



United Nations Global Compact (UNGC)

Communication on Progress (COP) - Year 1

March 2011





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Our first year as a signatory of the UNGC is now complete and we would like to take this opportunity to communicate our progress across our broad range of global stakeholders.

The first year has been a period of discovery to better understand how we can grow and strengthen our business through active engagement with other companies and institutions within the UNGC. Our company participated in the 2010 Global Leaders Summit in New York and has now become an active member of the Australian UNGC Network.

GHD is a major international, professional services company built around strong core values and a sustainable business model which align very readily to the 10 Principles of UNGC. As our first COP, we have based this communication on two key reports:

- 2010 Annual Review
- 2009 Sustainability Report (2010 version to be released shortly)

We believe these reports represent a start point for our communication with global stakeholders and going forward we will examine ways to further align the format of these reports with the UNGC 10 Principles to avoid unnecessary duplication in reporting across the company. The Sustainability Report already utilises the Global Reporting Initiative (GRI) indicators.

The table below is a COP 'Road Map' that correlates the reports against the 10 Principles.

Highlights of Year One

- Company-wide implementation of a new Integrity Management System to strengthen our business practices around the globe as part of Principle 10 - Anti-corruption.
- Release of our first dedicated Sustainability Report.
- Continued sponsorship and resources support for 'MSABI' Community Water and Sanitation Program in Tanzania as part of Partnerships in Development.

Statement of Continued Support for UNGC

As a strong, values based company emerging into the global marketplace, we acknowledge the resilience to be achieved in striving for Corporate Sustainable Leadership within our sphere of influence. This requires long term and sustainable commitment to a process of continuous improvement and open communication with stakeholders. The UNGC 10 Principles provide a clear focus for improvement and our commitment into the future. All management and our people value our commitment to the UNGC.

Ian Shepherd
CEO

COP Road Map

UNGC Principles		GHD 2010 Annual Review	2009 Sustainability Report
Human Rights			
1	Businesses should support and respect protection of internationally proclaimed human rights	Our people (p7)	Human Rights, Society (p14)
2	Make sure that they are not complicit in human rights abuses	Our people (p7)	Human Rights, Society (p14)
Labour			
3	Businesses should uphold the freedom of association and the effective recognition of the collective bargaining	Our people (p7)	
4	The elimination of all forms of forced and compulsory labour		Labour Practices (p18)
5	The effective abolition of child labour		Human Rights, Society (p14)
6	The elimination of discrimination in respect of employment and occupation	Our people (p7)	A Diverse GHD Culture (p22)
Environment			
7	Businesses are asked to support a precautionary approach to environmental challenges	Responsible management(p1 2-13)	Demonstrating Sustainability (p28)
8	Undertake initiatives to promote greater environmental responsibility	Sustainable future(p13)	Greenhouse Gas initiatives (p26)
9	Encourage the development and diffusion of environmentally friendly technologies	Environment (p20)	Biodiversity Considerations (p24)
Anti-Corruption			
10	Business should work against corruption in all forms, including extortion and bribery.	Chairman's Message(p2)	Culture and Values (p10)
Partnerships in Development			
	MSABI Community Water & Sanitation in Tanzania	Community engagement (p5)	

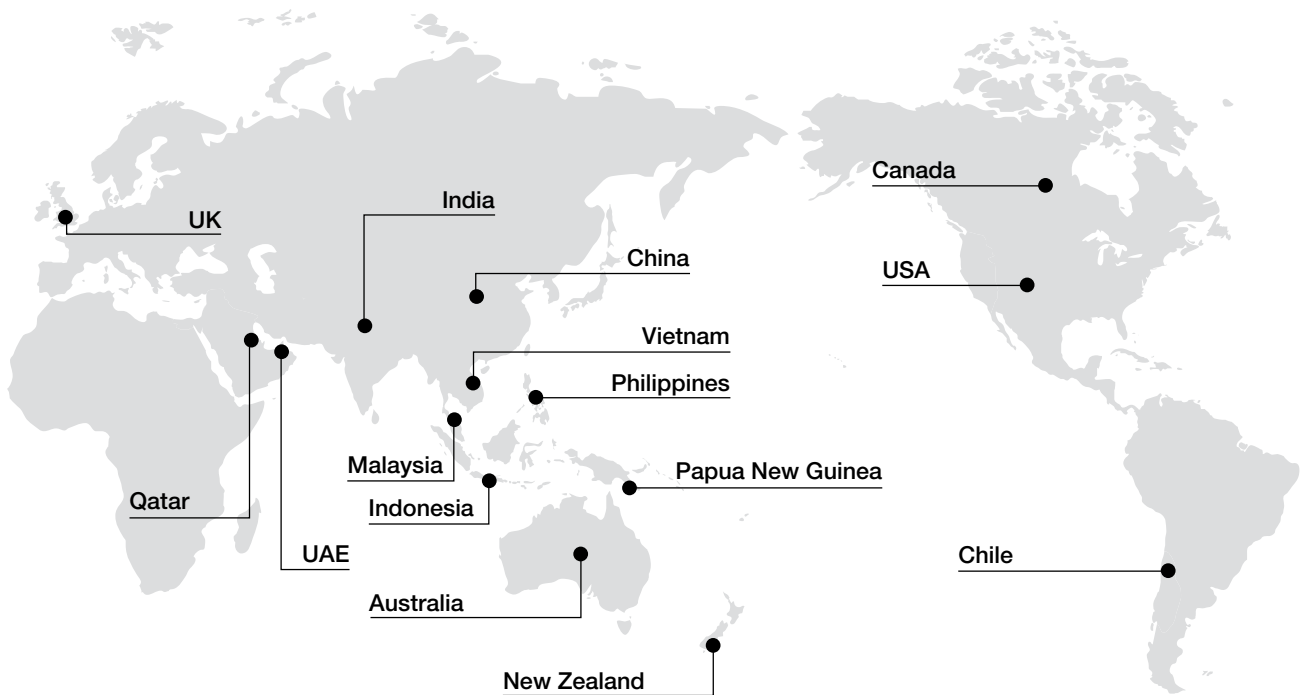


2010 Annual Review

“GHD’s people have a good understanding of our needs and the flexibility to tailor designs to meet them. We have worked closely with them on a number of similar projects, so we were confident of their technical capabilities.”

- Eduardo Vicuña, Partner, SCL Energía Activa

Our reach



Front cover photo: Aerial view of Gladstone Harbour in Queensland, an area where GHD is undertaking major environmental and infrastructure projects associated with energy, industrial and resources development

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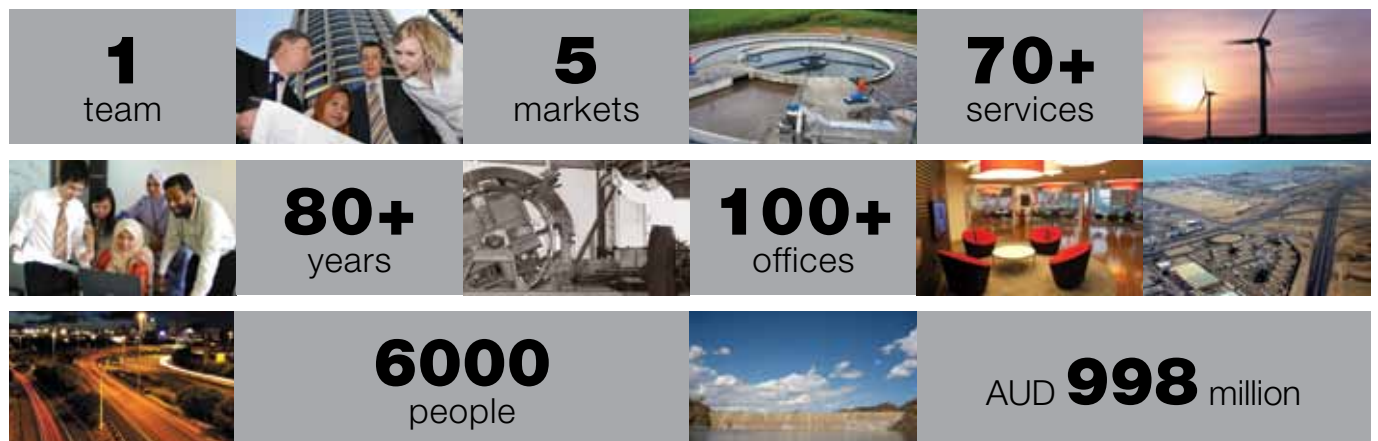


“Working in an alliance rather than alone has been a real benefit. We’ve found GHD and the other [Horizon Alliance] partners to be flexible and responsive, with the breadth of resources to adapt quickly to changes in the scope and staging of works.”

- John King, General Manager, Queensland Rail,
Capital Delivery Program network

GHD at-a-glance

GHD is one of the world’s leading engineering, architecture and environmental consulting companies. Established in 1928, GHD employs some 6000 people across five continents and serves clients in the global markets of water, energy and resources, environment, property and buildings, and transportation.





Des Whybird

Chairman's message

In a challenging year, GHD has delivered a creditable performance and gained industry recognition for our support to a wide range of client projects. This reflects the strength of our business model, unified operations as well as the enduring commitment of our people.

The true measure of our success is the value we add to our clients' businesses, and we acknowledge our clients who have agreed to showcase their projects in this Annual Review. Our collaborative approach to working globally and delivering services locally is helping us to meet the needs of our clients, irrespective of geographical boundaries.

While our client revenue was slightly lower than the previous year, we performed solidly and with agility. Importantly, GHD has a strong balance sheet, which positions us strongly to capture future opportunities.

During the year we maintained a prudent approach to strategic development and are proud of the following achievements:

- Implementation of our Strategy Accomplish More Together, focusing on our clients and our global network
- Strengthening of 'GHD in the Community' to meet our stakeholder expectations and corporate social responsibilities

- Integration of our business in North America with the four US firms joining GHD in the previous year
- Strategic mergers and acquisitions including SMGC in the mining sector in Australia, and China Water International Engineering Consulting Company (CWIECC) in China
- Setting a clear vision for good governance and compliance across our business operations, including the enhancement of our Integrity Management System

Especially pleasing is our performance in safety, quality and technical capability which continue to improve. This illustrates our leadership and the core values that define us – Teamwork, Respect and Integrity.

Looking to the future, GHD has the skills, financial strength and passion to meet new challenges and support our client projects.

Des Whybird
Chairman



Ian Shepherd

CEO's review

This financial year took place under challenging circumstances. Against a backdrop of economic uncertainty, GHD's financial results are admirable and demonstrate the significant efforts undertaken by our people.

Despite these conditions, we achieved a gross revenue of AUD998 million, which is just ten percent down on our previous record. This reflects the strong support for our clients and the commitment of our people across the business.

Some of the highlights of 2009/10 include:

- Continuous strong performance of our Australian operations
- An expansion of our Energy & Resources sector to meet rising demand with a number of key senior professionals being appointed
- The maturing of our strategy in the transportation sector resulting in securing many new projects and being shortlisted on some large opportunities
- Prioritising of the health and safety of our workforce enabling us to achieve periods of 2.8 million and 3.5 million hours free Lost Time Injury (LTI), and being recognised as the 2009 Best Workplace Health and Safety Management System – Private Sector by Safe Work Australia

- The collaborative approach of our people to developing Australian resources projects and facilitating Chinese investment
- The inspiring way our people have embraced our strategic focus to partner more closely with clients to better understand their needs and expectations

Whilst we continue to manage ourselves with discipline, we enter the next financial year in good operational and financial shape, with robust strategies. There is every reason to be confident about the future and, most importantly, in our ongoing ability to provide technical leadership and deliver truly integrated services.

Finally, I am proud of the resilience shown by our people and the support of our clients over some difficult and demanding times. We look forward to working with our clients in 2011.

Ian Shepherd
Chief Executive Officer



Governance

We believe good governance is integral to supporting performance and defining behaviours in alignment with our values. Our approach is simple: to do the right thing using the right procedures for our clients, people, communities and the environment. Our governance is focused on good performance, not only in the boardroom, but across our business.

Board

The GHD Board of Directors provides governance and strategic direction through its charter, protocols and constitution. It is supported by board committees covering Strategy, Finance, Nominations, Audit and Risk with external advisers.

The Board's focus remains on strategic issues, governance and policy development, with strategy implementation and management responsibilities led by the CEO, supported by General Managers, Global Market Leaders and management teams across our operations.

