SMEC

Local People. Global Experience.

SMEC
Sustainability Report

2013
2014

This is SMEC's fourth annual Sustainability Report. The report covers SMEC's economic, environmental and social performance from 1 April 2013 to 31 March 2014.

The information in this report pertains to SMEC's Australian operations and selected international operations. It does not include SMEC's joint ventures or any other controlled entities.

SMEC's Corporate Social Responsibility (CSR) policies and procedures have been implemented in Australia over the last year, and have been rolled out across selected pilot sites internationally.

SMEC has applied the Global Reporting Initiative (GRI) G3.1 guidelines to a self-declared Level B. The GRI G3.1 guidelines are the world's most widely used sustainability reporting guidelines.

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

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

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The Chief Executive Officer

This is SMEC's fourth consecutive year reporting on the Company's Sustainability initiatives, since joining the United Nations Global Compact (UNGC) in April 2010. Each year we have made progress in all three areas of reporting; People, Community, and Sustainability and Environment.

In November 2013, SMEC released its 2014-2016 Strategic Plan. Developed with input from SMEC's overall employee base, the Strategic Plan outlines key priorities for the Company over the next three years. With a strong focus on SMEC's clients and people, the Plan features a new Vision and set of Values. The Vision for SMEC is 'to deliver outstanding infrastructure services for our clients and communities'. The Vision aligns with SMEC's ethos of '*Local People. Global Experience.*' SMEC's values are: Teamwork & Trust, Diversity & Delivery, Integrity & Innovation, Safety & Sustainability. These values underpin the way we operate, they define the way we work.

In March 2014, SMEC conducted a company-wide Employee Survey. SMEC Management initiated the Survey to obtain honest and open feedback from employees on what it is like to work at SMEC in 2014, what SMEC's strengths are, and what areas need improving. To date, the Survey results are still being compiled, however I anticipate that the results will provide a clear understanding of areas for improvement. With this information, Action Plans will be developed (and implemented) to address these areas.

Gender diversity remains a priority for SMEC and I'm pleased to report that SMEC is improving its gender balance. As at 1 January 2014, 19% of employees globally were female. This was significantly higher in our Australia & New Zealand Division where 28% of employees were female (compared to 24% from the prior corresponding period). This is very positive and a lot higher than the industry average, with females comprising of only 11% of the Australian engineering workforce.

Succession Planning continues to be a key focus. A formal program has been implemented for the two levels of management below the CEO ('Level One' managers are Executive Committee members, whilst 'Level Two' managers are direct reports of Executive Committee members). During the reporting period, Talent Profiles were developed for both levels; and over 50% of Level Two managers completed a 360 degree appraisal. The Program will progressively be implemented across all levels of the Company.

SMEC aims to have a work environment that is inclusive and promotes mutual respect. In this reporting period we continued to implement the EEO framework that was

Providing a working environment where there is no risk to health and safety is a top priority for SMEC. In this reporting period, we continued to focus on proactive reporting of health and safety. SMEC is working towards a Zero Harm environment for its employees, contractors, visitors and the general public.

revised in 2012. Key activities included; face-to-face EEO Inclusive Management Skills training to 120 managers across Australia; and online EEO and bullying training to over 1,100 Australian based employees.

Providing a working environment where there is no risk to health and safety is a top priority for SMEC. In this reporting period, we continued to focus on proactive reporting of health and safety. SMEC is working towards a Zero Harm environment for its employees, contractors, visitors and the general public. To assist in achieving this goal, SMEC has made improvements to: Reporting (encouraging international operations to proactively report near misses, hazards, drills and inspections); Online forms (introducing online forms for Job Safety and Environment Analysis, and Safe Work Method Statements); the Safety Handbook (revising the Handbook for 2014).

SMEC continued its commitment to supporting people in need through the charitable work of the SMEC Foundation. In this reporting period, donations increased by 69% to (over) A$170,000. These funds were used to provide small-scale grants to 25 projects in 16 countries, primarily in the areas of Health (42%), Emergency Relief (26%), and Community Development (19%). Of these funds, the majority were donated to projects in Asia Pacific (54%) and Africa (28%).

SMEC is committed to embedding sustainability principles throughout the Company. SMEC's focus on sustainable offices continued this reporting period. For the first time, pilot offices in Hong Kong, Johannesburg, Manila and Gurgaon (Delhi) collected baseline data for electricity and paper usage. In Australia, the majority of offices now have Environmental Management Plans in place which outline how to reduce environmental impacts and improve performance. In March 2014, SMEC's Australia & New Zealand Division became a national signatory to CitySwitch, Australia's national tenancy energy efficiency program. This means that all SMEC offices across Australia and New Zealand will work towards achieving a 4-star NABERS rating.

I am pleased with the progress that SMEC has made in the area of Corporate Social Responsibility (CSR) since joining the UNGC four years ago. I fully support SMEC's CSR Program and will continue to drive a culture where sustainability is entrenched in the way we do business.

Ross Hitt
Managing Director and Chief Executive Officer
SMEC Holdings Limited

The Company

SMEC is recognised around the world for providing high-quality, practical solutions for social and physical infrastructure projects. SMEC aligns technical expertise with local knowledge to address the needs of its diverse client base.

5,000+
people

70+
offices

35+
countries

Global Network

North and South America

- Established 2004
- 6 offices
- 68 people

Africa

- Established 1974
- 25 offices
- 1,365 people

South Asia and Middle East

- Established 1968
- 16 offices
- 2,030 people

Map showing SMEC regional operations: AFRICA, SOUTH ASIA & MIDDLE EAST, ASIA PACIFIC, and AUSTRALIA & NEW ZEALAND.

Asia Pacific

- Established 1962
- 10 offices
- 665 people

Australia and New Zealand

- Established 1949
- 16 offices
- 1,175 people

Corporate Governance

Company Structure

The SMEC Group operates by using a divisional-functional cross-matrix structure. The essential features of the structure are: a Chief Executive Officer (CEO) reporting to a Board of Directors; one global functional division (Mining, Oil and Gas) and four geographic divisions (Australia, Asia Pacific, South Asia and the Middle East, and Africa); and a series of functional groups (Transport; Water and Environment; Hydropower and Energy; and Urban and Social Development).

The structure also makes use of a number of subsidiary companies which meet operational (mainly regional and functional) business needs.

The Board of Directors

SMEC's Board is responsible for formulating SMEC's strategic direction and maintaining good corporate governance. Acting on behalf of shareholders, the Board is accountable for SMEC's financial and operational performance. The Board has a written charter which outlines its responsibilities and governance framework.

SMEC's Board is composed of two Executive Directors and four Non-Executive Directors (three of whom are considered to be independent), with the Chair elected by the other members of the Board. The Directors have an appropriate range of skills and experience and (except the Managing Director) are required to retire at the fourth Annual General Meeting following their appointment.

Independence of Non-Executive Directors

An independent Director is separate from management, free of relationships that could interfere with the exercise of independent judgement; and meets the criteria for independence in the ASX Standards. SMEC's Board has three independent Non-Executive Directors.

Board Committees

The Board has two permanent committees which provide direction on specific areas. Each committee has written terms of reference and is subject to annual review by the Board. These committees are: the Audit and Risk Committee and the Remuneration and Nominations Committee. The Executive Committee is not considered to be a board committee. It consists of senior executives appointed by the CEO.

Audit and Risk Committee

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

Remuneration and Nominations Committee

The Remuneration and Nominations Committee assists in establishing a Board with an effective composition, diversity and size to adequately discharge its responsibilities. The Committee aims to ensure that SMEC: secures, motivates and retains highly skilled and diverse senior executives and employees to ensure SMEC's long-term success. The Remuneration and Nominations Committee must have at least three members, consist only of Non-Executive Directors, have a majority of independent Directors and have an independent Chair.

Executive Committee

The Executive Committee (EC) monitors SMEC's operations and ensures that strategies and policies set by the Board are implemented. The CEO is the Chair of the EC and is responsible for all matters not reserved for the Board or individual Directors; generally described as the day-to-day operations and management of the SMEC Group. The EC's terms of reference and authority are approved by the Board.

Remuneration of Directors

Non-Executive Directors are paid annual fees, which in total fall within the fixed amount approved by shareholders (currently set at A$1,000,000). During the 2012–2013 financial year, remuneration of Non-Executive Directors totalled A$456,461. Non-Executive Directors are not eligible for SMEC's bonus or incentive schemes and only statutory retirement benefits are payable.

Code of Conduct

SMEC has a Code of Conduct which must be followed by all employees. Reviewed and updated in early 2013, the Code requires that all employees act with honesty, integrity and in compliance with the law and work collaboratively with their colleagues. The Code encourages employees to report any unethical practices and ensure the safety of themselves and those around them. Managers (in addition to the above responsibilities) are expected to develop a positive working environment and provide ongoing support and feedback to employees.

Along with the Code of Conduct, SMEC has an Equal Employment Opportunity Procedure (which covers harassment and bullying) to promote an inclusive work environment that fosters mutual employee respect.

Risk Management

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

SMEC has improved its processes for the identification of risks and better consultation in managing risks. This led to the implementation of (more) targeted risk management measures, and an overall improvement of SMEC's risk management systems. During this reporting period, SMEC focused on fostering a risk management culture. The adoption of this culture has led to greater awareness of risks at all levels.

Quality Management

SMEC is committed to implementing quality management principles on all projects and has developed a Quality Management System (QMS). SMEC's QMS complies with the requirements of ISO 9001:2008 and regulatory requirements. SMEC's QMS provides systematic control of business activities to ensure that client expectations are being met and, if possible, exceeded. With processes for planning, documenting, managing and controlling everyday business needs and activities, the QMS includes review processes to monitor and measure performance and identify improvements.

During the reporting period, SMEC obtained certification to ISO9001 (Quality Management), ISO14001 (Environmental Management) and AS/NZS4801 (OHS Management) in all major Australian offices from a new third-party certifier, Global-Mark.

SMEC reviewed its Project Management process this year, simplifying the commencement procedure for minor projects, to better respond to client needs. A 'Safety In Design' procedure and system were launched in Australia (in response to national Work Health and Safety Act changes) and earned a Highly Commended at the 2013 Consult Australia Awards.

Board of Directors

Peter Busbridge

Chairman
BE(Civil), AMP Harvard, FIEAust, MAICD

Peter joined SMEC in 1974 and has held the positions of Chief Executive Officer, Chief Operations Officer, Executive Director Australia, Manager New South Wales and Chief Engineer Highways and Transportation. In 2009, Peter was appointed Chairman of the Board and in 2010 Peter was appointed a Director of the SMEC Foundation Board. Peter holds a Bachelor of Engineering (Civil) from Melbourne University and has completed the Advanced Management Program at Harvard University. Peter is a Fellow of the Institution of Engineers Australia and is a Member of the Australian Institute of Company Directors and the Road Engineering Association of Asia and Australasia (REAAA).

