Aspect: Transport</b>	
EN 29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	57
<b>Additional</b>	<b>Aspect: Overall</b>	
EN 30	Total environmental protection expenditures and investments by type	29

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## 2011 GRI Table of Contents – *continued*

	<b>GRI index</b>	<b>Reference</b>
	<b>Society performance indicators</b>	
<b>Core</b>	<b>Aspect: Local Communities</b>	
SO 1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	58
SO 9	Operations with significant potential or actual negative impacts on local communities	58
SO 10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	59
<b>Core</b>	<b>Aspect: Corruption</b>	
SO 2	Percentage and total number of business units analysed for risks related to corruption	All Parsons Brinckerhoff employees are trained in ethics, which includes anti-corruption
SO 3	Percentage of employees trained in organisation's anti-corruption policies and procedures	19
SO 4	Actions taken in response to incidents of corruption	In financial year 2011, there were no incidents of corruption
<b>Core</b>	<b>Aspect: Public policy</b>	
SO 5	Public policy positions and participation in public policy development and lobbying	27
<b>Additional</b>		
SO 6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	29
<b>Additional</b>	<b>Aspect: Anti-competitive behaviour</b>	
SO 7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	In financial year 2011, there were no legal actions for anti-competitive behaviour, anti-trust, and monopoly practices
<b>Core</b>		
SO 8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	In financial year 2011, there were no fines or sanctions due to non-compliance with laws and regulations

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2011 GRI Table of Contents – *continued*

	<b>GRI index</b>	<b>Reference</b>
	<b>Labour practices and decent work performance indicators</b>	
<b>Core</b>	<b>Aspect: Employment</b>	
LA 1	Total workforce by employment type, employment contract, and region	34
LA 2	Total number and rate of employee turnover by age group, gender, and region	34
LA 15	Return to work and retention rates after parental leave, by gender	As this is a new indicator we have not captured this data
<b>Additional</b>		
LA 3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	38
<b>Core</b>	<b>Aspect: Labour/management relations</b>	
LA 4	Percentage of employees covered by collective bargaining agreements	33
LA 5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	35
<b>Additional</b>	<b>Aspect: Occupational health and safety</b>	
LA 6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Not reported in 2011. We are moving to a model of total workforce ownership and engagement of health and safety
<b>Core</b>		
LA 7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region	51
LA 8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	38
<b>Additional</b>		
LA 9	Health and safety topics covered in formal agreements with trade unions	Not applicable. Collective agreements are made directly with employees

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## 2011 GRI Table of Contents – *continued*

	<b>GRI index</b>	<b>Reference</b>
<b>Core</b>	<b>Aspect: Training and education</b>	
LA 10	Average hours of training per year per employee by employee category	45
<b>Additional</b>		
LA 11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	45 – 46
LA 12	Percentage of employees receiving regular performance and career development reviews	In 2011 our RYP system was reviewed and our data is not accurate
<b>Core</b>	<b>Aspect: Diversity and equal opportunity</b>	
LA 13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	10, 36
LA 14	Ratio of basic salary of men to women by employee category	35
	<b>Human Rights Performance Indicators</b>	
<b>Core</b>	<b>Aspect: Investment and procurement practices</b>	
HR 1	Percentage and total number of significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening	Not applicable as we do not have investment agreements
HR 2	Percentage of significant suppliers, contractors and other business partners that have undergone on human rights screening, and actions taken	While human rights screening is not of direct relevance to our business, our people are encouraged to identify ethical issues, including procurement, through our ethics framework or using the ethics hotline
<b>Additional</b>		
HR 3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	19
<b>Core</b>	<b>Aspect: Non-discrimination</b>	
HR 4	Total number of incidents of discrimination and actions taken	In financial year 2011, there were no instances of discrimination

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2011 GRI Table of Contents – *continued*