External Committee Members include:

- **Stephen Skulley**, MBA, M Petroleum Engineering, BE (Mech)
- **Rob Kella**, B Ac (Hons), CPA (USA), CA
- **Kerry Smith**, B Ec (Syd), CA
- **Jenny Wily**, LLB (Hons), BCL (Hons), FCLA
- **Glen Hiemstra**, BA Sc (Political Sciences), MS (Communication)

The Board is also supported by our Company Secretary, **Lisa Elbourne**, BBus, CPA, ACIS, GAICD.

Directors

GHD is a wholly staff owned company led by a dedicated Board of Directors, comprised of:

- **Des Whybird**, Chairman - BE (Hons), FIEAust, FAICD
- **Ian Shepherd**, Assoc (Civil Eng) Grad Dip Bus, FIEAust, CPEng, MAICD
- **Peter Wood**, Deputy Chairman - B Sc (Hons), Grad Dip Eng Geol, MIEAust, MAICD, MAusIMM
- **Russell Board**, BE (Civil) FAICD, FIEAust, CPEng
- **Pat O'Dwyer**, BE (Metallurgical), FIEAust, CPEng, FAusIMM (CP), MMICA, FAICD, RPEQ
- **Nick Apostolidis**, BE (Hons), MEng Sc, FIEAust, GAICD
- **John Baird**, BE (Hons), FIEAust, CPEng, GAICD
- **Don Graf**, BS (Zoology), MS (Engineering), CEEP
- **May Ngui**, BAppSc(ElecEng), MIEAust, GAICD
- **Rob Knott**, BE (Electrical), FIEAust, MAICD



Community engagement

From making financial contributions to volunteering our people's time and providing pro-bono services, we are engaged in a broad range of initiatives that benefit the 100+ communities in which we live and work.

GHD in the Community supports many disadvantaged communities, providing immediate support to those affected by catastrophic events and assisting a range of not-for-profit organisations to further their cause.

Delivering strong connections

For the past two years, GHD in the Community has been sponsoring the MSABI project in Tanzania - a water, sanitation and hygiene initiative intended to empower and educate local Tanzanians and facilitate the provision of water related resources. The project is the brainchild of Dale Young, a GHD Water and Wastewater Engineer who has recently been named the 2010 Young Engineer of the Year for Queensland by Engineers Australia.

Whilst on leave to support his partner who was working in East Africa, Dale saw an opportunity to improve the health and economic status of communities with water sanitation solutions. To date, the locally employed MSABI team, in collaboration with the community has installed 61 new safe water points (rope pumps) including 43 new boreholes, 8 open well conversions and 8 replacements of broken pumps. MSABI has also introduced sanitary latrines, water filtration units, and with the support of the GHD Young Professionals group, provided text books to a local school.

GHD in the Community also responds to catastrophic events around the world including the September 2009 floods in Manila and the recent earthquake in Chile. The program provided funds to help our people rebuild their homes or replace damaged property. Our people also joined forces to assist their colleagues by hosting fundraising activities around the world.

Supporting vital causes

GHD is passionate about supporting staff involvement and contributing to fundraising activities for not-for-profits. In 2010, GHD in the Community provided support to more than 45 organisations and causes around the world, including schools, disadvantaged communities, environmental foundations, healthcare groups including hospitals, the Cancer Council and the Leukemia Foundation, as well as humanitarian organisations such as The Red Cross, Habitat for Humanity and Engineers without Borders, and a multitude of other charitable initiatives.

In 2009, GHD became a corporate partner of RedR Australia, a not-for-profit organisation that provides emergency assistance to communities devastated by conflict or major natural disasters. As part of our involvement, our people are being trained in the Essentials of Humanitarian Practice to help save lives in disaster areas by providing vital services such as safe water, sanitation, power, roads and bridges, supplies of food and shelter materials, communications systems and protection services.

Left: MSABI project in Tanzania

Right: GHD's New Zealand Young Professionals - Yin Fung Lee, Vikram Das and Daniella Piszezy working on-site for a Habitat for Humanity project at Wymondley Street, Otahuhu



Nick Apostolidis
General Manager Client Development

Our clients

GHD's business model is built on partnerships. Put simply, we partner with clients to provide professional services that help plan, deliver and realise successful projects.

During the year GHD had the opportunity to partner with up to 5000 clients on over 10,000 projects across the globe. The 'One GHD Network' continues to create value with the diverse projects our people are working on, and the many great relationships we have established with our clients.

This year, many of our clients participated in detailed Client Care Visits and provided feedback at the conclusion of projects through our eSurvey program. These open and frank discussions allowed us to examine the way in which we deliver our technical services and refine our approach. It also helped us to understand if our services satisfied our clients' technical and delivery expectations.

The outcome of these client-facing discussions is that we continue to evolve our focus and simplify our operating structure and processes to provide greater integration, responsiveness and coordination of services. We have also introduced Client Relationship Managers to create a single point of contact for many of our clients operating across multiple geographies. These people make sure our clients receive the best we have to offer from our global network.

Our clients continue to expect high levels of service quality, often with either reduced budgets or a greater focus on cost control. We have enjoyed the challenge this environment has presented in the past year and have worked hard to furnish operational value. In fact, the need to 'work smarter' created many opportunities for innovative approaches to solving our clients' challenges, two of which are showcased in our Innovations section on Page 13.

We thank you, our clients, for your continued confidence and support, and especially your open and honest communication with us. We value the gift of your feedback and continue our commitment to partnering with you to improve our services and deliver mutually beneficial outcomes.





David Beech Jones
General Manager People

Our people

The distinguishing features of GHD are our talented people and culture of teamwork. Our global network consists of some 6000 people across five continents. They share a commitment for serving our clients and are dedicated to building collaborative relationships.

In 2010 we achieved a respectable staff retention rate of 86 percent, reflecting a workplace that equips and encourages people to reach their potential.

Through the annual people survey, we have found that the hallmarks of working at GHD are: working together as cohesive teams; treating each other with respect; appreciating cultural differences; having flexibility for work/life integration and living our values of Teamwork, Respect and Integrity.

Recognising that our people are integral to the success of our business, we continue to invest in our future. Core initiatives for 2010 include:

- **The GHD Business School** - Our branded approach to training, learning and development across all our operations marked its 5th anniversary in early 2010. Offering a core curriculum of over 140 programs, the GHD Business School delivered over 2600 face-to-face programs in 2010. It also expanded its programs to develop the technical, job delivery and client relationship capabilities of our people and introduced a range of elearning programs in five languages.
- **Career and Leadership Development** - A number of new senior appointments were made as a result of internal promotions. This demonstrates GHD's commitment to the professional development of its people and succession planning foresight.

Aligned with this, the GHD Business School has also introduced a comprehensive suite of leadership development programs tailored to our business and based on our Leadership Model. Current and future leaders at all career stages have attended leadership focused programs in the past year, and GHD has continued to invest in executive development for senior leaders.
- **Graduate recruitment** - 145 graduates joined GHD, of which 35 percent are female covering a wide range of professions.
- **Diversity** - GHD's strong record as an equal opportunity employer was recognised again this year with a commendation from the Australian Equal Opportunity for Women in the Workplace Agency.



Technical leadership

Everyday, our clients are making decisions and taking actions to deliver a positive impact on global communities. They rely on GHD to provide technically advanced, creative and innovative solutions. Of course, this is made possible by our people – a global network of talented professionals from diverse disciplines and with complimentary skills - who partner with our clients to learn from them, share their knowledge and offer ideas.

GHD's engineers, architects, planners, scientists, project managers and economists bring a wealth of experience and unique skills, as well as a deep understanding of current and emerging technical issues to realise our clients' vision. But it is their collaborative approach and connected thinking across multiple disciplines and geographic boundaries that enables them to satisfy our clients' needs.

Highlights

In 2010 our people's technical excellence in design, engineering and service delivery was recognised as follows:

- Transport professional **Bernard Shepherd** was appointed to the French-Australian Chamber of Commerce and Industry's Victorian Board
- Concrete specialist, **James Aldred** was appointed as a Fellow of the American Concrete Institute in recognition of his long-term contribution to the industry (See photo on Page 11)
- As leader of the International Water Association (IWA) Apparent Loss Initiative committee, **Edgar Johnson** continues to shape the debate on water management
- Design Modellers, **Glenn Robson** and **Ryan Riboldi** became Certified SolidWorks Professionals (CSWP)
- Architect **Nader El Haridy** was awarded Autodesk Certified Professional – Revit Architecture 2010 certification
- Marine Scientist, **Jeremy Sofonia** received accreditation as a Certified Environmental Practitioner (CEnvP) from the Environment Institute of Australia and New Zealand (EIANZ)
- Scientist **Ian Campbell** authored and published a book "The Mekong: Biophysical Environment of an International River Basin"
- Oil and Gas Engineer **Barbara Jinks** was elected President of the Queensland Petroleum Exploration Association (QUPEX)
- Landscape Architect **Scott Graham** was elected President of the Australian Institute of Landscape Architects (AILA) in Victoria
- Principal Architect **Sheila Hughes** was elected ACT Chapter President of the Australian Institute of Architects (AIA) in the ACT
- Planner **Hamish Sinclair** was elected President of the ACT Division of The Planning Institute of Australia (PIA)
- Marketing & Business Development Manager **Sonia Adams** was elected President of the Asia-Pacific Professional Services Marketing Association (APSMA)
- As part of the BP Accredited Contractor Program, GHD was awarded a certificate of high achievement in recognition of attaining high standards in Health Safety, Security and Environmental Management Systems (HSSE) on the Terminals Environmental Monitoring and Assessment project
- The Institute of Asset Management (IAM) in the UK selected GHD as an Endorsed Assessor in recognition of our leadership in asset management
- Dams Professional **Steven Fox** was elected Junior Vice Chairman on the Australian National Committee on Large Dams (ANCOLD)
- Wagga Ecologist **Leigh Maloney** has been awarded accreditation as a BioBanking Assessor under Part 7A of the NSW Threatened Species Conservation Act 1995 (TSC Act)
- **Nick Apostolidis** has been appointed to the Australian Green Infrastructure Council (AGIC) Board of Directors



- In Connecticut, **Gary Dufel** has been appointed to the Infrastructure Adaptation Sub-committee of the Governor's Steering Committee on Climate Change

Awards

- 2009/2010 Engineers Australia Young Professional Engineer of the Year Awards:
 - **Dale Young** - QLD
 - **Elisha Harris** - NT
 - **Michael Scott** - SA
- Engineers Australia Professional Engineer of the Year Awards:
 - **Lindsay Monteith** - NT
 - **Bob Wark** - WA
- Australian Water Association (AWA) Young Water Professional of the Year Awards:
 - **Alix Campbell** - NSW
 - **Cathy Sherry** - NT
- **Brian Forbes**, Major Dams Manager, was named as one of the top 100 Influential Engineers for 2010 by Engineers Australia. Brian was also named one of the 60 most influential people in the dams industry by International Water Power and Dam Construction magazine
- Business Services Coordinator **Tammy Smith** won the silver medal in the 'Business Services' category of the 2010 WorldSkills Competition
- Architect **Arindam Bose** received a 'Brick-stainable' international design award from Potomac Valley Brick
- **Jacqui Hallchurch** won second place in the Australian Contaminated Land Consultants Association (ACLCA) Young Achievers Award 2009
- Engineering Geologist **Christine Hug** won the eighth Dr Baden Clegg Award by Engineers Australia and the Australian Geomechanics Society (AGS) Young Geotechnical Professionals (YGP)
- **Jo Metcalfe** won the Hudson Private and Corporate Sector Award at the 2009 Telstra ACT Business Women's Awards
- **Liz Haeusler** accepted the role of President of the Young Professionals Branch of the Australian Water Association (AWA) in Victoria
- **Andrew Kohlrusch** has been re-appointed as President of the Australia Contaminated Land Consultants Association (ACLCA) NSW
- **Dr Kostas Athanasiadis** was recognised as a leader in innovation (See Page 11)

Photo: American Concrete Institute (ACI) President Florian Barth pictured left presents Dr James Aldred with his ACI Fellow certificate at the ACI Spring Convention Chicago



“Over the past year, the GHD Innovations Team has provided advice in relation to the development and delivery of enhancements to our Innovation Program. This advice has helped us to better understand options, avoid pitfalls and to customise GHD’s learnings in establishing its own Innovation Program to the needs of Melbourne Water.”