The Vision for SMEC is to deliver outstanding infrastructure services for its clients and communities.

This Vision aligns with the Company's ethos of '*Local People. Global Experience*.' and supports SMEC's localisation model of developing local people and being responsive to the needs of local clients.

Ross Hitt

Managing Director and CEO
BE(Civil), GradDip(Management), FIEAust, MAICD

Ross joined SMEC in 1980. Ross was appointed Managing Director and Chief Executive Officer of SMEC in 2009, after serving as Managing Director International since 2005. Ross has more than 35 years' experience in engineering, development and infrastructure projects in Australia and internationally. Ross holds a Bachelor of Engineering (Civil) from Monash University and a Postgraduate Diploma in Management from Deakin University. Ross is a Fellow of the Institution of Engineers Australia and a Member of the Australian Institute of Company Directors and the Australia India Business Council.

Alastair McKendrick

Director and Group Finance Director
BBus(Acc), FCPA, MAICD

Alastair joined SMEC in 1999 as Financial Controller, was appointed Chief Financial Officer in 2000 and Group Finance Director in 2009. He was elected to the Board as an Executive Director in 2001. Alastair has over 30 years' experience in the management of large organisations and consulting to small-to-medium sized organisations in Australia, Hong Kong, New Zealand and the United Kingdom. Alastair holds a Bachelor of Business (Accounting) from Monash University, is a Fellow of Certified Public Accountants Australia and a Member of the Australian Institute of Company Directors.

Kate Spargo

Non-Executive Director
BA, LLB(Hons), FAICD

Kate is a Non-Executive Director of SMEC (appointed in 2010), Chair of the Audit and Risk Committee and a Director of the SMEC Foundation Board. Kate is currently a Non-Executive Director on the Boards of Sonic Healthcare Ltd, Fletcher Building Ltd, Investec Bank (Australia) Ltd, Accounting Professional and Ethical Standards Board, International Ethics Standards Board for Accountants, CoInvest Ltd and Suncorp Portfolio Services Ltd. Kate holds a Bachelor of Law (Honours) and a Bachelor of Arts from Adelaide University. Kate is a Fellow of the Australian Institute of Company Directors.

Max Findlay

Non-Executive Director
BEc, FAICD

Max was appointed Non-Executive Director of SMEC in 2010. Max was the Managing Director of Programmed Maintenance Services for 18 years until his retirement in 2008. Max serves on the Boards of several organisations including the Royal Children's Hospital and Skilled Group Ltd (a publicly listed company). Max is Chairman of the Board of EVZ Ltd. Max holds a Bachelor of Economics (Politics) from Monash University and a postgraduate qualification in Accounting from Swinburne University. Max is a Fellow of the Australian Institute of Company Directors.

Roger Bayliss

Non-Executive Director
BSc, MRACI, FAICD

Roger was appointed to the Board in 2002. Roger is a Non-Executive Director of SMEC, Chair of the Remuneration and Nominations Committee and a Director of the SMEC Foundation Board. Roger's career has spanned 45 years and includes management and policy development, marketing, international trade and investment. Roger was a member of the executive management team at the Australian Trade Commission (Austrade). He is a Chartered Chemist, a Member of the Royal Australian Chemical Institute and a Fellow of the Australian Institute of Company Directors. Roger holds a Bachelor of Science from Sydney University.

Executive Committee

Ross Hitt

Managing Director and CEO
BE(Civil), GradDip(Management), FIEAust, MAICD

Ross joined SMEC in 1980. Ross was appointed Managing Director and Chief Executive Officer of SMEC in 2009, after serving as Managing Director International since 2005. Ross has more than 35 years' experience in engineering, development and infrastructure projects in Australia and internationally. Ross holds a Bachelor of Engineering (Civil) from Monash University and a Postgraduate Diploma in Management from Deakin University. Ross is a Fellow of the Institution of Engineers Australia and a Member of the Australian Institute of Company Directors and the Australia India Business Council.

SMEC's values of Teamwork & Trust, Diversity & Delivery, Integrity & Innovation, and Safety & Sustainability underpin the way we operate, they define the way we work. By adopting these values in a meaningful way, SMEC will continue to grow as a business and strengthen our reputation as a leading provider of high quality consultancy services.

Alastair McKendrick

Director and Group Finance Director
BBus(Acc), FCPA, MAICD

Alastair joined SMEC in 1999, was appointed Chief Financial Officer in 2000, elected to the Board in 2001 and appointed Group Finance Director in 2009. Alastair has over 30 years' experience managing large organisations and consulting to small-to-medium organisations in Australia, Hong Kong and the United Kingdom. Alastair holds a Bachelor of Business (Accounting) from Monash University, is a Fellow of Certified Public Accountants Australia and a Member of the Australian Institute of Company Directors.

Neil Evans

Director Strategy and New Business
BSc(Eng), AMP Harvard

Neil joined SMEC in 1993, was appointed Director Strategy and Business Development in 2009 and Director Strategy and New Business in 2012. Prior to this, Neil was Managing Director Australia, and led acquisitions and business planning. Neil has over 40 years' experience and has been a member of project boards and review groups worldwide. Neil holds a Bachelor of Science (Civil Engineering) from the University of New South Wales and completed the Advanced Management Program at Harvard University.

Angus Macpherson

Director Corporate Affairs
BE(Civil), CPEng, MIEAust

Angus joined SMEC in 1993 and was appointed Director Corporate Affairs in 2010. Angus has more than 15 years' experience in managing design teams and in the development and implementation of business management systems. Angus has experience in both the public and private sectors in a wide range of infrastructure projects. Angus has expertise in scope control, risk analysis, financial management and design review. Angus holds a Bachelor of Engineering (Civil) from the University of Technology, Sydney.

Hari Poologasundram

Chief Operating Officer Australia and New Zealand
BSc(Hons), MSc, CPEng, MIEAust, MICE, MIHT

Hari joined SMEC in 1994, was appointed Managing Director Australia in 2009 and Chief Operating Officer Australia and New Zealand in 2012. Hari has over 25 years' experience in the delivery of large infrastructure projects using Design and Construct, Public-Private Partnership and Alliance methods. Hari holds a Bachelor of Science (Civil Engineering) and a Master of Science (Civil Engineering) from City University, London.

Manoli Loukas

Chief Operating Officer Asia Pacific
GradDip(Business), MBA

Manoli joined SMEC in 2005. In 2011, Manoli was appointed Acting Chief Operating Officer Asia Pacific and in 2012 he was permanently appointed. Prior to this, Manoli held the positions of Regional Director Asia Pacific and Regional Manager India. With over 25 years' engineering experience, Manoli has a strong background in operations management and strategy development. Manoli holds a Master of Business Administration from Swinburne University.

Andy Goodwin

Chief Operating Officer South Asia and Middle East
BSc(Eng)Mech, BCom(Hons)

Andy joined SMEC in 2012 as Chief Operating Officer South Asia and Middle East. Andy has 29 years' energy and infrastructure sector experience in Asia, Europe and South Africa. Andy has led highly technical and complex projects and implemented business strategies that have led to strong growth. Andy holds a Bachelor of Science (Mechanical Engineering) from the University of Witwatersrand and a Bachelor of Commerce (Honours) from the University of South Africa.

Tom Marshall

Chief Operating Officer Africa
PrEng, BEng, MEng, DEng, MSAICE, MIMESA, FIOD

Tom joined SMEC in 2012, when Vela VKE joined The SMEC Group. Tom has over 25 years' experience in civil engineering design, construction supervision and management of multi-disciplinary teams throughout southern Africa. Tom holds a Bachelor of Engineering (Civil) and a Master of Engineering (Geotechnics and Transportation) from the University of Stellenbosch and a Doctor of Engineering (Engineering Management) from the University of Johannesburg.

Stakeholders & Objectives

Stakeholder Engagement

SMEC interacts with a wide range of stakeholders, from local community members and contractors to employees, clients, shareholders, industry bodies and opinion leaders.

SMEC stays abreast of emerging trends and sensitive issues through effective and regular dialogue with stakeholders. This dialogue feeds directly into the ongoing development of SMEC's business practices. SMEC recognises that it is important to engage with local stakeholders to develop a Corporate Social Responsibility (CSR) framework that resonates with employees, clients, communities and other stakeholders.

The diverse nature of stakeholder groups means a variety of methods are used to communicate effectively at every level. The communication method used depends on the situation and the stakeholder and may involve one-on-one meetings, industry initiatives, corporate publications, company announcements, media releases, the website (www.smec.com), the intranet or a combination of these.

SMEC's policies and procedures identify and manage issues that may impact stakeholders. SMEC's three major stakeholder groups are employees, clients and shareholders.

Employees

SMEC's management has an 'open door' philosophy, whereby all employees can feel comfortable approaching management to discuss any issue or idea. SMEC encourages two-way communication with employees through the Staff Consultative Committee (SCC). The SCC is a recognised committee within SMEC's management chain, comprising both employee-elected and management-appointed employees. The SCC acts in an advisory capacity to address employee issues and management briefs. Initiatives introduced by the SCC over the last 12 months include proposals for an upgraded file transfer system, graduate training programs, as well as travel discounts and special offers from suppliers.

Employees receive regular company updates from the CEO and other senior management via email announcements and SMEC's intranet. The SMEC News, an electronic internal monthly newsletter (edited and produced by employees for employees), provides information on SMEC's projects, people, events and achievements.

Clients

Clients remain SMEC's primary focus, with the Company continuing to proactively respond to their requirements.

We strive to fully understand our clients' business strategy to be able to offer solutions that support their business objectives. We are responsive and flexible to our clients' changing needs and build sustainable client relationships through integrity and trust.

Our Client Relationship Management (CRM) system and dedicated CRM Managers are the platform for our client-focused initiatives, which aim to drive better client relationships.

Shareholders

SMEC has a policy of continuous disclosure and communication to shareholders. The Board aims to ensure that shareholders are fully informed of all price sensitive information. SMEC communicates with its shareholders through a dedicated shareholder website, an Annual General Meeting, and shareholder announcements. The Board is responsible for ensuring compliance with the continuous disclosure requirements of the *Corporations Act 2001*. The Company Secretary is responsible for communicating with the Australian Securities and Investments Commission (ASIC).

Sustainability Objectives

In early 2013, SMEC set a number of five year objectives to help deliver on the commitments the Company has made in each of its three Corporate Social Responsibility (CSR) categories: People; Community; and Sustainability and Environment. SMEC will report on progress against these objectives in future Sustainability Reports.