	<b>GRI index</b>	<b>Reference</b>
<b>Core</b>	<b>Aspect: Freedom of association and collective bargaining</b>	
HR 5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	In financial year 2011, none of our operations were identified as being at significant risk
<b>Core</b>	<b>Aspect: Child labour</b>	
HR 6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour	In financial year 2011, none of our operations were identified as having significant risk for child labour
<b>Core</b>	<b>Aspect: Forced and compulsory labour</b>	
HR 7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour	In financial year 2011, none of our operations were identified as having significant risk for forced or compulsory labour
<b>Additional</b>	<b>Aspect: Security practices</b>	
HR 8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations	Parsons Brinckerhoff A-P does not have security personnel
<b>Additional</b>	<b>Aspect: Indigenous rights</b>	
HR 9	Total number of incidents of violations involving rights of indigenous people and actions taken	In financial year 2011, there were no instances of indigenous rights violations
<b>Core</b>	<b>Aspect: Assessment</b>	
HR 10	Percentage and total number of operations that have been subject to human rights review and/or impact assessments	None
<b>Core</b>	<b>Aspect: Remediation</b>	
HR 11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	In financial year 2011, there were no grievances
	<b>Product Responsibility Performance Indicators</b>	
<b>Core</b>	<b>Aspect: Customer health and safety</b>	
PR 1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	52 – 54

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## 2011 GRI Table of Contents – *continued*

	<b>GRI index</b>	<b>Reference</b>
	<b>Product Responsibility Performance Indicators</b>	
<b>Additional</b>	<b>Aspect: Customer health and safety</b>	
PR 2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes	In financial year 2011, there were no instances of non-compliance
<b>Core</b>	<b>Aspect: Product and service labelling</b>	
PR 3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements	Not applicable
<b>Additional</b>		
PR 4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	In financial year 2011, there were no instances of non-compliance
PR 5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	32
<b>Core</b>	<b>Aspect: Marketing communications</b>	
PR 6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	22
<b>Additional</b>		
PR 7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	In financial year 2011, there were no instances of non-compliance in regard to our marketing behaviour or complaints regarding breaches of customer confidentiality
<b>Additional</b>	<b>Aspect: Customer Privacy</b>	
PR 8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	In financial year 2011, there were no breaches
<b>Core</b>	<b>Aspect: Compliance</b>	
PR 9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	In financial year 2011, there were no fines for non-compliance

# GLOSSARY AND SHORTENED FORMS

## Glossary and Shortened Forms

ABS	Australian Bureau of Statistics
AIFR	All Injury Frequency Rate
AAPSA	Asia, Australia-Pacific and southern Africa
BTA	Business Travel Administration
CMS	Content Management System
CRM	Client Relationship Manager or Client Relationship Management
FR	Frequency Rate
GAPP	Generally Accepted Privacy Principles
GBR	Great Britain
GFC	Global Financial Crisis
GJ	Gigajoule
Green Team	Group of Parsons Brinckerhoff people who work to help to achieve sustainable operations in our offices
Hub	Parsons Brinckerhoff global intranet
IHC	In-house contractor
IFRS	International Financial Reporting Standards
KPI	Key Performance Indicator
KRA	Key Reporting Area
LPG	Liquefied Petroleum Gas
LTI	Lost Time Injuries
LTIFR	Lost Time Injuries Frequency Rate
MTI	Medical Treatment Injury
MTIFR	Medical Treatment Injury Frequency Rate

*continues next page*

## Glossary and Shortened Forms – *continued*

NABERS	National Australian Built Environment Rating System
NAPSA	Notional Agreement Preserving a State Award
Near-miss	Potential hazard
NOx	Nitrogen oxide
OCI	Organisational Culture Inventory – a tool for measuring the culture of an organisation
OECD	Organisation for Economic Co-operation and Development
OHS	Occupational Health and Safety
PBU	Parsons Brinckerhoff University – an online global education and training system
PGN	Professional Growth Network – employees with less than 10 years' experience
PPP	Private Public Partnerships
R&D	Research and Development
RYP	Realising Your Potential – Parsons Brinckerhoff's performance management tool
SBEnc	Sustainable Built Environment national research centre
SHE	Safety Health Environment
SO <sub>2</sub>	Sulphur dioxide
SWP	Standard Work Practice
TAP	Trusted Adviser Program
TRIFR	Total Recordable Injury Frequency Rate
UNGC	United Nations Global Compact
VCS	Voluntary Carbon Standard