- Howard Rose, Corporate Planning & Sustainability Manager,
Strategic Planning, Melbourne Water

Innovations

(innovations)ⁿ

Solving our clients’ challenges is at the heart of our business - we formulate methodologies, develop unique technologies and create bespoke designs with one goal in mind: to improve our clients’ operations and enhance their business practices.

Leveraging our comprehensive understanding of the innovation process and our track record of converting ideas into reality, we established the GHD Innovation Program as a globally integrated initiative designed to identify even more great ideas by working in an open and collaborative manner with our clients, people and partners.

The program provides a holistic framework for the creation, collaboration, identification, development and implementation of ideas in a team setting. It is underpinned by our Innovation Zone, an online platform that enables our people to submit, collaborate and vote on ideas - with the opportunity to have them acted on. To date, our people have submitted over 1500 ideas.

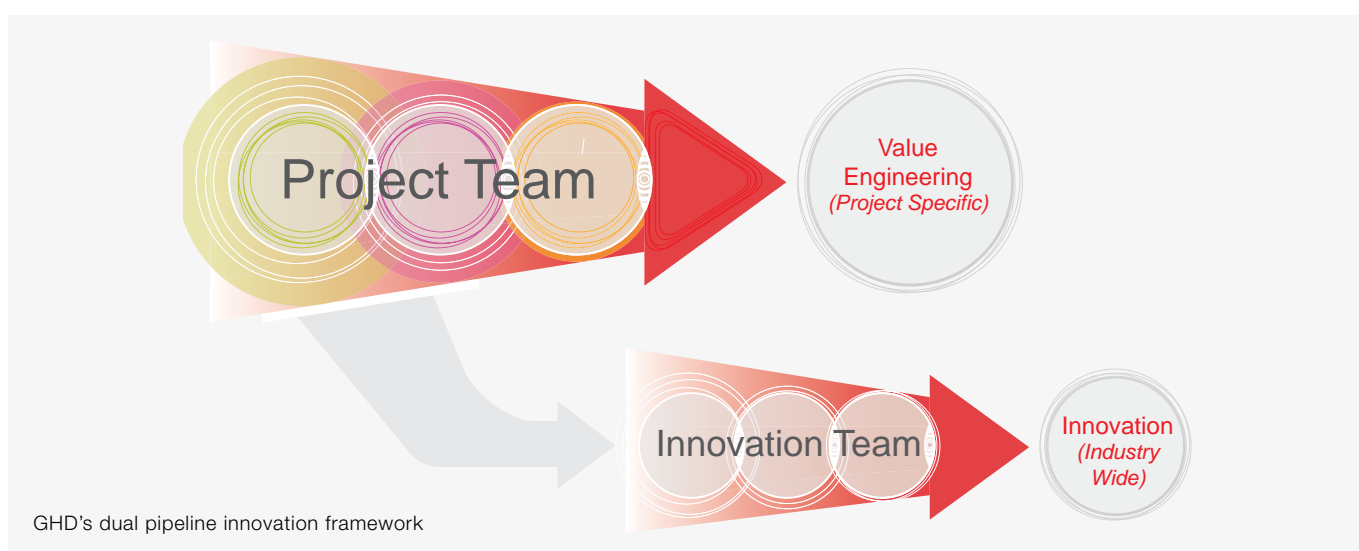
Our unique and structured approach to innovation has been applied to a number of alliance projects through our facilitated workshops in the water, energy and local government sectors. We provide Innovation Advisory

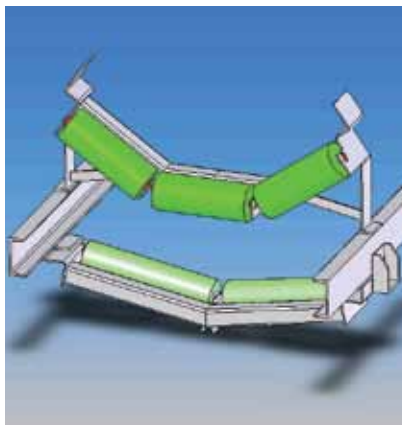
Services to assist client organisations in building their innovative and collaborative capabilities through the adoption of appropriate processes, systems and tools.

Our Innovation Program has received the prestigious 2009 Frost & Sullivan Asia Pacific Innovation Excellence Award, and the 2009 Engineering Excellence Award for Workplace Innovation by Engineers Australia (Victoria Division) for the program’s landmark contribution to the personal development of our people.

Dual pipeline approach

GHD believes that as an industry, we can extract even more great ideas during the delivery of infrastructure projects. To assist, we have developed an innovation framework, called the ‘dual pipeline’ as illustrated below. Valuable ideas that relate to the specific project are implemented by the project team, whilst ideas that have industry-wide or multi project application are streamed off to a dedicated innovation team with the appropriate skills, time and focus to further refine and develop. GHD successfully implemented this dual pipeline approach on a major water treatment project in Victoria.





Case studies

Safe Conveyor Frame

Heavy high-speed belts with heavy linear loads can cause serious injury or be fatal, particularly in the context of staff performing maintenance activities. Specifically, a draw in safety hazard exists on operational conveyor belts at the nip point between the conveyor belt and the rollers.

Despite these risks, implementation of conveyor guards along their entire length has been seen to date as impractical and cost prohibitive. Recognising a need to mitigate the current safety risk to individuals working close to conveyor belts, typically in iron ore and coal mines, GHD Principal Mechanical Engineer, David Sheehy designed the safe conveyor frame.

David leveraged the support of the GHD Innovation Program to develop his concept into a working prototype.

The Safe Conveyor Frame provides a cost efficient method of minimising the risk of serious accidents occurring during routine maintenance of operational conveyor systems. It protects the draw in zone by the mounting frame itself with no extra steelwork, guards or attachments required. Additionally, it eliminates the need for extensive guards, fences or risk acceptance, and ensures protection of the conveyor belt in the event of a collapsed roll.

The Safe Conveyor Frame has great application in the mining and resources sector, as it creates a safer workplace and increases productivity.

Stormwater and filter media treatment process

Regulatory Bodies are setting increasingly ambitious performance targets for stormwater runoff due the detrimental impact on local ecology of stormwater contaminants such as dissolved nutrients and heavy metals. In response, Dr Kostas Athanasiadis, GHD's Service Group Manager for the Industrial Water and Waste group in South Queensland saw an opportunity to innovate and develop a compact, cost effective stormwater treatment solution, capable of meeting stringent performance targets.

With the support of our Innovation Program, he has designed a low footprint treatment system to filter small concentrations of soluble nutrients and dissolved heavy metals at the point of source in residential, commercial and industrial locations.

Working in line with conventional pre-treatment systems to remove total suspended solids (TSS), this concept is designed to economically filter contaminants including oil, grease, soluble nutrients (nitrogen and phosphorus) and dissolved heavy metals such as zinc, copper, nickel, mercury, arsenic and platinum.

Anticipated markets for the concept include North America, the United Kingdom, Australia and New Zealand with potential applications including roads and highways, residential and industrial estates, commercial developments such as car parks, shopping centres and vehicle maintenance wash down areas, as well as pre-treatment for stormwater harvesting processes.

GHD has a patent application in process for this concept, and Kostas was recently recognised for his achievement with a Leaders' of Innovation 2010 Award from Brisbane City Council.

Left: A model of the safe conveyor frame

Right: GHD's Kostas Athanasiadis pictured right accepting his innovation award from Brisbane Lord Mayor Campbell Newman



Responsible management

GHD's approach to health and safety, sustainability and quality is to embed these practices in the way we deliver projects to our clients.

Outlined below is GHD's commitment to these practices and some examples of how they have been applied in our clients' projects.

Health and Safety

GHD continues to see significant improvements in health and safety performance, as we transition from a focus on compliance to a culture of safety management. This year, our approach was validated by Safe Work Australia with GHD winning the Best Workplace Health and Safety Management System – Private Sector Award (See Page 13).

Highlights during the year include:

- Integration of health and safety into the GHD Job Management process
- Introduction of the GHD Safety Index using leading indicators to drive organisational culture change and management of health and safety
- Improved understanding of 'safety through design' to benefit clients
- Periods of 2.8 million and 3.5 million hours LTI free

Sustainability

- **EMS** - Our certification to ISO 14001 helps us to demonstrate the continual improvement of our Environment Management System in managing the environmental risk, impacts and opportunities of our operations.

- **Energy & Carbon Management** - Our operations continued to embrace positive action on our greenhouse footprint through office energy and travel plans. Where our tenancies are requiring renewal, GHD policies specify that building energy efficiency be considered as part of the office selection process. This year, three of our Australian offices relocated to premises with GreenStar ratings between 4 and 5 star. Our Sydney operation also undertook the design and project management of its new office fit out using our in-house design and project management teams (See Page 13). In addition, we have reduced our greenhouse gas emissions per employee by over 20%, since 2007.
- **Sustainability Reporting** - During the year GHD prepared a sustainability report for internal stakeholders using the framework of the international Global Reporting Initiative (GRI). GHD aspires to report its sustainability performance externally against the GRI for the 2009/10 fiscal period.

Quality

Our focus remains to uphold the quality of the services we deliver. Since 1993, GHD has operated under a Practice Quality Management System (QMS) certified by Lloyds Register Quality Assurance to international standard ISO 9001: 2008.

During the year, we expanded our certified offices, the most significant additions being Seattle WA and Charlotte NC. The past year has seen us roll out a new audit database and extend the interval between surveillance audits from six months to nine months.



Case studies

Move for a Sustainable Future

To enhance sustainability, GHD undertook all design, documentation and project management for the new office fit out of Sydney's 133 Castlereagh Street. Titled 'Move for a Sustainable Future', the project focused on environmental design and providing a work environment to encourage connected and innovative thinking amongst our people.

A significant focus of this relocation was placed on improving the sustainability performance of our operations by choosing premises with a high environmental performance rating and incorporating leading green building techniques to minimise energy and water consumption, and ensuring sustainable materials were used wherever possible.

Our EMS also highlighted the need for a sustainable exit strategy from our existing premises, with a focus on minimising the amount of waste going to landfill. As a result, all functional furniture was either reused in our new premises or donated to organisations that could put the furniture to good use. A large proportion of re-usable office materials (lever-arch folders, ring binders, etc) that could not be taken to our new premises were delivered to a local university for reuse by students. Our procedures also directed any waste paper created during the Bond St clean up to the appropriate recycling facilities.

Top prize for safety

During the year, GHD received the Best Workplace Health and Safety Management System – Private Sector Award by Safe Work Australia. The award recognises our commitment to continuous improvement in workplace health and safety through the implementation of the firm's global occupational health and safety management system. Our South Australian operation was instrumental in winning the state award, and qualifying the company for national recognition.

Sustainable ferry terminals

Improving the efficiency of public transport in Brisbane is being realised with the upgrade of the city's ferry terminals. With patronage for CityCat ferry services having increased by 88 percent in the last six years, the upgrades will provide better access to commuters and boost service speed by enabling dual access to the pontoons.

One of Brisbane City Council's prime objectives is to achieve sustainable outcomes in all of its activities. GHD worked closely with the Council to design three CityCat ferry terminals that make the best use of innovative and sustainable design technologies and materials, and provide sustainable and energy efficiency outcomes.

Key features of the terminals include recycled materials, rainwater tanks, lower energy LED lighting and inclusion of grid interactive solar arrays capable of collecting up to 10 percent of the facilities' energy requirements. In addition, the affected vegetation was re-used as mulch in the vicinity of each site and off set allowances were made for mangrove disturbances.

The design of these facilities recently won the Brisbane Lord Mayor's Award for Outstanding Achievement in the category of Environment Achievement.

Left: Sustainable interiors at GHD's new Sydney office
Middle: Ian Shepherd and David Beech Jones pictured with our Safe Work Australia Award

Right: Artist's impression of the new Hawthorne ferry terminal



Phillip Bradley

Financial highlights

Report

Despite the challenges faced from softening global markets and a more competitive operating environment, GHD achieved a solid improvement in its financial position during the year, with our net worth increasing by 4 percent to AUD157.6 million.

This strengthened financial position was achieved despite revenues having declined 9.3 percent to AUD998 million. Having said that, this is the second highest revenue level recorded in the history of the company.

The company appreciates the relationships with its bankers, Westpac and HSBC, noting that the company has strong reserves and is thus well placed to expand again as economic conditions inevitably improve.

Overall, GHD's sound financial result provides a solid foundation for our continued growth, and most importantly the ability to continue delivering outstanding results to our clients in the future.