People

Our Commitment

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

Five Year Objectives

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

Community

Our Commitment

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

Five Year Objectives

- To deliver the best possible social and development outcomes for people in need through small-scale grant support through the SMEC Foundation

- To protect and uphold internationally proclaimed human rights, particularly in the areas of child abuse and forced compulsory labour
- To support and encourage employee participation in their local community, particularly charity work

Sustainability and Environment

Our Commitment

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

Five Year Objectives

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

Vision & Performance

Vision & Values

In late 2013, SMEC released its 2014-2016 Strategic Plan. Developed with input from SMEC's Board of Directors, Executive Committee and overall employee base, the Strategic Plan outlines key priorities for the Company over the next three years. The Plan has a strong focus on both SMEC's clients and people, and features a new Vision and set of Values for the Company.

The Vision for SMEC is 'to deliver outstanding infrastructure services for our clients and communities'. This Vision aligns with the Company's ethos of '*Local People. Global Experience.*' and supports SMEC's localisation model of developing local people and being responsive to the needs of local clients.

SMEC's Values are:
- Teamwork & Trust
- Diversity & Delivery
- Integrity & Innovation
- Safety & Sustainability

These Values underpin the way SMEC operates, they define the way SMEC works. SMEC encourages its people to adopt these Values in a meaningful way. This will enable SMEC to continue to grow as a business and strengthen its reputation in the global market as a leading provider of high quality consultancy services.

Industry Awards

Consistently ranked amongst the world's top engineering firms, SMEC won a variety of awards in the past year, from technical excellence and design innovation to the management of environmental risks.

SMEC maintained its strong rankings in Engineering News Record's (ENR) 2013 lists, ranked at number 74 in the 'Top 150 Global Design Firms' list and ranked at number 57 in the 'Top 2225 International Design Firms' list (an increase of one position).

SMEC secured strong rankings in Engineering News-Records (ENR) Global Sourcebook (released in December 2013), including a number two ranking for the Dams and Reservoirs sector, and number 13 for both the Hydro Plants and Water Supply sectors. In the Highways sector, SMEC was ranked at number 14 and in the Transportation sector, SMEC was ranked at number 36.

Consult Australia Awards for Excellence
- Gold Award (Client Focus category): Origin Alliance (Ipswich Motorway Upgrade: Dinmore to Goodna)
- Gold Award (Development of People category): Origin Alliance (Ipswich Motorway Upgrade: Dinmore to Goodna)

Consulting Engineers South Africa (CESA)
- Aon Engineering Excellence Awards (under R50 million): Tshelimnyama Pedestrian Bridge
- Aon Engineering Excellence Awards (Best International Project category, Commendation): Okavango River Bridge

Construction World Global Awards
- Best Projects Award (Professional Services category): Baia de Luanda Project

Engineering Excellence Awards, Engineers Australia (Queensland Division)
- Engineering Excellence Award (Project Management category): Origin Alliance (Ipswich Motorway Upgrade: Dinmore to Goodna)

Global Water Awards
- Desalination Plant of the Year Award: Victoria Desalination Plant
- Desalination Deal of the Year Award: Sydney Desalination Plant

Green Project Manager (GPM) Global Awards
- Winner (Sustainability Project of the Year category): Adelaide Desalination Plant

International Project Excellence Awards
- Winner (Project Excellence in Mega-Sized Projects category): Adelaide Desalination Plant

Planning Institute of Australia
- Policies, Programs, Concepts (Large Scale) Award: Linking Canberra City to the Lake

Project Management Achievement Awards
- Chief Judge's Award (Queensland division): Origin Alliance (Ipswich Motorway Upgrade: Dinmore to Goodna

South African Institution of Civil Engineers
- Technical Excellence (Durban Branch) Award: Tshelimnyama Pedestrian Bridge
- Technical Excellence Award (Commendation): Newclare Road Underpass and Pedestrian Bridge, Johannesburg
- Community Based Projects (Bloemfontein Region) Award: Residential Distributor Street in Makeleketla, Winnburg

Stormwater Industry Association of Queensland
- Excellence in Infrastructure Award: Origin Alliance (Ipswich Motorway Upgrade: Dinmore to Goodna)

United Nations Association of Australia
- World Environment Day Biodiversity Award: Condamine Alliance

Company Memberships
- Association of Consulting Engineers Malaysia
- Association of Consulting Surveyors (Victoria Division)
- Association of Land Development Engineers
- Australasian Corrosion Association
- Australian Chamber of Commerce in Hong Kong
- Australian Green Infrastructure Council
- Australian National Committee on Large Dams
- Australian Water Association
- Board of Engineers Malaysia
- British Chamber of Commerce in Hong Kong British
- CitySwitch Green Office Program
- Consult Australia
- Engineers Registration Board Tanzania
- International Road Federation
- Pakistan Engineering Council Pakistan Engineering Council
- Property Council of Australia (South Australia Division)
- Property Council of Australia (Victoria Division) Roads Australia
- United Nations Global Compact
- Urban Development Institute of Australia (Queensland Division)
- Urban Development Institute of Australia (South Australia Division)
- Urban Development Institute of Australia (Victoria Division)
- Waste Management Association of Australia
- Water Industry Alliance
- Women's Planning Network

Vision & Performance (continued)

Economic Performance

SMEC has policies in place to ensure strong economic performance, sustained long-term growth and positive returns for all stakeholders.

While the Company grew substantially in 2013, through organic expansion and strategic acquisitions, the year was challenging. The operating environment for both public infrastructure and mining services deteriorated in Australia. Internationally, SMEC's operations had to contend with a high Australian dollar (exchange rate) for most of the year.

SMEC's management team has examined the business and is making the necessary changes to reshape the Company to meet the challenging, and changing, operating environment. The Board is confident that SMEC is well placed for growth in the year ahead.

Economic Value Generated and Distributed

During the reporting period (1 April 2013 to 31 March 2014), revenue in Australia decreased by 19.7% to A$178.6 million. SMEC's net operating profit after tax in Australia decreased by 49.2% to A$6.2 million. SMEC's operating costs decreased by 30% to A$23.4 million, with employee compensation decreasing by 13.9% to A$151.9 million. The generation and distribution of SMEC's economic value within Australia is displayed in Figures 1 and 2.

In SMEC's international operations, revenue decreased by 10% to A$194.4 million. SMEC's net operating profit after tax decreased to A$1.4 million. SMEC's operating costs decreased by 7% to A$193 million, with employee compensation remaining steady at A$151 million. The generation and distribution of SMEC's economic value within its international operations is displayed in Figures 3 and 4.

Government Financial Assistance

The Australian Government offers a Research and Development (R&D) tax incentive (40% tax offset) for activities which are innovative or have high levels of technical risk. Under the R&D Tax Incentive, SMEC may claim a 40% non-refundable tax offset. At the current 30% corporate tax rate, this equates to a 10% net benefit. The 40% tax offset is broadly equivalent to a 133% tax concession.

During the reporting period, SMEC spent A$12 million on R&D activities and received A$1.2 million as an after tax cashback benefit (as displayed in Figure 5). These figures are much higher than reported last year. Over the last 12 months, SMEC focused on reviewing projects (both retrospectively and prospectively) to ensure that all available tax incentives and offsets are claimed.

Figure 1: Economic Value Generated in Australia (all figures are in A$'000)

Generated	VIC & SA	NSW & ACT	QLD & NT	AUSTRALIA
Revenue	63,430	74,598	40,611	**178,639**
Net Operating Profit After Tax	N/A	N/A	N/A	**6,279**

Figure 2: Economic Value Distributed in Australia (all figures are in A$'000)

Distributed	VIC & SA	NSW & ACT	QLD & NT	AUSTRALIA
Operating Costs	(8,316)	(9,780)	(5,324)	**(23,420)**
Employee Compensation	(53,954)	(63,453)	(34,544)	**(151,951)**
Payments to Providers of Capital – Dividend	N/A	N/A	N/A	**(1,082)**
Government (Tax)	N/A	N/A	N/A	**4,093**
TOTAL				**(172,360)**

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

Generated	SOUTH ASIA MIDDLE EAST	ASIA PACIFIC	AFRICA	INTERNATIONAL
Revenue	62,367	68,582	63,523	**194,473**
Net Operating Profit After Tax	N/A	N/A	N/A	**1,387**

Figure 4: Economic Value Distributed Internationally (all figures are in A$'000)

Distributed	SOUTH ASIA MIDDLE EAST	ASIA PACIFIC	AFRICA	INTERNATIONAL
Operating Costs	(12,575)	(13,828)	(12,808)	**(39,211)**
Employee Compensation	(48,483)	(53,314)	(49,381)	**(151,178)**
Payments to Providers of Capital – Dividend	N/A	N/A	N/A	**N/A**
Government (Tax)	N/A	N/A	N/A	**(2,697)**
TOTAL				**(193,086)**

Figure 5: Financial Assistance Received from the Australian Government (all figures are in A$)

|	Claimed in 2013 Tax Deduction at 133% (1/4/13–30/6/13)	Estimate Claim Tax Deduction at 133% (1/7/13–31/3/14)	TOTAL (1/4/13–31/3/14)
R&D Expenditure	3,017,005	9,051,014	**12,068,019**
Before Tax Cash Benefit	995,611	2,986,834	**3,982,445**
After Tax Cash Benefit	298,683	896,050	**1,194,733**

Sustainability Strategy

People, Community, and Sustainability and Environment are the three broad focus areas of SMEC's Corporate Social Responsibility framework.