# DEFINITION OF EMISSIONS

## Definition of Emissions

Scope emissions	Emission classification	Definition	Examples
	Scope 1	The release of greenhouse gas into the atmosphere as a direct result of a company's on-site operations	Fleet vehicle fuel consumption
	Scope 2	The release of greenhouse gas as a result of a company's operations that generate electricity, heating, cooling or steam, which is generated elsewhere	Office electricity purchased from a utility
	Scope 3	Other indirect releases of greenhouse gas that occur outside the boundary of a company as a result of its business activities	Business travel such as airlines and taxis; also downstream emissions from a supply chain

## DATA COLLECTION ASSUMPTIONS

Data is collected using a variety of means, and various industry best practice assumptions are applied where required. The table below summarises the measurement techniques and assumptions made for each type of data.

### Data Collection Assumptions

Data type	Data collection methodology	Assumptions
Air miles	Employee air travel reports are provided by our travel agent each month and forwarded to the A-P SHE Manager for collation	To convert air miles travelled into CO <sub>2</sub> (tonnes equivalent) a factor of 0.000204 is applied to the kilometres travelled equivalent. This is based upon the Carbon Planet flight calculator
Electricity	Manual viewing and reporting from utility invoices. Rates are calculated per employee and total usage	In most cases, base building energy consumption is estimated using a NABERS methodology which factors a building's location, floor area and NABERS rating. In the event that air conditioning data is available, this is assumed to be the value for base building energy consumption (only in our Perth office)
Emissions	Rates are calculated per employee and based on raw consumption data	
Injuries	Frequency rates are calculated per million hours worked	
Natural gas (office)	Manual viewing and reporting from utility invoices	Raw data is only provided as a dollar amount. Quantity estimate is based on a likely cost per unit
Pool vehicles	Oracle expenditure reports, based on Motorpass reports of kilometres travelled	Fuel efficiency is based on the national average for passenger vehicles, as published in the ABS Survey of Motor Vehicle Use 2007
Taxi usage	Oracle expenditure reports of Cabcharge usage, as well as AMEX reports	All taxis are assumed to be fuelled by LPG. The Department of Climate Change's Green Vehicle Guide is used to determine typical fuel efficiency and a national average flagfall is calculated based on each state's rates

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Data Collection Assumptions – *continued*

Data type	Data collection methodology	Assumptions
Turnover rate	We measure our turnover rate in comparison to the industry figures proved by Consult Australia	
Paper usage	Rate is calculated per employee and based on raw consumption data	
Personal vehicles	Oracle reports of kilometres travelled on personal expense claims	Fuel efficiency is based on the national average for passenger vehicles, as published in the ABS Survey of Motor Vehicle Use 2007
Rental vehicles	Records obtained from individual rental companies upon request. These records generally provide rental dates, vehicle type and distance travelled (km)	Fuel efficiency is based on the national average for passenger vehicles, as published in the ABS Survey of Motor Vehicle Use 2007
Safety data	Collated monthly by the A-P SHE Manager using iSMS based on employee provided notifications	
Water	Based on reported employee numbers	Based on the Australian Bureau of Statistics, average office water consumption is estimated to be 4 kL per person per year
Waste	Due to the often unsafe and unpleasant task of accurately quantifying the volume of our waste streams, an approximation has been used	It is assumed that the results of the annual waste audits are reflective of waste disposal practices throughout the remainder of the year
Project information	Project information is provided on a regular basis, and as part of our SWP	It is assumed that the information provided by project staff is correct
People information	People data is measured on full-time equivalents	

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