Phillip Bradley
General Manager Finance

Consolidated Balance Sheet

As at 30 June 2010
AUD millions

	2010	2009	2008
Current Assets	260.2	272.2	255.4
Non Current Assets	145.4	154.5	100.8
Total Assets	405.6	426.7	356.2
Current Liabilities	171.7	155.4	149.8
Non Current Liabilities	76.3	119.7	95.6
Total Liabilities	248.0	275.1	245.4
Net Assets	157.6	151.6	110.8
Equity	157.6	151.6	110.8

Source: Consolidated Financial Statements as at 30 June 2010 for GHD Group Pty Ltd.

Auditor's Statement

We have audited the accompanying summarised financial information of GHD Group Pty Limited (the "Company"), comprising the summary Consolidated Balance Sheet as at 30 June 2010 and the summary Statement of Revenue for the year ended 30 June 2010, which were derived from the financial report of the Company for the year ended 30 June 2010. We expressed an unmodified auditor's opinion on that financial report in our auditor's report dated 26 August 2010.

The responsibility of Directors for the summarised financial information

The Directors of the Company are responsible for the preparation and fair presentation of the summarised financial information in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).

Auditor's Responsibility

Our responsibility is to express an opinion on the summarised financial information based on our procedures which were conducted in accordance with Australian Auditing Standards. The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements.

Auditor's Opinion

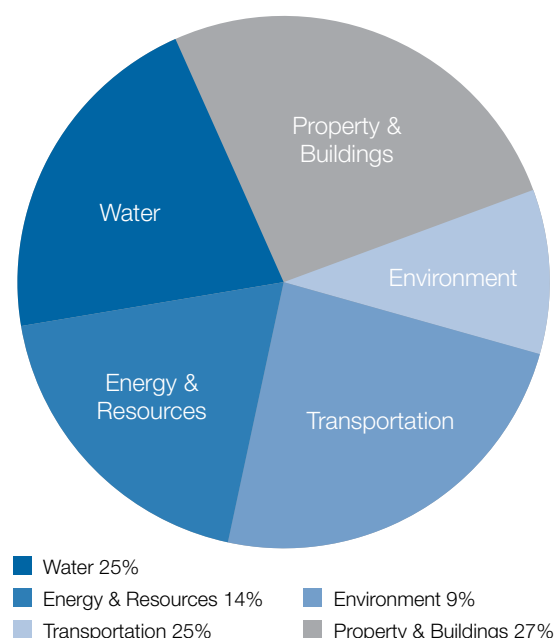
In our opinion, the information disclosed in the summarised financial information is consistent, in all material respects, with the financial report from which it was derived. For a better understanding of the scope of our audit, the summarised financial information should be read in conjunction with our report on the financial report.

Deloitte Touche Tohmatsu ..
DELOITTE TOUCHE TOHMATSU

J A Leotta

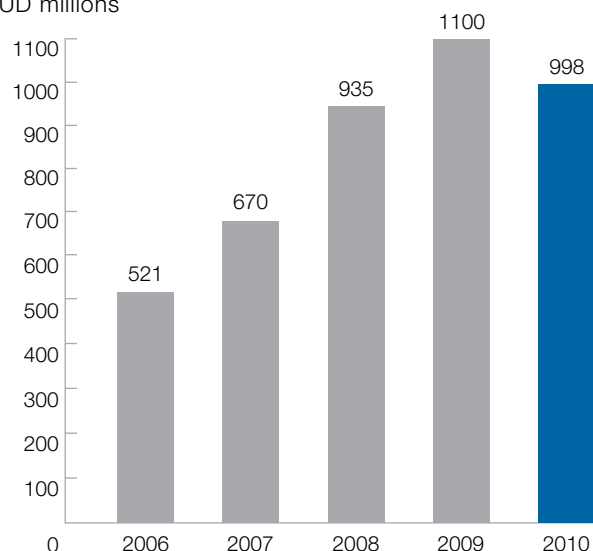
J A Leotta
Partner
Chartered Accountants
Sydney, 31 August 2010

2010 Revenue by Global Sector



Statement of Revenue

AUD millions





Chris Hertle
Global Leader Water

Water

Today more than 1500 GHD water professionals provide secure clean, reliable and sustainable water supply and sanitation to communities around the world. They understand the challenges of our times and continue to partner with clients to deliver a diverse range of services covering every element of the water cycle for urban, rural and industrial water applications.

Securing water supply in a climate challenged world is by far the biggest challenge our clients face. As a result, major investments in water infrastructure have been made over the past year, particularly in desalination. Australia is leading the way with all capital cities now completing or running desalination plants to service severe water shortages. GHD transferred its knowledge, innovation and learnings to clients undertaking these projects.

The trend towards desalination is continuing around the world, with China and the USA looking at significant expenditure to address critical water shortages. GHD's extensive network of offices in eight American states and our recent acquisition of China Water International Engineering Consultants (CWIEC) - including more than 45 people with significant skills in hydrology, yield and water resource planning - will enable us to provide added value to clients in these markets.

Demand for our services in integrated water management, water use efficiency, water loss management, irrigation and groundwater management continued to grow strongly. GHD also assisted many water utilities to optimise water related infrastructure, meet compliance and adapt to environmental changes in ways that balance the needs of our communities.

We continually expand the boundaries by engaging in research to enhance existing systems and strategies, evaluate new procedures and transfer technology from other industries into what we do. This approach has seen us become a key player for water management and supply for the booming resources sector and for the coal seam gas industry.

Highlights during the year include:

- Winning the 2010 Asian Development Bank Outstanding Achievement Award for our work on the China National Flood Management Strategy Study
- Receiving an Institute of Public Works Engineering Australia NSW award for Recovering, Recycling and Reusing for our client, the Coffs Harbour Water Reclamation Plant
- Undertaking a study for the City of Barrie in Ontario to optimise the aquatic health of Lake Simcoe
- Fast-tracking Victoria's water security with our involvement in three signature projects – Victorian Desalination Project, Sugarloaf Pipeline Alliance and the Tarago Water Treatment Plant
- Being recognised by our peers for our work in the USA on the Downtown Scottsdale Booster Station Project in Arizona through numerous awards including an Engineering Excellence Grand Award from the American Council of Engineering Companies in Arizona

Looking to the future, we are focused on partnering with our clients and integrating our capabilities even more tightly to achieve a single global network of professionals capable of delivering solutions in any part of the world.



Case studies

Improving water quality in Lake Onondaga

Onondaga County's Department of Water Environment Protection has upgraded the **Syracuse Metropolitan Wastewater Treatment Plant** to meet stringent new water quality standards for Onondaga Lake by 2012.

GHD was selected to lead a team of three engineering companies in designing a world class plant based on its track record in the USA. "GHD is recognised as a leader in wastewater technology in the USA and this project has demonstrated why. The company's work has enabled us to dramatically improve the lake's water quality," said the Department's Commissioner Patricia Pastella.

GHD led a pilot project to establish design criteria for a plant which treats 318 megalitres of wastewater a day using biological aerated filters (BAF) and high rate flocculated settling (HRFS) technology to naturally disinfect wastewater and remove ammonia and phosphorus to low levels. A cogeneration system was incorporated to produce electricity and recover heat from gas produced during the separation of biosolids, which are removed and reused as a fertiliser in agriculture.

"We are familiar with US regulatory requirements and after the success of the pilot we worked closely with our partners to bring the plant online - ahead of schedule and below budget," said GHD Project Director Jerry Hook.

The plant has cut concentrations of ammonia to less than 2.0 mg/L, and phosphorus levels to less than 0.10 mg/L - below the mandatory target of 0.12 mg/L. "To reduce phosphorus concentrations from 0.8 mg/L to less than 0.12 mg/L is a great achievement for us," Ms Pastella said. "We are about two years ahead of the court-ordered schedule, allowing us to improve the lake's water quality much faster than we had hoped."

The plant is also projected to save USD90,000 a year in energy costs - 40% of the department's annual budget - and USD45,000 from process and system modifications.

Securing Canberra's water supply

GHD's work with the **ACT Electricity and Water Corp (ACTEW)** on the Cotter Dam is helping to secure the territory's water supply and raising the bar for sustainable construction. The AUD363 million project involves building a new 80 metre high wall to increase the main dam's capacity from 4 gigalitres to 78 gigalitres, and building two saddle dams with walls 15-20 m high.

Working in an alliance with ACTEW and construction companies Abigroup and John Holland, GHD has been responsible for engineering design, stakeholder liaison, environmental approvals and safety and quality control during construction. GHD's analysis identified the best location for the dam wall, and a cost-effective construction method using roller compacted concrete (RCC).

ACTEW Project Manager Ray Hezkial said the alliance partners have benefited from having GHD engineers on site to help resolve design and scheduling issues quickly. "For example, we relocated the intake tower of the dam from the left to the right hand abutment (a major change) to accommodate the construction schedule. This was facilitated by GHD so we didn't lose time, and in fact we might have made up time. Those sort of things are invaluable."

The RCC method, for which GHD is renowned through the efforts of Brian Forbes, allowed one million tonnes of rock taken from the valley to be crushed and reused as aggregate for the dam foundations. This has cut truck traffic to and from site, reducing the project's carbon footprint and impact on residents.

For ACTEW, the project has confirmed the benefits of working in an alliance structure. "From a teamwork perspective it has been valuable having access to everyone and having everyone working towards a common goal," Mr Hezkial said. "Alliances promote trust. Everyone shares in the gains, and everyone shares in the losses."

Left: Syracuse wastewater treatment plant
Right: Cotter dam under construction



Pat O'Dwyer
Global Leader Energy & Resources

Energy & Resources

Around the world, the energy & resources sectors enhance economic development and social progress. Issues such as increasing demand for resources and energy, production efficiencies, energy efficiency and sustainable development continue to shape the future.

This year, GHD's Energy & Resources business has improved its capability. Our clients have recognised this and engaged us on significant projects, particularly in Australia and South America. These opportunities are largely driven by demand for resources from China and India and the global demand for energy, in particular LNG, as countries look for more greenhouse friendly power supplies.

Recent projects include our work with Shenhua Watermark's coal project in New South Wales, the China Metallurgica Group's Cape Lambert Magnetite Mine in Western Australia, and groundbreaking coal seam gas projects in the Surat and Bowen Basin, which includes a gas pipeline from the gas fields to Gladstone to access a liquefaction and export facility on Curtis Island. Our water team is also involved in designing a desalination plant to process the water removed from coal seams produced during the gas extraction. From a renewable energy perspective, we have completed a project with ACCIONA Energy for the planning application of a 46 turbine, 70.5 MW wind farm in South Australia.

To better position GHD for the future, we have undertaken a number of initiatives in 2010, including:

- Increased our capability in Western Australia by strengthening and expanding our teams
- Established a pro-active framework for servicing Chinese clients and facilitating investment in the Australian resources sector
- Strengthened our mining skills through the acquisition of SMGC enabling GHD to undertake resources studies
- Reinforced our position in the renewable energy sector by undertaking projects for solar and wind power generation
- Developed strategic alliances with complementary companies in Australia and China to tackle major projects and broaden our capability
- Focused on energy transmission, distribution and efficiency
- Enhanced our positions in non-process infrastructure and sustainable capital projects



Case studies

Gas-fired energy for Peru

GHD's offices in Chile and Australia have worked together to help a South American energy company meet a tight deadline on a gas power project in Peru. Based in the Chilean capital of Santiago, **SCL Energía Activa** develops energy assets in Chile, Peru, Colombia and Central America. The company is developing a power plant in the Chilca district of Peru, 60 kilometres south of the capital Lima, fired by natural gas piped from the huge Camisea deposit.

SCL Energía Activa appointed GHD to design the gas-fired power plant based on the strong relationships the companies had developed in the past. "GHD's people have a good understanding of our needs and the flexibility to tailor designs to meet them," SCL Energía Activa partner Eduardo Vicuña said. "We have worked closely with them on a number of similar projects, so we were confident of their technical capabilities. And importantly, they had no conflict of interest."

Working to a very tight deadline, GHD Project Director Eduardo Valenzuela led a collaborative team from GHD's Santiago and Brisbane offices to prepare a feasibility study for the project and consult environmental specialists to reduce its impact. Our team prepared technical engineering studies for two 200 megawatt open cycle gas turbines, a power transformer and the overall plant structure.