A$170K+
donated

41%
reduction in power usage
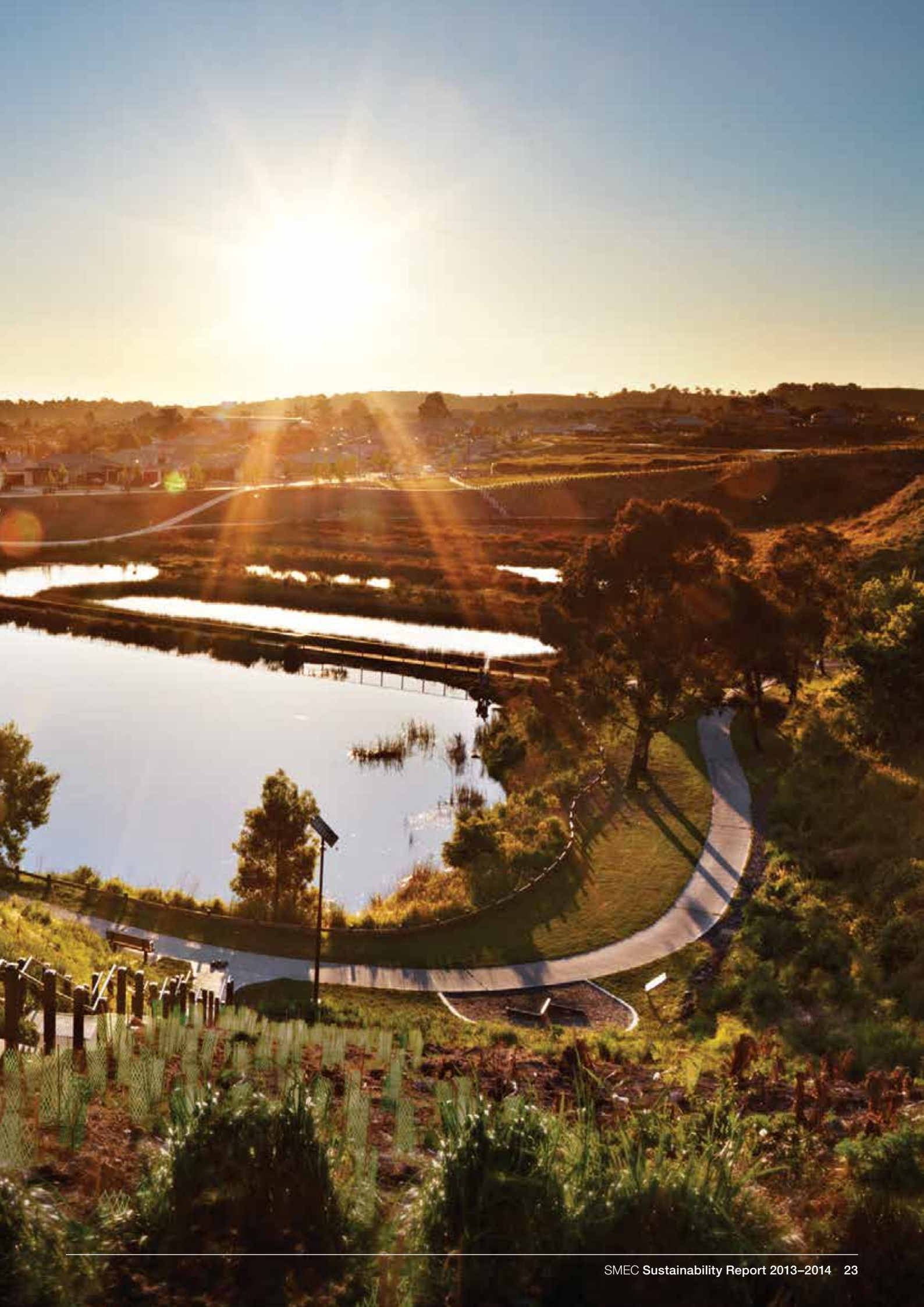
People

Employee Demographics

As at the end of December 2013, SMEC had a total of 5,303 employees across 73 global offices. Of these employees, 1,175 were based in Australia and New Zealand. This is a 6% decrease in employee numbers from the previous reporting period.

The majority of SMEC's Australian employees (75%) are contracted on a full time basis, as displayed in Figure 6. SMEC's employees are spread across three regions: Southern (South Australia, Victoria and Western Australia), Central (the Australian Capital Territory and New South Wales) and Northern (Queensland and the Northern Territory). The Central region is home to the majority of employees (39%), followed by the Southern region (36%), then the Northern region (24%), and New Zealand (1%).

Employee Survey

SMEC launched a company-wide Employee Survey in March 2014. SMEC conducted this Employee Survey as SMEC management genuinely want to improve the Company. Through honest and open employee feedback, SMEC management will gain a clear understanding of what it is like to work at SMEC in 2014, the Company's strengths and areas for improvement.

The Survey was conducted by Aon Hewitt. The Survey results will enable SMEC to conduct internal employee engagement benchmarking, as well as benchmarking against broader industry standards.

While detailed results are still being compiled, initial results indicate that employees believe that SMEC's diversity and corporate social responsibility are strong. SMEC will develop and implement Action Plans to address areas that require improvement.

Remuneration

SMEC has four levels of Engineering Professionals: Principal, Senior, Experienced and Entry Level. At the Principal level, males are 93% of the industry benchmark whilst females are 90%. At the Senior level, males are 88% whilst females are 85%. At the Experienced level, males are at 91% whilst females are 92%. At the Entry Level, males are at 93% whilst females are at 95%. The overall figure of the four levels shows that males are at 93% of industry benchmark whilst females are at 91%.

Turnover

The average turnover for all employees in 2013 was 16%, with the majority aged between 35 and 44 (as displayed in Figure 7). This is a significant decrease on 2012, during which the average turnover was 25%. The decrease in turnover can be attributed to fewer redundancies across the Company. The main reason for turnover (see Figure 8) was resignation (64%), followed by redundancy (33%).

Employee Benefits

Flexible Working Arrangements

Introduced in 2011, SMEC's Flexible Working Arrangements (FWA) procedure includes options to vary hours of work, work from home and job share. The objective of the procedure is to enable employees to balance their work and personal commitments. During 2013, 30 new applications (67% female) for FWA were approved, taking the total number of employees on FWA to 60 (70% female). Of the new applications received from female employees, nearly half (43%) were aged between 25 and 34 years, with 69% citing caring for a child under school age, as the reason for applying for FWA.

Purchased Additional Annual Leave

SMEC introduced a Purchased Additional Annual Leave procedure in July 2012. The procedure enables employees to salary package an additional four weeks of annual leave per year. In 2013, 207 employees purchased additional annual leave.

Parental Leave

SMEC employees who are the primary care giver, can apply for 52 weeks of unpaid parental leave and are entitled to 18 weeks paid leave on a full time basis (comprised of the statutory paid leave and topped up to the normal salary level by SMEC), capped at A$150,000 per annum. As of 1 January 2013, SMEC also provided employees with one weeks' paid paternity leave, on top of annual and long service leave.

During the reporting period, 20 female employees took parental leave; 25% returned from parental leave, 5% did not return and 70% are still on parental leave. Of the 25% of female employees who returned to work, 100% returned and applied for FWA. 71% of employees who took parental leave during 2012 were still employed by SMEC after 12 months. Eight male employees took paternity leave and all returned to work.

Figure 6: Employee Numbers in Australia & New Zealand

Region	Full Time	Part Time	Casual	Fixed Term	TOTAL
SA, VIC & WA	289	28	75	27	419
NSW & ACT	372	30	54	7	463
QLD & NT	213	11	47	6	277
New Zealand	13	0	3	0	16
TOTAL	887	69	179	40	1,175

Figure 7: Employee Turnover by Gender & Age in Australia
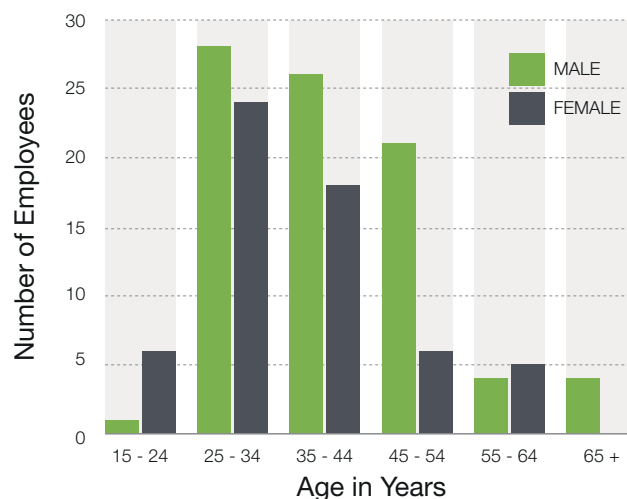
Figure 8: Reason for Employee Turnover in Australia

Resignation 64%
Redundancy 33%
Dismissal 3%
Retirement 1%
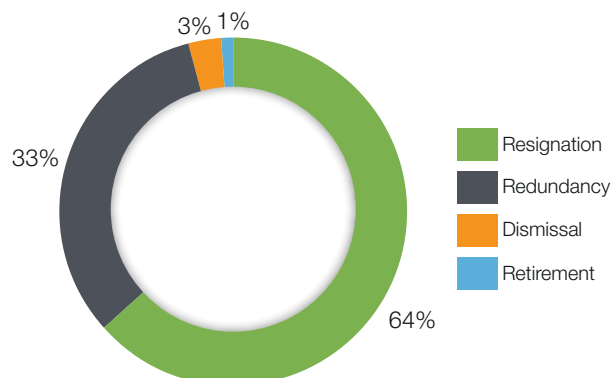
People (continued)

Employee Benefits (continued)

Australian Defence Force Leave

SMEC introduced an Australian Defence Force (ADF) leave procedure in 2012. Under this procedure, SMEC provides up to 10 days ADF leave annually (comprised of the Defence Reserve Service's Payment Scheme and topped up to the normal salary level by SMEC). The scheme provides a weekly payment of A$1,345 (2012-2013) based on Average Weekly Ordinary Time Earnings (AWOTE). There were no applications made for ADF leave in 2013.

Tertiary Education Assistance

SMEC's Tertiary Education Assistance program supports the professional development of employees. Continuing full time and part time employees who have successfully completed 12 months of continuous service are eligible to apply for Tertiary Education Assistance. SMEC will reimburse 50% of course fees, up to a maximum of A$10,000 per calendar year. During the reporting period, 15 employees (7% female) took advantage of SMEC's Tertiary Education Assistance.

Employee Assistance Program

SMEC's Employee Assistance Program (EAP) is provided by Davidson Trahaire Corpsych. Through the EAP, employees can access short-term confidential counselling and financial advice. In 2013, SMEC had a utilisation rate of 3.31%. SMEC's rate is marginally higher than the engineering and construction industry average of 2.98%. During the reporting period, 43% of employees that utilised the EAP were female.

Corporate Health Plan

SMEC offers all employees a corporate health plan through BUPA. The benefits include discounted health insurance, waived waiting periods and access to free health checks. At the time of reporting, 183 employees were BUPA members (an increase of 45% on last year), 34% of these are female.

Gender Diversity

SMEC is committed to promoting gender diversity and understands that improving the gender balance throughout the Company is not only a business imperative, it makes good business sense.

As at 31 December 2013, 19% of SMEC's employees globally were female. In Australia and New Zealand, this figure was higher, 28% of employees were female, a 2% increase since the last reporting period. In SMEC's international operations, 17% of all employees were female.

As displayed in Figure 9, the majority of SMEC's female employees in Australian and New Zealand were aged between 25 and 34 years (39%), and 68% were professional (degree qualified engineers, scientists and corporate services), as displayed in Figure 10.

46% of new starters in Australia and New Zealand were female (an increase of 14% on last year). 9% of these new starters were graduates. Of these graduates, 86% were female. The majority of females who commenced work with SMEC in 2013 were degree qualified professionals (67%) and were aged between 25 and 34 years (40%).

These figures are significantly higher than the Australian industry standard. According to a report released by Engineer's Australia, 10.7% of the total Australian engineering workforce and 16% of engineering graduates are female.

Within Australia, SMEC operates nine technical areas: Environment, Infrastructure, Industrial and Power, Local Government, Social Development, Survey, Transport, Urban Development and Water. Of these areas, three have a high proportion of female employees, including Environment with 47%, Local Development with 38%, and Social Development with 29%.

Gender Diversity Steering Committee

SMEC is committed to increasing the number of females in senior positions. To this end, a Gender Diversity Steering Committee, chaired by SMEC's Chief Executive Officer was established in 2011. The Committee monitors the implementation of SMEC's Gender Action Plan to ensure that SMEC achieves its gender diversity objectives.

Gender Diversity Initiatives

As in the previous reporting period, SMEC continued to implement a number of programs to increase awareness of gender diversity. SMEC is aware that to achieve gender diversity the Company must create cultural change by aligning work practices, processes and systems with diversity objectives. The first step in creating cultural change is raising awareness at all about the importance of gender diversity.

SMEC celebrated International Women's Day (IWD) with events in major Australian offices during the official week (4 to 8 March 2014). SMEC encouraged employees to take part in a range of health and wellbeing activities including presentations on *Healthy Living for Professional Women*. SMEC's international offices hosted a range of events to celebrate IWD. In India, SMEC screened the recently-released movie Gulab Gang. Based on real-life events, the movie tells the story of an extraordinary women's movement formed in 2006 in northern India. SMEC's Tanzanian office marked the occasion with a special lunch.

In 2013, a bill to amend the *Equal Opportunity for Women in the Workplace Act 1999* was passed. A new, modified regime now applies. SMEC prepared annual public reports against a set of pre-determined gender equality indicators: gender composition; equal remuneration between women and men; availability and uptake of flexible working arrangements; and consultation with employees on gender equality issues. As a result, SMEC was compliant with the *Workplace Gender Equality Act 2012*.
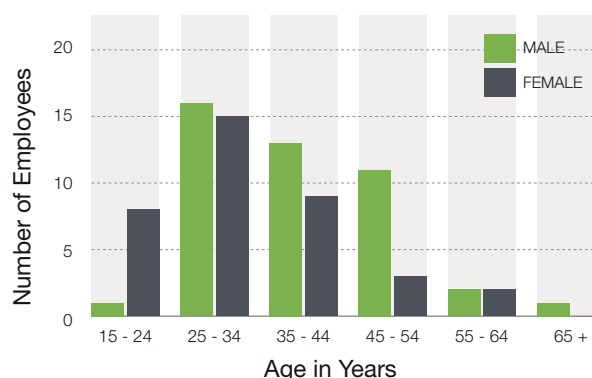
Figure 9: Employees by Gender and Age
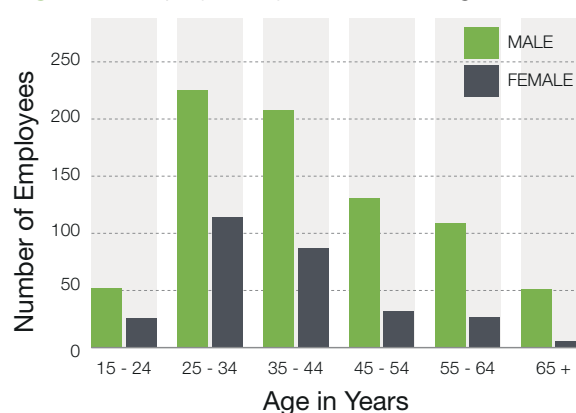
Figure 10: Employees by Gender and Employment Type
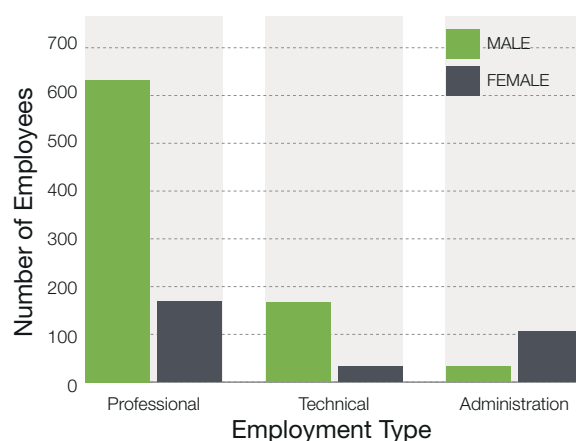
Figure 11: New Starters by Age and Gender

People (continued)

Career Development

Career Pathways

SMEC provides employees with clear career pathways within its global business. SMEC is committed to employee development and workforce sustainability, and provides a workplace with targeted learning and development programs and an equitable reward and recognition framework. SMEC is looking to increase its investment in training for the year ahead as part of its overall workforce planning and management strategy.

Succession Planning Program

SMEC launched a formal Succession Planning Program in 2012 for two management levels below Chief Executive Officer. 'Level One' includes Executive Committee members, while 'Level Two' includes direct reports of Executive Committee members, including General Managers, Regional Directors and Regional Managers. The program includes an objective, merit based nomination process and initiatives such as 360 degree appraisal and psychometric testing.

During the reporting period, over 50% of Level Two managers had completed a 360 degree appraisal survey. A Talent Profile was developed which includes general information on each manager, future possible roles, development strategies, mobility and preferences to assist in succession planning. Succession planning for Level Two managers will be completed in 2014.

Project Management Training

SMEC recognises the importance of project management skills for the organisation and its clients. SMEC's 2014-2016 Strategic Plan outlines the Company's commitment to increasing capability in the area of Project Management.

In 2012, SMEC commenced a program to focus on developing Project Management skills. This Program included a range of accredited training, as well as internal workshops across the organisation.

Again in 2013, SMEC partnered with Engineers Education Australia and The Moreland Group (with funding from the National Workforce Development Fund) to offer Certificate IV and Diploma of Project Management courses for Australian based employees. Two employees from each Australian region (six in total) participated in the Program. The majority of employees who participated in the Program have either completed the training, or are close to completion.

Equal Employment Opportunity Training

In 2012, SMEC's approach to Equal Employment Opportunity (EEO) was reviewed. As a result, an EEO Framework (covering training and policy development and review) was introduced to promote an inclusive, flexible work environment that fosters mutual respect. Implementation of the EEO Framework commenced in December 2012 with the roll out of briefing sessions to the Board, the Executive Committee and the Australian Management Committee.

Implementation of the EEO framework continued in 2013. Face-to-face Equal Employment Opportunity Inclusive Management Skills training was delivered to 120 managers throughout Australia, 20% of which were female. This face-to-face training was followed by online training about EEO and bullying, delivered to all Australia-based employees.

Performance and Development Review

SMEC conducts annual Performance and Development Reviews (PDR) for all employees using CareerTrac, an in-house appraisal system. The objective of CareerTrac is to review employee performance and set future objectives by aligning individual performance and development planning with SMEC's business plan.

The training and development needs of employees are reviewed annually as part of CareerTrac. This review considers the needs of the employee, their manager and the needs of SMEC as a whole. The process strives to align organisational needs with individual development needs and aspirations.

In 2013, 84% of SMEC's employees participated in CareerTrac (an increase of 4% on 2012); 74% were male and 26% were female (this aligns with SMEC's gender workforce composition). The majority of employees (80%) received a 'Meets Expectations' rating in CareerTrac. The second largest rating was 'Exceeds Expectations', with 18% of employees receiving this rating.

Professional Development Program

The Professional Development Program (PDP) is one of the four pathways that Engineers Australia offers to members to achieve Chartered Engineer status. During the reporting period, SMEC renewed its support for employees achieving Chartered status and introduced new application processes to better monitor and support employees wanting to achieve this status. SMEC also now funds the cost of the program registration fee and assessment fees.

Managers play a key role in supporting employees completing the PDP. Managers are expected to monitor employees' progress in the PDP, provide development opportunities, mentor and encourage the submission of Engineering Competency Claims. During this reporting period, 19 SMEC employees were enrolled in the PDP through Engineers Australia, 21% of these employees were female.

Career Recognition

SMEC values its employee's commitment to the Company and believes it is important to acknowledge career milestones. SMEC's Career Recognition procedure formalises this process. Each year, employees who achieve a career milestone of between five and 40 years (at five year intervals) are acknowledged for their commitment to the Company. In 2012, 112 employees achieved a career milestone.

SMEC recognises the outstanding technical excellence of employees as well as their contribution to the Company, the wider industry and the community, through the annual SMEC Awards. There are five SMEC Award categories: SMEC Medal; SMEC Project of the Year; SMEC Young Professional of the Year; Safety and Wellbeing Award; and Community Award.

People (continued)

Workplace Health & Safety

Health and Safety Commitment

SMEC is committed to promoting and maintaining a culture and working environment in which risk to health and safety is unacceptable. To meet this commitment, SMEC (as far as is reasonably practicable) provides healthy and safe working conditions for all people associated with the Company including employees, contractors, visitors and the general public. SMEC will continue to promote a safe working environment with a Zero Harm culture.

In order to meet these responsibilities, SMEC:

- Works toward the aim of Zero Harm to any person for whom SMEC is responsible during the delivery of any project
- Ensures full compliance with current Safety in Design legislation
- Undertakes proactive reporting of Near misses, Hazards and Drills/Inspections to ensure that all incidents are accurately reported, recorded and lessons learnt are shared
- Develops safety awareness throughout the Company through formal and informal training
- Minimises or eliminates hazards within the workplace through risk identification, assessment, control, reporting and monitoring

Safety in Design

SMEC invests in its people to enhance their knowledge, and encourage the implementation of safety principles in the design and delivery of projects. SMEC works closely with clients to ensure that the safety needs of their projects are well documented within Scope of Works and Project Management Plans. SMEC facilitates Safety in Design training and awareness programs to educate employees and clients on the importance of Safety in Design in legal terms, savings to the project and the elimination or reduction of hazards.

2013 in Review – Australia & New Zealand Division

In 2013, SMEC surpassed its 'proactive alerts' reporting targets for the third year in a row. Proactive alerts involve routine, planned testing, inspection and identification of possible hazards before an incident occurs.

SMEC's 2013 target of 48 proactive alerts was surpassed by 58%, with SMEC recording 76 proactive alerts. Proactive reporting accounted for 60% of all Workplace Health and Safety (WH&S) reporting in 2013, followed by reactive reporting (21%) and injury reporting (19%).

Overall SMEC had a total of 137 reported incidents in 2013. 'Drills and Inspections' accounted for the greatest number of reports, with 46 reported. This was followed by 'Near Misses' with 23 reported. Figures 12 and 13 display a breakdown of reported incidents by region and activity.

Lost Time Injury (LTI) frequency rate per million hours worked in 2013 decreased to 2.9 per month from 3.3 per month in 2012.

Safety and Wellbeing Award

In 2012, SMEC introduced the Safety and Wellbeing award into the annual SMEC Awards, which recognises an initiative (that has been implemented within the last year) that has had the greatest positive impact on safety and wellbeing at SMEC.