"Being able to draw on the experience of the energy team in Brisbane was a real advantage for us," Mr Valenzuela said. "We were able to develop a flexible design that will at a later date allow us to phase in a more efficient 100 MW combined cycle turbine. This will capture waste heat from the plant to make steam to generate additional electricity, and make it much more efficient."

After evaluating tenders, GHD led negotiations with the construction companies short-listed to build the plant. "We anticipated detailed negotiations with the short listed contractors," Mr Vicuña said. "GHD's experience in dealing with world class players was put to the test, and left a good impression."

Facilitating China investment

With China's strong economic growth and steady demand for iron ore, coal and gas, there are many prospects for Australian and Chinese businesses to create commercial partnerships.

GHD has been working closely with a number of Chinese organisations to facilitate resources projects in Australia, including the Shenhua Group, China Metallurgical Group Corporation (MCC) and energy operators involved with the Port of Gladstone expansion.

With offices in both Australia and China, our people collaborate across borders to assist clients with their projects. They possess a good understanding of the business environments in both countries to deliver services that address core requirements.

Gavin Becker, Mining & Metals Business Leader believes that GHD's operational model of working globally and delivering services locally is particularly advantageous to Chinese corporations, as it enables us to provide the right resources at the right time and in any geography.

He says, "We can offer clients access to our innovation, experience and capabilities, in both China and elsewhere. We have a strong track record in a number of key mining and resources projects around the world and have the ability to provide multi-disciplinary teams to address our clients' mining, resources, water, port infrastructure, power and environmental requirements.

"In short, GHD has the global network in place to facilitate business partnerships, co-operation and investment in resources projects between our two countries. We have four offices in China and numerous Chinese technical specialists located in our global operations to assist with the cultural and language 'bridge' needed to streamline project execution."



Stephen Trainor
Global Leader Environment

Environment

Environmental management has become an increasingly topical issue for governments and communities globally. The concept of what is economically, socially and ecologically practical in developments is being challenged and continues to drive demand for GHD's environment services around the globe.

During the year, there was continued demand for environmental impact assessment and planning services for major infrastructure projects in sectors including mining and resources, transportation and water. Assessing and remediating contaminated lands is also a major activity for our clients, and we are increasingly recognised as leaders in this specialised field. For example, we recently completed work for the Port of Melbourne Corporation on a channel deepening project for Port Philip Bay where we conducted 11 independent audits in the areas of dredging contaminated and non-contaminated materials, environmental monitoring, dredged material ground bund construction, capping and more.

This project demonstrates the benefits of GHD's multidisciplinary approach with additional skills in the areas of marine ecology and environment quality management systems being applied.

The evolution of environmental legislation and the impacts from climate change are two key issues facing our clients. This is particularly true in the Middle East, where our clients have to adapt to emerging legislative standards and policies.

In response, GHD's environmental team has expanded significantly during the year and worked on a number of projects that involve marrying new environmental legislation with sustainability principles. In Abu Dhabi for example, we have been helping to develop the regulatory environment, which is progressing sustainable developments such as Masdar City – a planned development which will rely entirely on renewable energy sources, with sustainable, zero-carbon, zero-waste ecology. In Qatar, we continue to assist with the construction of the new Doha International Airport, providing a broad range of environmental services including monitoring of marine life, groundwater and noise during construction.

Part of GHD's success has been our ability to broaden the reach of services across all market sectors globally. For example, we have seen significant growth in the energy and resources sector, in Australia and Chile. The rising interest in coal seam gas in central Queensland is also providing significant opportunities for GHD to leverage its deep understanding of the regulatory and legislative process. Plus, with GHD's expanding penetration in the USA water sector, there is an expectation that our environmental services will expand further to serve our clients in the coming years.



Case studies

Protecting coral and seagrass in the Arabian Gulf

Concerted efforts between the New Doha International Airport (NDIA) steering committee, project managers, contractors and GHD in Qatar have led to the significant protection of marine ecology around the NDIA.

GHD was approached by **El Seif Engineering Contracting Company (El Seif)** in June 2009 to assess the marine environment in the footprint and buffer area of two proposed sea rescue boat slipways at the NDIA. The team identified two distinct habitats composed of isolated coral communities and seagrass habitat.

According to the environmental approval permit issued by the Ministry of Environment (MoE) for the construction of these slipways, El Seif was granted the construction permit on condition that they relocate all affected coral and seagrass communities within the footprint, and monitor these to ensure their survival.

"We chose to partner with GHD due to the team's solid understanding of the local environmental legislation and requirements," said, John Liakakis, El Seif Project Manager. "In addition, the company has a good knowledge of the marine environment around the NDIA." GHD has been responsible for the quarterly monitoring of marine ecology including water and sediment quality at 23 sites facing the NDIA since 2008.

Our team built a good relationship with El Seif and worked closely to devise a relocation methodology that would not pose any safety risks to the team whilst in the field.

"We spent considerable time with the GHD team discussing challenges posed by the project prior to implementation of the relocation works," explains Mr Liakakis. "The level of collaboration was extremely high and facilitated a successful outcome whereby we (El Seif) constructed a safe access zone to the water in addition

to providing our construction equipment for supporting the relocation works."

Corals were relocated by qualified SCUBA divers over four days in November 2009 in purpose built baskets, which were tied to the vessels and transported to a nearby site. Seagrass relocation, undertaken in February 2010, involved a different methodology whereby 50 cm x 50 cm of seagrass area was removed manually with shoots and sediment attached and replanted at the predefined relocation site.

"The relocation sites were chosen based on their similarity to the existing environment at the slipways," explains GHD Project Manager Joanna Elkhoury. "It was quite an operation, but we devised a methodology that enabled the work to be done systematically. We spent a lot of time in the water assessing the environmental conditions prior to the actual relocation taking place. We received assistance from professionals in our offices in Manila, Perth and Hobart.

"The seagrass relocation works attracted members of the MoE as no attempt has been previously made to relocate seagrass in Qatar," Ms Elkhoury added.

The MoE requested that both coral and seagrass be monitored for three years to ensure survival in the harsh environment of the Arabian Gulf, where salinity and temperature play a major role in the survival of the corals and seagrass. The permit also stipulated that, monitoring will take place on a monthly basis for the first year, and quarterly for the subsequent two years.

"This is our fourth month monitoring the coral and seagrass condition, and so far all corals and about 70 per cent of the seagrass have survived the stress of relocation. This is a great result," Ms Elkhoury said.

Left: Boat ramp under construction

Right: Some of the coral that was relocated



Barry Potter
Global Leader Property & Buildings

Property & Buildings

GHD's Property & Buildings business is fortunate to provide services to sectors that continue to show strong growth; healthcare, defence, transportation and government infrastructure.

A tightening of economic conditions in the past 12 months continues to affect the sector as funding for investment remains tight. While government funded economic stimulation in Australia was needed to maintain activity over the past 18 months, this has now run its course. Meanwhile, In China and much of Asia, activity has slowed a little in response to measures aimed at controlling property speculation in these growing economies.

Two trends driving change within our built environment are sustainability and urbanisation. The global movement towards efficient use of the world's resources with minimal impact on the environment is shaping the way our cities are planned, and the way we approach design. This trend drives a pioneering approach to planning and design, the use of fresh materials in our buildings, and new construction methodologies.

Overlaying this impetus towards sustainability are the challenges associated with mass urbanisation in developing Asia. Today China has more than 50 percent of its 1.4 billion population living in cities. This puts great pressure on the

infrastructure of cities and increases global demands on the environment through growing resource needs. GHD has embraced these challenges through an integrated design approach, adopting Building Information Modelling (BIM) as a tool to fully assimilate the planning, design, construction and life cycle management of facilities.

In the past twelve months, our people have worked on more than 100 school facilities completed under the Australia Government's 'Building an Education Revolution' program, engaged our global network on the Hong Kong Academy, completed the award winning design for the refurbishment of the West Australia Water Corporation's offices, and provided design and logistics consulting for the Australia Defence Force Joint Logistics Soldier Support Warehouse.

Our clients continue to enjoy the benefit of our global network: the right resources are brought to projects, delivering a confidence in the reliability and responsiveness of our solutions.

Photos on Page 23

Left: GHD's Andrew Nagarajah, Sam Adams, Georgia Fugler, Tai Hollingsbee, Colin Berriman, Chris King and George Coutts pictured with the ARKit

Right: Artist's impression of the Shimao Dalian Carnival development



Case studies

Zero carbon living

Twelve months of engineering analysis by GHD and Melbourne firm ARKit has produced a transportable housing unit that is stylish, adaptable and at the forefront of sustainable design.

The partnership began almost by chance in mid-2009 when GHD Design Engineer Tai Hollingsbee visited the Melbourne State of Design Festival, where he saw ARKit's 10 square metre prototype unit and met its Architect and Principal Craig Chatman. Both saw an opportunity to improve the prefabricated wall panels at the heart of the unit, which have the unique advantage of being adaptable to any climate or location.

ARKit's aim is to maximise interior comfort and minimise carbon pollution and energy costs. With GHD's input, it developed the EcoStudio, which in its ultimate form offers 'zero carbon' living. GHD investigated the studio's thermal, electrical, mechanical and hydraulic performance and developed a model integrating all of its findings. It then redesigned the wall panels to reduce heat loss in winter and thermal gain in summer, suggesting changes that improved energy performance by up to 30 per cent.

"GHD's holistic approach to engineering design opened my eyes," Mr Chatman said. "We looked at the individual components of the walls, floor and ceiling, the type of glass used, analysed cross-flow ventilation and natural ventilation strategies, shading devices, energy consumption, thermal comfort levels of the occupants and a life cycle assessment. We can now say we've based our product on quantified engineering research rather than relying on common building practice."

The finished EcoStudio unit that went on display at the 2010 State of Design Festival realised ARKit's ambition, incorporating the services in a compact hub without detracting from the modern, high-quality interior.

"I see our partnership with GHD as a long term arrangement," Mr Chatman said.

Old China meets new in expansive resort

GHD is collaborating with Shimao Property to create a resort inspired by China's rich heritage and reflecting a new focus on sustainable development. Set in the Dalian region, Shimao Dalian Carnival is a development where forests and mountains meet water, reflecting the area's natural beauty and the cultural heritage of the Chinese jade dragon.

Shimao Property, one of China's largest developers selected GHD based on the company's international reach and experience in the Middle East. Shimao's ambitious plan requires the enlargement of an artificial island to about 1155 hectares and building on reclaimed land. The island is in the shape of the symbolic Chinese dragon, which is associated with strength, success and good fortune.

"GHD's experience in properties and buildings, particularly in the Middle East made it a perfect fit for this project," offered a Shimao Property spokesperson. "The Palm Jumeirah and Palm Jebel island resorts are prestigious projects built on technically challenging sites, and we aim to create accommodation of the same quality here. Knowledge of Chinese culture is obviously important to this project, and GHD's team in China has been able to advise us in that area and help us resolve issues."

An additional challenge for the design team was to produce a resort for all seasons, where comfort would not be sacrificed even during Dalian's cold winter. GHD worked on all facets of the design from the concept master plan through to detailed architectural and landscape design plans. The company also helped secure planning approvals. While there is a heritage aspect to the design, environmental sustainability is an imperative for Shimao. GHD incorporated solar and wind power as well as an integrated water management system to reduce the resort's carbon footprint.



Ian Dawson
Global Leader Transportation

Transportation

GHD's Transportation business continues to grow as our communities recognise that it is essential to efficient trade, global prosperity and quality of life.

The need for reliability and efficiency is driving demand for GHD's transportation services, which grew by 20 percent in 2010.

During the year, we put considerable effort into seamlessly integrating our transportation business across, rail, roads, ports, aviation, integrated urban transport and economics and logistics, to reflect the way in which our clients are looking to satisfy their requirements. We have tightened our interaction and are focused on greater collaboration with clients to streamline delivery and quality.

Our transport leaders have contributed strongly to the development of new business and there is an emerging focus on the private sector. We won major work during the year, including port projects in Chile, Western Australia and Queensland, rail and light rail projects in Queensland, NSW and Victoria, as well as maintenance and asset management road projects in the United Kingdom, New Zealand and the Middle East, and aviation projects in NSW.

There is renewed focus on the efficient movement of freight around the globe with the implementation of freight priority projects. This year, GHD assisted the Australian Government in developing a National Ports Strategy, and the Australian National Transport Commission with advice on road pricing policy to help reduce the cost of moving freight. We have also been involved in the development of significant freight intermodal terminals at a regional level and bulk mineral export port terminals internationally.