There were two Safety and Wellbeing award winners 2013. Irfan Siddique from SMEC's Pakistan office, for his outstanding work in driving a 'safety culture' across the business and promoting proactive reporting. In equal first place was Alejandro Opitz from SMEC's Chile office, for his efforts in improving incident reporting at the Codelco Chuquicamata mine site.

Training

In a collaborative team effort, the WH&S and Human Resources departments rolled out online and face-to-face training on Equal Employment Opportunity (EEO) and bullying to all employees. The objective of the training was to prevent workplace bullying, sexual harassment and psychological injury. 83% of employees have completed the EEO training and 82% of employees have completed the bullying training.
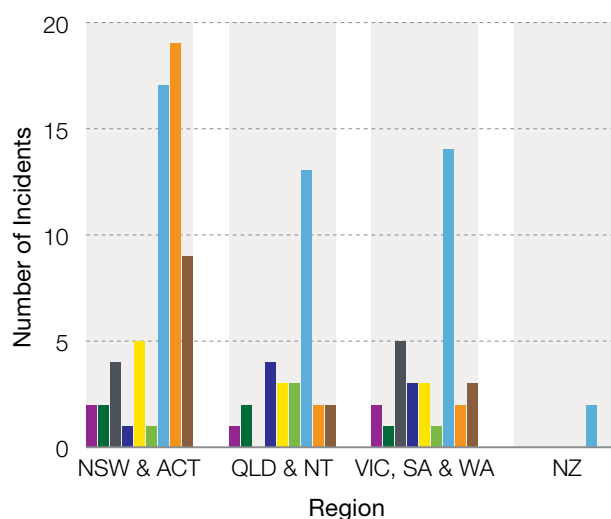
Health and Safety in 2014

In 2014, SMEC will continue to uphold its Company values of which safety is one. SMEC will work to maintain a Zero Harm environment for its employees, contractors, visitors and the general public. To achieve this goal SMEC has set a number of objectives and targets for 2014.

Reporting: SMEC will encourage all international Divisions to proactively report 'Near Misses', 'Hazards' and 'Drills and Inspections'.

Safe Work Method Statements: Final testing of new online forms for Job Safety and Environment Analysis and Safe Work Method Statements will be released in 2014.

Tiered Risk Approach to Safety: SMEC will work towards a goal of no harm to any person for whom SMEC is responsible during project delivery. This will be aided by ongoing safety education, the introduction of a new tiered risk approach to safety, and the publication of the 2014 Safety Handbook.

Figure 12: Reported Incidents by Region: Australia and New Zealand Division

Figure 13: Reported Incidents by Activity: Australia and New Zealand Division

Legend:
- Lost Time Injury
- Medical Treatment
- Hazard
- Property Damage
- Motor Vehicle Accident
- External Event
- Drill or Inspection
- Near Miss
- First Aid
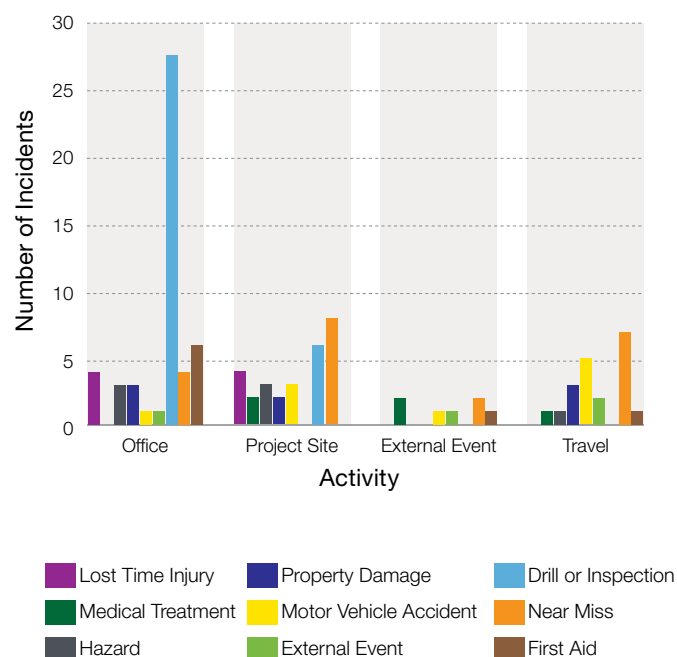
Community

Human Rights

SMEC supports and respects the protection of internationally proclaimed human rights and ensures that the Company is not complicit in human rights abuses through a number of policies.

Corruption and Bribery

SMEC's Code of Conduct prohibits bribery and corruption by employees, consultants and third parties who act on SMEC's behalf. SMEC is reviewing all standard commercial agreement templates to include anti-corruption, anti-bribery and human rights protection provisions.

Child Protection Policy

SMEC maintains a zero-tolerance policy in relation to child abuse. Child abuse includes unacceptable behaviour directly involving children or observed by children. Child Protection Policy training is a mandatory requirement for all employees. During this reporting period, 93% of new employees completed the Child Protection Policy training within their first three months.

Forced and Compulsory Labour

SMEC's Code of Conduct (along with a variety of other policies and procedures) seeks to ensure that ethical employment and labour practices are implemented across the Company. SMEC complies with national employment legislation and is committed to the elimination of all forms of forced and child labour.

Indigenous Rights

SMEC works closely with clients to ensure that the rights and heritage of Australia's indigenous population are protected. Where required, SMEC includes Indigenous Heritage Assessments and Management Plans as a component of Environmental Impact Assessments. Wherever possible, SMEC ensures active participation, skill development and increased long-term employment opportunities for indigenous people.

Community Involvement

SMEC helps develop sustainable communities where its employees live and work by supporting community programs that provide long-term improvements.

Community Award

In 2013 SMEC introduced a new award category in its Annual Awards, the Community Award. The annual award recognises outstanding contributions to the improvement of local communities or the quality of life of people in the broader community, with an emphasis on charity work. The Community Award was presented for the first time in November 2013, to two winners. Team 'Kevin Golding and Graeme Geiger' from Queensland in Australia were one of the winners in 2013. The two men put their passion for cycling to a good cause, raising approximately A$30,000 for cancer research. The energetic duo participated in several charity rides, including the annual Rio Tinto Ride to Conquer Cancer, and the Santos Brisbane to Gold Coast Cycle Challenge. The second winner were employees from SMEC's Brisbane office who developed 'Mr Bump' for Engineers Australia's CANstruction competition, a global design and build competition. The competition's objective was to build structures entirely out of canned food, which were then donated to a local charity. Based on the Mr Men character, the Mr Bump design used over 2,900 cans.

The SMEC Foundation

The SMEC Foundation provides small-scale grant support to deliver the best possible social and development outcomes for people in need. Established in 2001, the SMEC Foundation addresses the causes of poverty and helps communities become more self-sufficient through small-scale grant assistance.

Operating with financial support from The SMEC Group and donations from employees, the SMEC Foundation focuses on Community Development, Education, Emergency Relief, Health and Environment projects.

After more than 10 years in operation, the SMEC Foundation has donated over A$800,000 to more than 200 projects in over 30 countries.

Improving the lives of many people, SMEC Foundation projects have ranged from housing and financial assistance for Typhoon Haiyan victims in the Philippines, to constructing classrooms for disadvantaged children in Cambodia.

Since 2010, when SMEC joined the United Nations Global Compact (UNGC), the world's largest corporate citizenship and sustainability initiative, the SMEC Foundation has required that all funding requests align with the UNGC's ten principles in the areas of Human Rights, Labour Standards, Environment and Anti-Corruption.

During this reporting period, the SMEC Foundation donated over A$170,000 to 25 projects in 16 countries. This is a 69% increase on funds donated in the previous reporting period. As displayed in Figure 14, the majority of funds went to Health projects (42%), followed by Emergency Relief (26%), and Community Development (19%) projects.

More than half of all funds (54%) were donated to projects in Asia Pacific. 28% were donated to African projects, and 15% to projects in South Asia and the Middle East, as displayed in Figure 15.

Figure 14: Expenditure by Sector
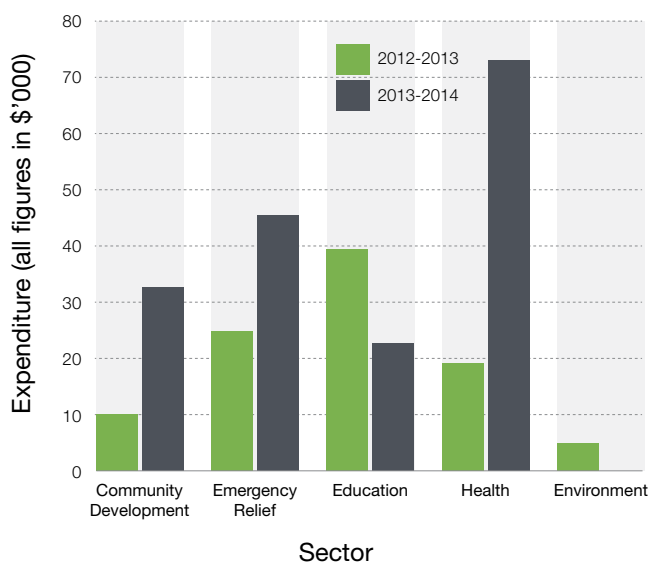
Figure 15: Expenditure by Division
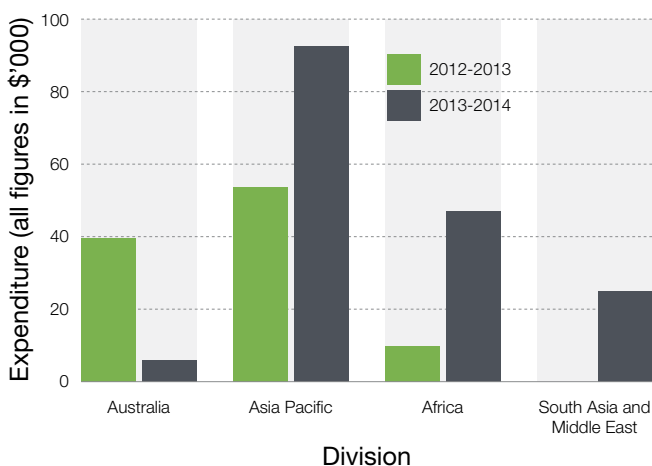
Community (continued)

SMEC Foundation Projects

Program for Sustainable Development
(Bangladesh, Education)

A not-for-profit organisation, Program for Sustainable Development (PSD), operates a primary school in Dhaka that provides free education and basic health care for very poor children. PSD had received donations to cover basic operating costs but had no additional budget to improve the facilities or capacity of the school's staff. A donation of A$2,000 went towards classroom furniture, teaching aids and computers.

Khmer Soviet Friendship Hospital
(Cambodia, Health)

The Khmer Soviet Friendship Hospital is the largest public hospital in Phnom Penh, caring for approximately 400 HIV-positive children under the age of 18. The wards had fallen into disrepair and urgently required cleaning, repainting and electrical and plumbing works. The SMEC Foundation donated A$3,500. This was used to purchase material and equipment and paid for labourers to renovate the children's hospital wards.

CANstruction
(Australia, Community Development)

SMEC entered a team of ten employees into the inaugural CANstruction Competition hosted by Engineers Australia. The competition involved the construction of large structures out of canned food, with all the cans donated to a local charity. SMEC constructed 'Mr Bump', using approximately 2,890 cans. The cans were purchased through donations from employees and a donation of A$1,000 from the SMEC Foundation.

Our Rainbow House
(Zambia, Education)

Comprised of a small group of volunteers, Our Rainbow House established a school for 44 orphans and vulnerable children, in the village of Chainda (one of the poorest areas of Zambia) in 2011. Our Rainbow House improved the school's building (donated by World Vision), although further improvements were required. The SMEC Foundation donated A$5,000 which was used to purchase desks, laptops, water filters and solar lights.

Figure 16: SMEC Foundation Donations in 2013–2014

Project	Location	Sector	Amount
Uniforms for 2013 South Africa Transplant Games	South Africa	Community Development	A$5,000
Hands Across Water	Thailand	Community Development	A$5,000
Krousar Thmey Foundation	Cambodia	Community Development	A$600
CANstruction	QLD	Community Development	A$1,000
Sowers Action Children's Home	Hong Kong	Community Development	A$5,800
Child Fund Australia, Solar Powered Dreams Project	PNG	Community Development	A$10,000
'Go Get Living' Project	VIC	Community Development	A$5,000
Feeding Dreams Cambodia, Construction of Classrooms	Cambodia	Education	A$5,000
Tanop Community Education Foundation	Cambodia	Education	A$900
Vi Ha Kindergarten	Vietnam	Education	A$2,400
Program for Sustainable Development	Bangladesh	Education	A$2,000
So They Can, School Uniforms for Orphaned Children	Kenya	Education	A$7,175
Lindi Children's Orphanage	Tanzania	Education	A$5,000
Typhoon Shelter	Philippines	Emergency Relief	A$5,000
Dhaka Building Collapse Appeal	Dhaka	Emergency Relief	A$20,550
Philippines Typhoon Haiyan Appeal	Philippines	Emergency Relief	A$19,484
Bali Kids	Indonesia	Health	A$9,500
Khmer Soviet Friendship Hospital	Cambodia	Health	A$3,500
Xuan Loc Health Station	Vietnam	Health	A$16,750
The Hunger Project	Mozambique	Health	A$15,500
John Fawcett Foundation, Eye Health Care Assistance	Indonesia	Health	A$9,500
Cerebral Palsy Alliance, ABAaNA Study Funding	Uganda	Health	A$5,000
Engineers Without Borders, Nepal Water for Health Project	Nepal	Health	A$2,695
Our Rainbow House	Zambia	Health	A$5,000
Miroi Junior School, School-based Health Care Project	Uganda	Health	A$4,930
TOTAL			**A$172,284**

Sustainability & Environment

Sustainability Principles

SMEC is committed to embedding sustainability principles throughout the Company. Environmental management programs and initiatives influence business systems, procedures and communications.

SMEC continues to improve its understanding of the sources, scope and extent of its resource use, including the impact of its environmental emissions. SMEC's objective for environmental management is to avoid or minimise impacts while contributing to lasting environmental benefits in local communities.

Since 1999, SMEC has had a Corporate Environmental Policy Statement and an Environmental Management System (EMS) to formalise the Company's commitment to environmental responsibility. SMEC's EMS complies with the requirements of ISO 14001.

In 2013, all Australian and New Zealand offices were certified to ISO 14001. This reflects the engagement of SMEC's offices with the Company's broader sustainability program.

SMEC's EMS provides a systematic and methodical approach to planning, implementing and reviewing SMEC's environmental performance. Effective implementation of the EMS has assisted in creating a culture that is focused on incorporating sustainable practices into everyday business decisions.

Environmental Management Policy

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

- Implementing and improving environmental management systems, in line with ISO 14001
- Complying with legal requirements

- Implementing environmental management programs to achieve environmental objectives and targets
- Conducting all activities in an environmentally responsible manner to minimise adverse environmental impacts
- Enhancing beneficial environmental impacts of any SMEC activities to improve the quality of the environment for future generations
- Preventing pollution
- Providing environmentally responsible, sustainable and practical options to clients
- Monitoring, reviewing and auditing SMEC's environmental performance

Environmental Impact Assessment

SMEC has controls in place to manage and (wherever possible) reduce potential environmental impacts for environmental aspects of project and office activities.

Project Managers and Regional Managers are responsible for determining the potential consequences of environmental impacts, using SMEC's Environmental Impact Assessment Scale (as displayed in Figure 17).

Where the environmental impact rating is above eight, SMEC employees are required to develop appropriate risk treatments, objectives and targets in an Environmental Management Plan (EMP). Where risk ratings are above 15, the hazard is assigned to executive management for review, who ensure that the risk is managed in a holistic manner across the Company.

Project Managers must also develop and document environmental objectives and targets for their project during the planning stage, and measure the achievement of set objectives and targets annually (or upon completion, for short-term projects). Regional Managers must do the same for all offices in their Region.

Figure 17: Environmental Impact Assessment Scale

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

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

Sustainable Offices

Environmental Management Plans

The majority of SMEC's Australian offices have Environmental Management Plans (EMPs) in place. These EMPs outline how SMEC will reduce its environmental impact, improve performance and report transparently. A number of initiatives have been implemented via the EMPs:

- Installing teleconferencing equipment to reduce travel
- Implementing online training
- Purchasing 70% recycled paper (from post-consumer waste) or plantation paper
- Purchasing green power (10% in the Melbourne office)
- Encouraging public transport use (by making train, bus or tram tickets available for employee use)
- Participating in Earth Hour
- Enabling the 'power saver' function on printers
- Defaulting printers to double-sided printing
- Recycling printer toner cartridges
- Recycling paper, glass and plastic

Carbon Management

SMEC's business operations emit a lot of Greenhouse Gases (GHG), from lighting and heating to computers and photocopiers. Through the development of a Carbon Management Strategy, SMEC is seeking to reduce its energy consumption. SMEC understands that the first step in managing carbon emissions is to capture baseline GHG data to measure the Company's carbon footprint, identify major sources of GHG emissions, and manage and reduce these over time.

SMEC continued data collection for electricity and paper usage across all Australian offices during the reporting period. During 2013, SMEC's offices consumed over 1.4 million kWh of power (equivalent to 965 tonnes of CO_2e or 1,191 kWh per employee) at a cost of over A\$475,000. This 41% reduction on the last reporting period is a significant achievement for SMEC.

Sustainability & Environment

Sustainable Offices (continued)

In 2013, SMEC used 8,876 reams of paper at a cost of A$59,000. This equates to approximately 3,700 sheets of paper per employee per year. GHG emissions for the production of this paper are approximately 30 tonnes of CO_2e.

SMEC has set a reduction target of 10% for energy and paper use across Australian offices in the year ahead. To achieve this target, SMEC is developing practical programs to ensure its Australian offices become more energy and resource efficient.

For the first time, pilot offices in each of SMEC's international divisions (Asia Pacific, South Asia and the Middle East, and Africa) collected baseline data for electricity and paper usage.

Electricity usage varied considerably between the four pilot offices, with annual usage of power per employee as follows:

- Hong Kong – 3,091 kWh
- Johannesburg, South Africa – 2,060 kWh
- Manila, Philippines – 1,060 kWh
- Gurgaon, India – 360 kWh

Given the broad range of usage rates, tailored electricity reduction targets and programs will be implemented (where necessary) in the year ahead.

Similarly, paper usage per employee varied between the four pilot offices with annual paper usage as follows:

- Hong Kong – 4,400 sheets
- Johannesburg, South Africa – 3,000 sheets
- Manila, Philippines – 1,800 sheets
- Gurgaon, India – 1,050 sheets

Given the varying rates of paper usage across the international offices, tailored reduction programs will also be implemented in the year ahead.

CitySwitch

A joint initiative between local councils and state governments, the CitySwitch Green Office Program is Australia's national tenancy energy efficiency program. CitySwitch signatories commit to achieving (and maintaining) an accredited four star National Australian Built Environment Rating System (NABERS) energy rating. NABERS is a national rating system that measures the environmental performance (energy efficiency, water usage, waste management and indoor environment quality) of Australian buildings, tenancies and homes.

In February 2013, SMEC's Melbourne office joined CitySwitch. Following the success of the program in Melbourne, SMEC committed all Australian and New Zealand offices to CitySwitch in March 2014. All SMEC offices will work towards achieving a four star NABERS rating, developing and implementing low (or no-cost) energy efficiency improvements.

Mobile Muster

SMEC implemented a mobile phone recycling program (Mobile Muster) in the Canberra, Gold Coast, Melbourne and Sydney offices in early 2013. Mobile Muster is a free mobile phone recycling program that ensures mobile phones (and their associated accessories) do not end up in landfill; instead they are safely, securely and ethically recycled. As a result, SMEC recycled more than 50 mobile phones in 2013.

Sustainable Procurement Procedure

SMEC continued the implementation of its Sustainable Procurement Procedure this year. Employees who undertake procurement of items valued over A$150,000 (capital works, fleet and office supplies) must assess whether purchases: minimise waste disposal, reduce GHG emissions, maximise resource efficiency, conserve and improve biodiversity, incorporate ethical considerations, or have a low carbon footprint.

Think Green. Take Action.

The *Think Green. Take Action*. Program was launched in the Melbourne office in February 2013 to support CitySwitch. The Program includes a dedicated intranet (portal) site with suggestions for employees to be more environmentally sustainable at work (and at home), lunchtime information sessions on sustainable practices and a 'Submit Your Green Idea' suggestion box.

The Program was expanded during the reporting period and focused on educating employees about how their actions directly influence climate change. A 'Switch Off' campaign was implemented in March 2014 to encourage employees to switch off lights, computers and other electrical equipment. Overnight energy audits will also be completed, with the results reported next year.

Environmental Surveys

An Environmental Survey was distributed to all Australian Office Managers. The Survey focused on sustainable procurement, waste disposal, office facilities and procedures. The results will inform the *Think Green. Take Action*. Program and encourage environmentally sustainable practices within offices.

The Survey showed that the majority of offices already have recycling programs in place. As per last year's survey results, all offices recycle paper and cardboard and 90% of offices recycle used printer cartridges. 80% of offices now recycle bottles and cans, an improvement on last year, at 75%.

Sustainable procurement practises have improved significantly over the last 12 months: 90% of offices now purchase recycled paper, compared to 33% last year; and 50% of offices now purchase recycled tissues, compared to 25% last year.