The growth in global cities and a trend towards urbanisation is creating heightened interest in integrated urban transport, where the planning of transport corridors and links is

closely aligned to land use planning, Transport Orientated Developments (TODs) and greater use of public transport to improve amenities, decrease congestion and reduce greenhouse gas emissions. In the past year, we have worked closely with many clients to create sustainable growth strategies, which typically include an integrated urban transport model. Our rail team has also been involved in light rail network extensions in a number of cities, to reduce reliance on cars and buses.

Intelligent Transport Systems (ITS) are being increasingly relied upon to improve the efficiency of existing transport infrastructure. As an example, GHD has been working with clients using route optimisation techniques to improve coordination of traffic signals reducing congestion, energy consumption and CO₂ emissions.

Our involvement with alliances continues to deliver benefits not just for GHD but also for our partners, clients and the communities in which we operate. We are involved in the Horizon Alliance, which is providing world-class integrated rail and road infrastructure to the booming South East Queensland community and we are improving rail links for Australia's mineral exports through the Hunter 8 Alliance and Coal Connect Alliance. We are also establishing international partnerships to assist with the delivery of major transport modelling, automated container port, metro rail and fast rail projects.

Looking to the future, there are plenty of opportunities for growth through major investments in transportation infrastructure, particularly in Australia and New Zealand. By adopting a collaborative approach to project delivery aligned with client requirements and integrated across our global network of transport professionals, we are strongly positioned to help deliver successful projects for our clients.

Photos on Page 25

Left: Merseyrail fleet

Right: Horizon Alliance's Richlands Railway Station taking shape



Case studies

Improvements to network reliability

Merseyrail, a 75 route-mile urban rail network that is vital to the transport infrastructure of Liverpool and surrounding areas is now delivering a more reliable service to customers.

Hosting more than 30 million journeys per year, Merseyrail has one of the highest patronages in the UK. Facing reliability issues, decreasing fare revenues and high maintenance costs for its 59 refurbished electrical multiple units which were rapidly approaching the end of their serviceable life, Merseyrail turned to GHD for answers.

The company was engaged to undertake a maturity assessment of its Asset Management capability using our proprietary Total Enterprise Asset Management Quality Framework (TEAMQF) assessment model. This resulted in a prioritised set of improvement projects for achieving fleet reliability, delivery efficiency and PAS-55:2008 certification requirements. Following this, GHD has been involved as delivery partner for the company's Asset Management Improvement Program (AMIP).

"We recognised that the key to success for this project is knowledge transfer," says GHD's Project Manager Ark Wingrove. "To enhance employee engagement we developed an industry first, WikiFleet, to guide Merseyrail in the access and use of new systems and asset management knowledge."

Through the delivery of AMIP, Merseyrail has dramatically improved network services. It is now frequently ranked as the top performing train operator in its class, with an 84% improvement in performance against industry public performance measures. Plus, it has won several service awards.

Kevin Thomas, Engineering Director of Merseyrail said, "AMIP is a critical program for Merseyrail. Without it, we will struggle to reliably introduce the service capacity changes needed on our network. This program will support us to develop Merseyrail into a world-class service provider. GHD has provided Merseyrail with the necessary direction, leadership and delivery support to make this happen."

Brisbane on sustainable path

GHD and its Horizon Alliance partners are transforming Brisbane by delivering South East Queensland's first major integrated road and rail project, which will provide faster, safer public transport to the capital's southern suburbs.

Work on the AUD600 million first stage of the AUD1.6 billion Darra to Springfield transport corridor began in 2008 and is on track to be completed in 2011. It involves constructing a 3.6 kilometre passenger rail line from Darra to Richlands, where a new station is being built. The Centenary Highway will also be widened from two to four lanes over 4.5 km from Richlands north of the Logan Motorway interchange.

GHD's Project Director Martin Peelgrane has led a team working with Horizon partners the Department of Transport and Queensland Rail, Kellogg Brown & Root, and John Holland. They have collaborated on geotechnical and hydrology studies, engineering of road and rail structures, architectural and landscaping work and design of communication and power systems. GHD's team has also helped secure environment and planning approvals and managed community consultation.

Mr Peelgrane says, "This is the first time major road and rail projects have been constructed alongside one another in Queensland, so it's a watershed project with an important cultural aim. The idea is to offer a genuine alternative to the car by promoting public transport."

To engage community interest in the project, GHD and its alliance partners worked with a professional artist to develop a mural for the rail precinct.

"This is the first stage of getting public transport to Springfield in the form of a quality rail network and it gives us the opportunity to influence people's travel behaviour," Mr King said. "We are delighted at how the project is coming together. So far, it has been delivered very smoothly, ahead of time and budget, and stakeholder management has been top class."



Our achievements

During 2010, GHD's enduring focus on technical excellence, client success and commitment to continuous improvement was again recognised with numerous awards and commendations – the most GHD has ever won in one year. We are delighted that our projects have won critical acclaim among industry and our peers, and congratulate our people on their achievements.

Rankings

- Globally, GHD has been ranked 52nd in the 2010 Top 150 Global Design Firms Survey by Engineering News Record. We were also ranked 58th in the 2010 Top 200 International Design Firms, and 127th in the Top 200 Environmental Firms, up from 140th in 2009
- In Australia, GHD was ranked 38th in the 2010 Business Review Weekly Top 500 Private Companies listing. Plus we were one of the five finalists in the magazine's 2010 Private Business Awards for companies with revenues over AUD100 million

Awards

Australia

Alliance Contracting Excellence (ACE) Awards

- 2010 Award for Excellence in Major Capital Projects - Sugarloaf Pipeline Alliance

ASI Steel Award

- Springfield Link Bridge, Horizon Alliance

Australian Institute of Landscape Architecture awards (ACT)

- 2010 Design Award - Casuarina Sands Recreational Upgrade
- 2010 Planning Award - Cotter Precinct Recreational Project Options Report

Australian Public Works:

- 2009 National Public Works Medal for the Australian Public Works Project - Southwest 1 Enterprise Park and Berrinba Wetlands Project

Austroads

- 2009 Award for Large Bridges and Gold Award - Eleanor Schonell Bridge

Asia Pacific Spatial Sciences Awards

- Infrastructure and Construction Category Plus the JK Barrie Award for Overall Excellence - New Perth Bunbury Highway Development Project
- Environment and Sustainability Award - South East Queensland Koala Habitat Assessment and Mapping
- Land Titling and Development category - Blue Bridge Rail Overpass – 3D Laser Scanning

Association of Consulting Engineers Australia (ACEA) – Awards for Excellence

- 2009 Gold Award of Merit - International/ Export Projects category - Three Delta Towns Water Supply & Sanitation Project
- 2009 Silver Award of Highly Commended - Water category - Kingscliff Wastewater Treatment Plant & Sustainable Living Centre
- 2009 Silver Award of Highly Commended - Community and Urban Development category - Redeveloping Community Site; ACT Former Schools Community Consultation
- 2009 Silver Award of Highly Commended - Environment category - SouthWest 1 Enterprise Park & Berrinba Wetlands
- 2009 Certificate of Recognition - Energy & Resources category - Colongra Gas Pipeline
- 2009 Certificate of Recognition - International/ Export Projects category - Indonesia Australia Specialised Training Project Phase 111
- 2009 Certificate of Recognition - Water category - Analysis of Servicing Options for Kalkhalo Integrated Water Management Projects
- 2009 Certificate of Recognition - Environment category - Evaluating the Effect of Climate Change on River Redgum Communities

Australian Defence Force

- 2010 Coin of Excellence in service for our work as Project Managers and Contract Administrators for the Enhanced Land Force (ELF) Project; Stage 1 Blamey Barracks - Kapooka Military Area in Wagga Wagga, NSW

Cement Concrete & Aggregates Australia

- 2009 Commendation in the Domain Award - Sturt Park Shared Use Path (Broken Hill City Council)

Concrete Institute of Australia

- 2009 Award for Excellence in Concrete Technology Category - Burj Dubai
- 2009 High Commendation in Engineering Projects Award for Excellence in Concrete - New Perth to Bunbury Highway

Construction Skills Queensland (CSQ) 2009 Training Excellence Awards

- Employer Commitment to Training – over AUD5M Award - The Horizon Alliance (of which GHD is a part)

Engineers Australia

- 2009 Engineering Excellence Award (National) Sir William Hudson Award for engineering excellence - Three Delta Towns Water Supply and Sanitation Project
- 2009 Engineering Excellence Award (Victoria) - Three Delta Towns Water Supply and Sanitation Project
- 2009 Engineering Excellence Award (Victoria) - Workplace Innovation Category - GHD Innovations Program
- 2009 Engineering Excellence Award (NSW) High Commendation - Environment and Heritage category - Ecolibrium™ Mixed Waste Treatment Facility
- 2009 Excellence Award (Newcastle) - Kingscliff water treatment plant
- 2009 Excellence Award (ACT) - Cotter Dam (Geotechnics)
- 2009 Excellence Award (WA) Infrastructure and Building Award as well as Management of Engineering Award - Southern Gateway Alliance

- 2009 Excellence Award for Environment and Sustainability (NT) - Ben Hammond Complex Redevelopment Stage 2 NT
- 2009 Engineering Excellence Award (QLD) Sustainability category - Water Matters Alliance (Cleveland Bay Wastewater Treatment Plant)
- 2009 High Commendation Award (QLD) Project Management category – Water Matters Alliance (Cleveland Bay Wastewater Treatment Plant)

Frost and Sullivan:

- 2009 Asia-Pacific Innovation Excellence Award - GHD Innovations Program

Gold Coast Council

- 2009 Gold Coast Urban Design Award Special Mention (Helen Josephson Award) - Pump Station SP68 Gold Coast

Ingenium

- 2009 Best Technical Presentation - Clear Harbour Alliance

Institute of Public Works Engineering Australia (IPWEA) NSW

- 2010 Award for Recovering, Recycling and Reusing - Coffs Harbour Water Reclamation Plant

National Landfill and Transfer Stations

- 2009 Excellence Awards Best Small Transfer Station in Australia - Wodonga Waste Transfer Station

Project Management Institute

- 2009 High Commendation - Project Management Achievement Award (QLD) Construction <100m category - Air Pollution Control System for the QLD Fire and Rescue Service
- 2009 Project Management Achievement Award (National) - Defence HQ Joint Operational Command Project

Public Relations Institute

- 2009 Commendation Australia Golden Target Award - Googong Dam Spillway Remediation

SafeWork Australia

- 2009 Best Workplace Health and Safety Management System – Private Sector
- 2009 Award for Best Workplace Health and Safety Management System in South Australia

Spatial Sciences Institute

- 2009 QLD Spatial Excellence Award Resources and Environment Award - South East QLD Koala Habitat Assessment and Mapping
- 2009 QLD Spatial Excellence Award Land Titling and Development Award and Overall Excellence Award - Blue Bridge Rail Overpass (3D Laser Scanning)

Stormwater Victoria

- 2009 Masterplanning and Design Excellence Award - Kalkhalo Stormwater Harvest and Reuse Project

Victorian Coastal Council Award

- 2010 Victorian Coastal Award for Excellence in the Natural Environment category - The Williamstown High School Wetland Project

WA Australia Worksafe

- 2009 Platinum Certificate of Achievement for Occupational Health and Safety - Southern Gateway Alliance

China

Asian Development Bank

- 2010 Outstanding Achievement Award - National Flood Management Strategy Study for China

Middle East

Department of Transport

- Gulf Traffic Award in Innovation, Transport Infrastructure Category – Highway Project – Performance Based Maintenance Contract (PBMC)

New Zealand

New Zealand Planning Institute

- 2009 New Zealand Planning Institute Best Practice Awards, Clear Harbour Alliance - The Motions South Sewer Separation Project, Auckland

Roading New Zealand

- Goughs Excellence Award for a Minor Road Project - State Highway 60 Eureka Bend Reinstatement

USA

American Council of Engineering Companies of Arizona

- 2009 Engineering Excellence Grand Award - Downtown Scottsdale Booster Station project, Scottsdale, Arizona

Arizona Masonry Guild

- 2009 Honor Award - Downtown Scottsdale Booster Station project, Scottsdale, Arizona

American Public Works Association (APWA) Arizona Chapter

- 2010 Public Works Project of the Year in the Environment (Less than \$5 million) category) - Downtown Scottsdale Booster Station project, Scottsdale, Arizona