Employee education regarding environmental sustainability has improved. 60% of offices display 'Turn off the lights' stickers and 30% of offices display 'Don't waste water' stickers, compared to only 25% last year.

Sustainability Services

Natural Resources and Environment

SMEC is committed to applying the principles of Ecologically Sustainable Development (ESD) across all services in the transport, water, wastewater, infrastructure, mineral and urban development markets. SMEC's consulting services ensure delivery of the social, environmental and economic obligations and objectives of clients.

SMEC's services include environmental impact assessments, permit applications in accordance with environmental planning frameworks, strategic planning and due diligence investigations, master planning, ecological and heritage assessments, contamination and remediation studies, surface water, groundwater and water quality management.

Renewable Energy

SMEC is at the forefront of the Renewable Energy sector, implementing projects that work towards replacing diminishing fossil fuel resources and cutting carbon emissions. SMEC's areas of specialisation include geothermal, solar photovoltaic and solar thermal, wind, bio-mass, bio-fuels, hydropower technologies and energy efficiency strategies.

SMEC's services include: sustainable energy policy planning, site identification and evaluation, feasibility studies, detailed technical design and specifications for complex systems, carbon services, construction supervision, network connection, load forecasting and long-term energy generation planning.

Climate Change Adaption

Climate change adaption involves building resilience in landscapes so that climate changes can be accommodated while mitigation efforts take effect. SMEC has extensive ecological expertise, particularly in habitat connectivity, pest species management, water re-use, wetland and waterway rehabilitation. SMEC integrates environmental innovation into designs to promote climate change adaption.

Sustainability & Environment

Natural Resources & Environment Projects

Lake Nyasa Integrated Water Resources Management Plan
(Tanzania)

Part of the Water Sector Development Program (2006-2025), the Integrated Water Resources Management and Development Plan for the Lake Nyasa Basin is being developed by SMEC. The Plan will improve the livelihood of people living in the basin and ensure environmentally and socially sustainable water resources development. SMEC is undertaking all feasibility studies, modelling and stakeholder consultation.

Port Abbot Point Terminal Expansion
(Queensland, Australia)

SMEC provided an Environmental Impact Statement (EIS) and undertook coastal process investigations for the overwater sections of the Port Abbot Point Terminal expansion, including conveyors, berthing and ship loading facilities. The objective of the investigation was to define any potential adverse and beneficial environmental impacts associated with the project, as well as mitigation measures.

Cardwell Range Realignment – Environmental Services
(Queensland, Australia)

The project comprised the design and construction of a 4.5 km realignment of the Bruce Highway, over the Cardwell Range. SMEC obtained approvals and permits for the environmentally complex project; and developed fauna sensitive designs, to protect threatened species, including crossings for Mahogany Gliders and underpasses for the Southern Cassowary.

Commonwealth Environmental Water and Carp
(Australian Capital Territory, Australia)

SMEC prepared a report for the Commonwealth Environmental Water Office (CEWO) that explored the impacts of carp in the Murray-Darling Basin and the use of commonwealth environmental water to maximise environmental benefits. The report assessed the existing carp population; analysed key factors that drive carp population; evaluated the effect of natural floods; and analysed options for managing the impact of carp.

(continued)

Renewable Energy Projects

Kathu Solar Farm
(South Africa)

SMEC is designing the supporting infrastructure for approximately 190 ha of solar panels at the Kathu Photovoltaic (PV) Solar Power Farm in Northern Cape, South Africa. SMEC has designed 19 electrical transformer buildings, a storage warehouse, canteens and offices, a guardhouse, 280 m of paved access roads, 15 km of gravel access roads as well as all water and sanitation requirements.

Metcoal EEO Energy Optimisation
(New South Wales and Queensland, Australia)

Metcoal is a liable entity under the *Energy Efficiency Opportunities Act 2006* (EEO Act). Under the EEO Act, Metcoal must undertake energy site assessments of each of their six entities once every five years. SMEC is undertaking these assessments, evaluating energy usage, identifying energy efficiency opportunities and facilitating workshops with key personnel to identify energy efficiency opportunities.

Ingham Sugar Mill
(Queensland, Australia)

North Queensland Bio-Energy Corporation plans to construct a A$425 million state-of-the-art facility. The first of its kind in Australia, it will produce approximately 335,000 tonnes of sugar annually, have a flexible ethanol distillery capacity of between 90,000 and 250,000 litres per day, and generate up to 85 MW of renewable power. SMEC's services include: detailed design, construction supervision and oversight of commissioning.

Solar System Works
(Victoria, Australia)

Solar Systems is an Australian company which designs and manufactures ultra-high efficiency Concentrating PhotoVoltaic (CPV) power generation systems, ideally suited to large utility-scale deployment in key global markets. Solar Systems is developing a 100 MW solar farm. SMEC has provided site and risk assessments, designs, Environmental Impact Assessments, power system study and commissioning works.

GRI Index

This report applies the Global Reporting Initiative G3.1 Guidelines to a self-assessed Level B.
Core Performance Indicators (PI) are in bold.

	GRI Indicator	PI Description	Comments	Page Number
Strategy	1.1	Statement from the CEO.		4–5
	1.2	Description of key impacts, risks and opportunities.		4–5, 17
Profile	2.1	Name of the organisation.	SMEC Holdings Limited	
	2.2	Primary brands, products and services.	Feasibility studies, detailed design, tender and contract management, construction supervision, operation and maintenance, training and project management.	6–9
	2.3	Operational structure of the organisation.		6–11
	2.4	Location of organisation's headquarters.	220–226 Sharp Street Cooma NSW 2630, Australia	
	2.5	Number of countries where the organisation operates.	35+	6–9
	2.6	Nature of ownership and legal form.		6–9
	2.7	Markets served.	Transport, Hydropower and Energy, Water and Environment, Mining, Oil and Gas, Urban and Social Development.	6–9
	2.8	Scale of the reporting organisation.		6–9, 24
	2.9	Significant changes to size, structure or ownership during the reporting period.	Nil.	
	2.10	Awards.		18
Report Parameters	3.1	Reporting period.	1 April 2013 – 31 March 2014.	2
	3.2	Date of most recent report.	April 2013.	2
	3.3	Reporting cycle.	Annual.	2
	3.4	Contact point for report.	sustainabilityreport@smec.com	2
	3.5	Process for defining report content.		2
	3.6	Boundary of the report.		2
	3.7	Limitations on the scope or boundary of the report.		2
	3.8	Basis for reporting on joint ventures and other entities.		2
	3.9	Data measurement techniques.		2
	3.10	Explanation of restatements.	Nil.	
	3.11	Significant changes in scope and boundary during the reporting period.	Nil.	
	3.12	Table identifying location of standard disclosures.	GRI Table.	42–44
	3.13	External assurance.	Not used for this report.	

	GRI Indicator	PI Description	Comments	Page Number
Governance	4.1	Governance structure.		10–15
	4.2	Chair of the highest governing body.		10–15
	4.3	Independent and non-executive board members.		10–15
	4.4	Mechanisms to provide recommendations to the highest governing body.		10–15
	4.5	Compensation and performance.		10–15
	4.6	Processes to avoid conflicts of interests.		10–15
	4.7	Process for determining qualifications and expertise.		10–15
	4.8	Mission, values and code of conduct.		18
	4.9	Processes for management of company performance.		10–11
	4.10	Processes for evaluating the performance of the highest governing body.		10–11
	4.11	Precautionary principle addressed.		4–5, 10–11
	4.12	Externally developed economic, environmental and social charters.		4–5, 19
	4.13	Memberships in associations.		19
	4.14	List of stakeholder groups engaged by the organisation.		16–17
	4.15	Basis for identification and selection of stakeholders.		16–17
	4.16	Approaches to stakeholder engagement.		16–17
	4.17	Key stakeholder topics and concerns.		16–17
Economic	**EC1**	**Direct economic value generated and distributed.**		**20–21**
	EC2	**Financial implications, risks and opportunities due to climate change.**		**36–41**
	EC4	**Financial assistance received from government.**		**20–21**
	EC5	Entry level wage compared to local minimum wage.		24
	EC9	Indirect economic impacts.		33–35
Environmental	**EN3**	**Direct energy consumption.**		**37–39**
	EN4	**Indirect energy consumption.**		**37–39**
	EN5	Energy savings.		37–39
	EN6	Energy-efficient or renewable energy services.		39–41
	EN7	Reductions in indirect energy consumption.		39–41
	EN12	**Impact on areas of high biodiversity value.**		**36–41**
	EN13	Habitats protected or restored.		36–41
	EN16	**Greenhouse Gas emissions by weight.**		**37-39**

GRI Index (continued)

	GRI Indicator	PI Description	Comments	Page Number
Environmental	EN18	Greenhouse Gas reduction initiatives.		36–41
	EN19	**Ozone depleting substances by weight.**		**36-41**
	EN23	**Total number and volume of significant spills.**	**Nil.**	
	EN24	Weight of transported waste.	Nil.	
	EN26	**Initiatives to mitigate environmental impacts.**		**36–41**
	EN28	**Non-compliance with environmental laws.**	**Nil.**	
Labour Practices and Decent Work	**LA1**	**Workforce by type, contract, region and gender.**		**8-9, 24–27**
	LA2	**Employee turnover.**		**24**
	LA3	Benefits provided to full time employees.	The same benefits are provided to all employees (part time on a pro-rata basis).	25–26
	LA4	**Percentage of employees covered by collective bargaining agreements.**	**Nil.**	
	LA7	**Rates of injury and lost days.**		**30–31**
	LA8	**Programs to assist with serious diseases.**		**25–26**
	LA11	Skills management and lifelong learning programs.		25–26
	LA12	Regular performance reviews.		29
	LA13	**Workforce diversity.**		**24–27**
	LA14	**Basic salary of men to women.**		**24**
	LA15	**Return to work after parental leave.**		**25**
Human Rights	HR4	Total number of incidents of discrimination.	Nil.	
	HR5	**Risks to freedom of association.**	**All employees can join unions.**	
	HR6	**Risks to child labour.**		**32**
	HR9	Incidents involving indigenous people.	Nil.	
Society	**SO1**	**Programs that assess and manage the impacts of operations on communities.**		**33–35**
	SO7	**Legal actions for anti-competitive behaviour.**	**Nil.**	
	SO8	**Non-compliance with laws and regulations.**	**Nil.**	
Product Responsibility	**PR1**	**Health and safety impacts of services.**		**30–31**
	PR2	Non-compliance with health and safety laws.	Nil.	
	PR4	Non-compliance with information laws.	Nil.	
	PR5	Practices related to client satisfaction.		16
	PR7	Non-compliance with marketing laws.	Nil.	
	PR8	Breaches of client privacy.	Nil.	
	PR9	**Fines for non-compliance.**	**Nil.**	