McGraw Hill

- Best of 2009 Award Southwest Contractor - Downtown Scottsdale Booster Station project, Scottsdale, Arizona



Services

- Air and Noise
- Airports
- Architecture
- Asset/Facilities Management
- Bridges
- Climate Change
- Communication Systems
- Construction Management
- Contamination Assessment & Remediation
- Dams
- Drafting
- Electrical Engineering-Building
- Electrical Engineering-Industrial
- Env. IA & Approvals
- Environmental Management Systems & Audits
- Food Processing
- Forestry Management
- Geology
- Geotechnical
- HVAC
- Hydraulics-Buildings
- Hydrocarbons Processing
- Hydrocarbons Transportation
- Hydrogeology
- Industrial Water & Waste Management
- Instrumentation & Control
- Integrated Water Management
- Intelligent Transport Systems
- Interior Design
- Irrigation
- Land Development
- Landscape Architecture
- Marine
- Materials Handling
- Materials Technology
- Minerals Processing
- Mining Engineering
- Natural Resources
- Pavement Engineering
- Planning
- Plant Engineering
- Power Delivery
- Power Generation
- Project Controls
- Project Management
- Quality Management Systems
- Railways
- Reliability Engineering
- Renewable Energy
- Risk Management
- Road Systems
- Security
- Spatial Sciences
- Stakeholder Consultation
- Structural
- Tailings
- Tall Buildings
- Training
- Transport Planning & Traffic Engineering
- Tunnels
- Waste Management
- Wastewater Collection Systems
- Wastewater Treatment & Recycling
- Water Efficiency
- Water Quality & Treatment
- Water Sciences
- Water Transmission & Distribution
- Waterways & Coastal
- Water & Wastewater Strategy & Planning
- Urban Transport Policy & Economics

To find out more about our services, visit www.ghd.com/services

www.ghd.com





2009
Sustainability Report

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1. **Executive** Message



Des Whybird



Ian Shepherd

Delivering quality services in balance with the evolving needs of the environment and community is fundamental to our long-term performance.

This Sustainability Report details GHD's performance in the fiscal 2008/2009 year. It examines the social, environmental and economic pillars of our business. It also highlights our sustainability strategy and articulates our ongoing commitment.

As a professional services company operating in the global markets of water, energy and resources, environment, property and buildings and transportation, GHD recognises the importance of sustainability to our clients' businesses. To this end we continue to collaborate with our clients, offering solutions to reduce energy consumption and greenhouse emissions; increase water efficiency; protect biodiversity and become more responsive to community concerns.

In terms of our environmental impact, we have made steps towards reducing our own footprint. We continue to engage with the communities in which we operate, to develop mutually beneficial outcomes and to manage sensitively the environmental impacts of our clients' projects. Finally, our economic performance has been strong in a challenging year.

In our journey to towards sustainability, we remain steadfast in our commitment to integrating economic, environmental and social considerations into every level of our business strategy. Our goal is to enhance our business success through our contribution to sustainable development.

We hope you find this report useful and look forward to your feedback.



Des Whybird
Chairman



Ian Shepherd
CEO



2. **Scope** of the Report

GHD's first Sustainability Report has been prepared in accordance with the C-level guidelines of the Global Reporting Initiative (GRI). It covers the economic, social and environmental aspects of our business based on the fiscal year ending June 2009. We intend to continue reporting on our sustainability performance as part of the company's broader annual reporting process.

Context

While the report is not externally verified, GHD has endeavoured to provide information in alignment with the GRI guidelines and the AA1000 Accountability Principles Standard (2008).

Data in this report covers all GHD operations, unless stated otherwise. It addresses the GRI indicators either by performance and/or narrative that are considered to be material (and for which the data is available). Where a GHD office was not operational for the entire year, data was only included for the relevant period. Operations carried out by any companies acquired within the 2009 fiscal year are included following the date of purchase.

Data Collection

Data has been harvested from a variety of sources:

- Global data management system (which includes our Environmental Management System)
- 2009 financial information (audited by Deloitte Touche Tohmatsu)
- Greenhouse gas calculations conducted in accordance with the principles of the DCC NGA Factors, Greenhouse Gas Protocol, ISO 14064/14040

All monetary amounts are reported in Australian Dollars (AUD). All other measurements are provided using the International System of Units (SI) unless otherwise stated. Most numbers are rounded to provide an appropriate approximation as all that is required to determine / compare performance or the level of known accuracy. Where uncertainty is present, GHD has acknowledged these circumstances.

Materiality Process

Materiality (as defined by the GRI) was assessed from a managerial and stakeholder perspective in order to select the issues to be included in this report.

The GRI materiality test involves an assessment of the significance of an organisation's impact, and the importance of performance to stakeholders (i.e. influence). This test is applied to a range of social, environmental and economic indicators.

Our analysis demonstrates that the most material indicators for GHD are economic, environmental, labour practices and society indicators. However, in line with the GRI Level C guidelines, GHD has broadened the report scope to include at least one aspect from each indicator category.



3. **About** GHD

Who we are

GHD is one of the world's leading engineering, architecture and environmental consulting companies.

Established in 1928, GHD employs more than 6000 people across five continents and serves clients in the global markets of water, energy and resources, environment, property and buildings, and transportation.

Wholly-owned by its people, GHD is focused on client success. Our global network of engineers, architects, planners, scientists, project managers and economists collaborate to deliver sustainable outcomes for our clients and the community. Our core values of Teamwork, Respect and Integrity help create enduring relationships that deliver exceptional results.

A member of the World Business Council for Sustainable Development, GHD is recognised for its commitment to sustainable development, safety and innovation. We care for the wellbeing of our people, communities and the environments in which we operate.

GHD operates under a Practice Quality Management System, ISO 9001:2008 and an Environmental Management System, ISO 14001:2004 which are certified by Lloyds Register Quality Assurance. The GHD Health and Safety Management System is currently in the process of certification to the international standard OHSAS 18001.

Where we are

Operating under a 'one GHD' collaborative business model, the company is located in 15 countries using a network of 100+ offices.



Our goal

To be a leader in the global market sectors of water, energy and resources, environment, property and buildings, and transportation.

Our strategy

To Accomplish More Together – by collaborating across the one GHD network and harnessing our client-centric culture.

Our sustainability initiative

To enhance business success through our contribution to sustainable development.

What we do

Throughout our extensive global network, we serve government agencies, private clients and community groups in the following global market sectors. Our services include specific sustainability related offerings.

Water	Demand management / water efficiency, integrated water cycle management, wastewater recycling, sanitation, alternative sources and irrigation projects
Energy and Resources	Energy efficiency / demand management, co-generation, fuel switching, renewable energy, smart grid
Environment	Lifecycle assessment, EMS, project sustainability management, carbon management and climate change, pollution and waste management, environmental impact management, terrestrial and marine ecology
Properties and Buildings	Sustainable urban development and renewal, eco-industrial development, renewable energy strategies, green building design and retrofitting of commercial and industrial building projects
Transportation	Integrated transport planning, energy / greenhouse efficient transport options, assessment and design (rail, marine, aviation and road)





What we deliver

We provide more than 70 services to investigate, plan, develop, design, build, maintain and improve all types of infrastructure and our environment.

We also provide the full range of environmental and sustainability services to support the mission-critical nature of the defence sector and help improve the lives of developing communities around the world. Further information on how we incorporate sustainability in our services is set out in Section 6.

Awards & Achievements

- Ranked 42nd in the 2009 Top 150 Global Design Firms survey by Engineering News Record, and 53rd in the 2009 Top 200 International Design Firms
- Ranked 19th in the 2009 Business Review Weekly Top 500 Private Companies listing
- Achieved 3.5m hours Lost Time Injury (LTI) free
- Received in excess of 47 awards for engineering, planning, and design excellence in our projects in Australia, New Zealand, the Middle East and the USA
- Awarded high commendation by the Australian Equal Opportunity for Women in the Workplace Agency

GHD in 2009

- Expansion of our USA business to more than 300 people through strategic mergers with Rosewater Engineering, Stearns & Wheler, Arizona Engineering Company and CSA Engineering
- Acquisition of Meyrick and Associates, Australian specialists in transport economics and infrastructure
- Acquisition of the architectural business Jiang Wei in China
- The establishment of representative offices in India and Papua New Guinea
- New offices opened on the NSW Central Coast and Bairnsdale in Victoria

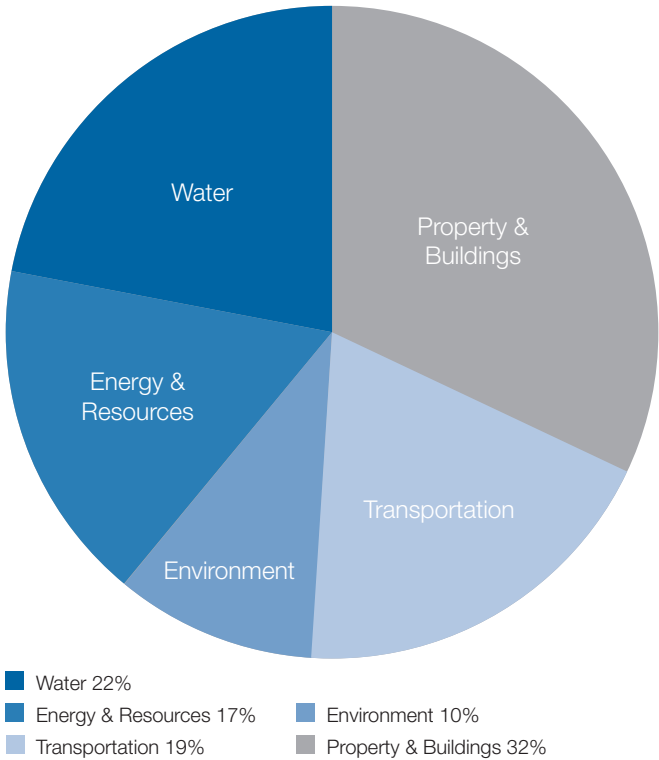




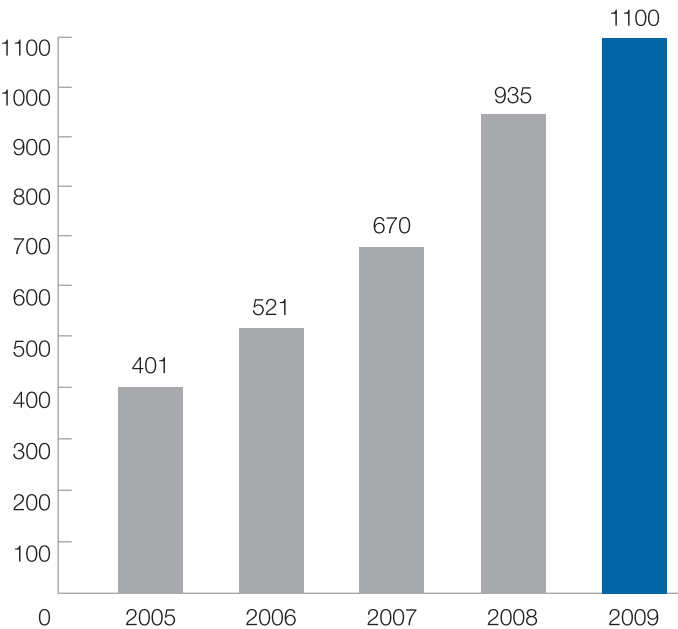
GHD-at-a-glance

Our financial performance over the past year is fully detailed in our 2009 Annual Review which is available on our website.

2009 Revenue by Global Sector



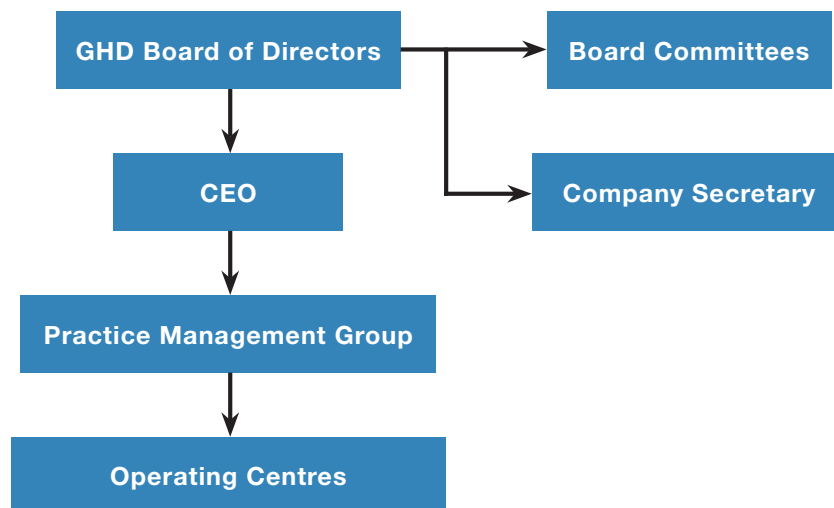
Statement of Revenue
AUD millions



4. **Governance** and Accountability

For GHD, good governance means being responsible, transparent and acting ethically and with integrity. Solid foundations have been laid that guide the Board of Directors (Board) and facilitate our day-to-day operations.

How we operate



Ownership

GHD is a limited liability company wholly owned by its employees. It applies sound governance principles with:

- GHD's company Constitution, Board Charter and Board Protocols
- Board of Directors elected by and reporting to shareholders
- Board Committees
- Annual General Meeting of shareholders

GHD Board

The GHD Board of Directors provides governance and strategic direction through its charter, protocol and GHD's constitution. Further information on the company's corporate governance is set out in our 2009 Annual Review which is available on our website.





Practice Management Group

GHD’s management structure is underpinned by the Practice Management Group (PMG). As the company’s executive management team, the PMG is empowered by the GHD board to plan, manage and lead our business.

Comprised of the Chief Executive Officer and General Managers, the PMG is responsible for:

- Implementing strategy
- Business performance management
- Systems, processes and policies
- People, culture and values
- Succession, leadership development
- Business plans and budget

Culture

GHD has a culture that encourages integrity, contribution and the realisation of potential. The company has implemented an Integrity Management System that keeps track of the Code of Conduct, values, missions and principles related to its performance.

Code of Conduct

GHD’s Code of Conduct establishes our behaviour expectations and conduct requirements. GHD endeavours to comply with the laws of all the countries in which we operate.

Values

GHD embraces the values that have sustained the company since inception. Our values guide how each of us think, act and feel. They define the professional and personal standards that can be expected of GHD. They direct our business strategy and are the pillars of our corporate culture.



Teamwork	Respect	Integrity
We are connected We collaborate within our global community by helping and supporting each other to achieve personal, client and company goals	We care We value all individuals and nurture both internal and external relationships through listening and understanding	We keep our word We embrace honesty and trustworthiness through professional and ethical behaviour with our clients, communities and ourselves.



5. **Stakeholder** Engagement

GHD's stakeholders are the groups that are either affected by, or affect our operations. By engaging and collaborating with these groups, we aim to achieve positive outcomes from our activities.

Our stakeholders and activities in 2009

Stakeholder Group	Engagement Activities
Employees GHD recognises that our people are the cornerstone of our success and fosters a culture that encourages continuous improvement through collaboration	<ul style="list-style-type: none">• People Survey• The GHD Business School• Performance Reviews• Graduate and Young Professional Development
Clients Based on our client-centric approach, GHD provides the technical experience, understanding and strategic thinking needed to add value to solve our clients' challenges and produce effective outcomes	<ul style="list-style-type: none">• Client Care Program, including client visits and satisfaction survey• Client Functions• Providing client bulletins on topical subjects (eg climate change)
Community GHD cares for the wellbeing of the communities in which we operate, and those that are affected (directly or indirectly) by our operations	<ul style="list-style-type: none">• GHD in the Community program – Sponsorship of community groups, pro-bono services and funding of projects in disadvantaged countries• Participation in local community based organisations by GHD people



6. GHD's Sustainability Initiative

“Improving human wellbeing without compromising the environment over the long term.” GHD's definition of sustainability

Sustainability is one of four inter-related strategic initiatives of the company, together with Innovation, Health and Safety and the GHD Business School. Our Sustainability and Environment Policy provides the overarching direction for this initiative.

Sustainability at GHD

The sustainability initiative has five themes, each of which has its own objective, which collectively contribute to our goal of **‘Enhancing business success through our contribution to sustainable development’**.

Governance	<ul style="list-style-type: none">• Our sustainability initiative is governed through our Sustainability Advisory Group (SAG), which is chaired by a member of the company's Practice Management Group• GHD's largest and most mature operations are Australia and New Zealand and each have their own Sustainability and Environment Committees, responsible for local implementation of the initiatives• GHD's Environmental Management System (EMS) helps us to embed our Sustainability Initiative into our operations by providing a framework of guidelines and procedures. It also incorporates our environmental management program, which tracks our consumption of energy, water, waste and materials
Affiliations & Partnerships	<p>GHD seeks to advance sustainability through membership of:</p> <ul style="list-style-type: none">• The World Business Council for Sustainable Development• The Global Foundation• The Australian Green Infrastructure Council• The Green Building Councils of Australia, New Zealand, the USA and the UAE
People	<ul style="list-style-type: none">• Training programs are developed and implemented with the GHD Business School.• GHD's discipline based Service Lines use the company's online Technical Forums to disseminate sustainability information and resources





Services	<ul style="list-style-type: none"> • GHD aims to integrate sustainability with our complete range of services in all markets. The Project Impact Assessment (PIA) is a company-wide procedure, which seeks to identify the potential social and environmental impacts of our projects and devise improvement strategies. This process is in development and will be complemented by Sustainability Protocols. To date we have completed and issued a GHD Green Building Protocol • Our specialist sustainability and climate change teams provide corporate advisory, climate change, project sustainability and stakeholder consultation services to clients
Communications	<ul style="list-style-type: none"> • We aim to continually communicate with our people and our clients about sustainability and climate change topics, our policies, our initiatives and resources • We use World Environment Day to promote local activity as a focus for our sustainability program generally, and Earth Hour for issues associated with climate change • We contribute to local and national debates about sustainability and climate change issues, policies and government programs as a means of communicating our knowledge and commitment to sustainability • In 2009 we launched our Sustainable Living Portal - an online resource for our people to access locally available information about housing design, energy management, transport, water efficiency, waste and community sustainability programs

7. Performance

The following indicators are addressed according to the Global Reporting Index Sustainability Reporting Guidelines and are intended to provide a basis for year-on-year comparison of performance.

Social: Human Rights (HR)

GRI HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour. REPORTED: IDENTIFICATION & MANAGEMENT OF CHILD SAFETY / WELLBEING ENCOUNTERED IN GHD'S INTERNATIONAL DEVELOPMENT ASSISTANCE (IDA) PROJECTS
Goal 2008-2009	To develop a GHD Group Child Protection Policy (CPP) to manage the safety and wellbeing of children affected by our International Development Assistance (IDA) work.
Performance 2008-2009	In the later portion of 2008-2009, GHD drafted a CPP for use in offices which conduct IDA work.

Social: Society (SO)

GRI SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country. REPORTED: GHD'S POLICY FOR POLITICAL PARTY DONATIONS
Goal 2008-2009	To update and maintain GHD's policy regarding Political Party Donations (PPD).
Performance 2008-2009	<p>We reviewed our PPD Policy during 2009 to ensure that it remains current and relevant. The policy is applicable to all GHD staff (including contract and casual employees).</p> <p>GHD's PPD Policy is to remain impartial with respect to political parties, and therefore this policy does not permit donations or payments to any political parties except through Political Action Committees.</p> <p>This policy does not preclude, however, attendance at political lunches, dinners and other activities in the general course of conducting government business provided the cost is an appropriate commercial rate.</p>





GRI S01	<p>Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting.</p> <p>REPORTED: GHD'S APPROACH TO MANAGING THE IMPACT OF OUR OPERATIONS/ PROJECTS ON COMMUNITIES</p>
Goal 2008-2009	To establish the Project Impact Assessment process to identify and manage project impacts (including on communities).
Performance 2008-2009	<p>As the major sustainability impacts arising from GHD are within our business related services, a core commitment of our Sustainability Initiative is that we assist our clients to manage the sustainability impacts of their business and projects. Our primary mechanism to achieve this is the Project Impact Assessment process, which highlights and prioritises community impacts.</p> <p>GHD's community specialists assist our clients and technical teams to manage consultation and engagement tasks for relevant projects.</p>
S08	<p>Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.</p> <p>REPORTED: MONETARY COST AND NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH LAWS/REGULATIONS</p>
Performance 2008-2009	GHD has not received any significant monetary fines or sanctions for non-compliance with laws or regulations related to matters covered by this GRI indicator.

² The term 'child' applies to all persons under the age of 15 years or under the age of completion of compulsory schooling (whichever is higher), except in countries where a minimum age of 14 year might apply. Exceptional countries are specified in the ILP Convention 138 and 182, which describe a young worker as above the applicable minimum working age and younger than 18 years of age.

³ In accordance with the United Nations Convention on the Rights of the Child, 'child' means every human being below the age of 18 years unless under the law applicable to the child, majority is attained earlier.



Social : Product Responsibility (PR)

GRI PR1	<p>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.</p> <p>REPORT: GHD HEALTH AND SAFETY SYSTEM REVIEW PROCESSES</p>
Goal 2008-2009	<p>To implement a health and safety internal review procedure to specify the life cycle stages that require reviews by certain staff members.</p>
Performance 2008-2009	<p>In February 2009, GHD implemented a Health and Safety Internal Review Procedure which is to be conducted at both a GHD local operating centre (OC) level and a project level. The procedure sets out the roles of GHD staff to:</p> <ul style="list-style-type: none"> - Review and monitor project inductions, monitor job safety systems and review jobs at key job completion life cycle stages - Review job safety plans each month and undertake job safety inspections <p>GHD internally audits the implementation of the newly implemented procedure.</p> <p>We have also put in place a procedure to conduct annual reviews of the GHD Health and Safety System to gauge compliance against the requirements of the International Standard OHSAS 18001 and assess the continued relevance of GHD's Health and Safety Management System and supporting strategies (e.g. GHD Health and Safety Legal Registers, Hazard Guides and Checklists).</p> <p>Global OCs undertake annual compliance audits and also an OC self assessment. Corporately we undertake a compliance audit of each OC on an annual basis.</p> <p>Current performance results are not available, as this procedure has only been recently implemented. However GHD have a number of goals in place which will be monitored.</p>

GRI PR5	<p>Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.</p> <p>REPORTED: GHD CLIENT CARE PROGRAM PROCESS AND RESULTS</p>
<p>Goal 2008-2009</p>	<p>GHD has a Client Care Program (CCP) in place to encourage ongoing focus on relationships and service by having formal mechanisms in place to ‘check on the health’ of our relationships.</p> <p>As part of the CCP, a list of GHD clients is compiled approximately every two months - the clients associated with these projects are given the choice of providing GHD feedback in the form of either an online, telephone or written survey.</p> <p>GHD’s goal is initially</p> <ul style="list-style-type: none"> • To achieve the maximum response rate to the survey • To achieve the highest average feedback score (to indicate the client was very satisfied with GHD). <p>GHD also appoints Client Relationship Managers (CRM) who are responsible for closely managing GHD’s overall engagement and involvement with the client including an understanding of their needs/ requirements and their satisfaction with GHD’s performance.</p>



Performance 2008-2009

In 2008-2009, 1392 surveys were distributed (83 percent of these were within Australian operations). In total, 22 percent of these surveys were responded to.

The surveys formally gauge the extent of a client's satisfaction with GHD's services and project delivery based on the categories shown below. Clients rank their level of satisfaction on a 1-5 scale (1 being very dissatisfied to 5 being very satisfied).

On average GHD's client service feedback ranged from satisfied to very satisfied (or between scores of 4 & 5).

In 2008-2009, and 2007-2008 the overall attitude of GHD staff to the projects/services has been scored most highly by clients, whilst respect to timeliness of deliverables was rated the lowest.

Category No.	Level of client satisfaction with GHD's service & project delivery	Average 2007-8	Average 2008-9
1	Effectiveness of solutions	4.31	4.06
2	Standard of documentation & advice	4.15	4.14
3	Ongoing communications	4.19	4.15
4	Overall competency	4.24	4.23
5	Services meeting expectations	4.01	3.99
6	Attitudes	4.47	4.40
7	Timeliness of deliverables	3.89	3.93
8	Systems & processes in managing delivery	3.94	4.01
9	Management & coordination of teams	4.09	4.11
Total Averages		4.15	4.10

The results of the surveys and client care visits are presented bi-monthly for GHD management groups. Scores of 3 trigger minor action and scores of less than 3 trigger major actions.

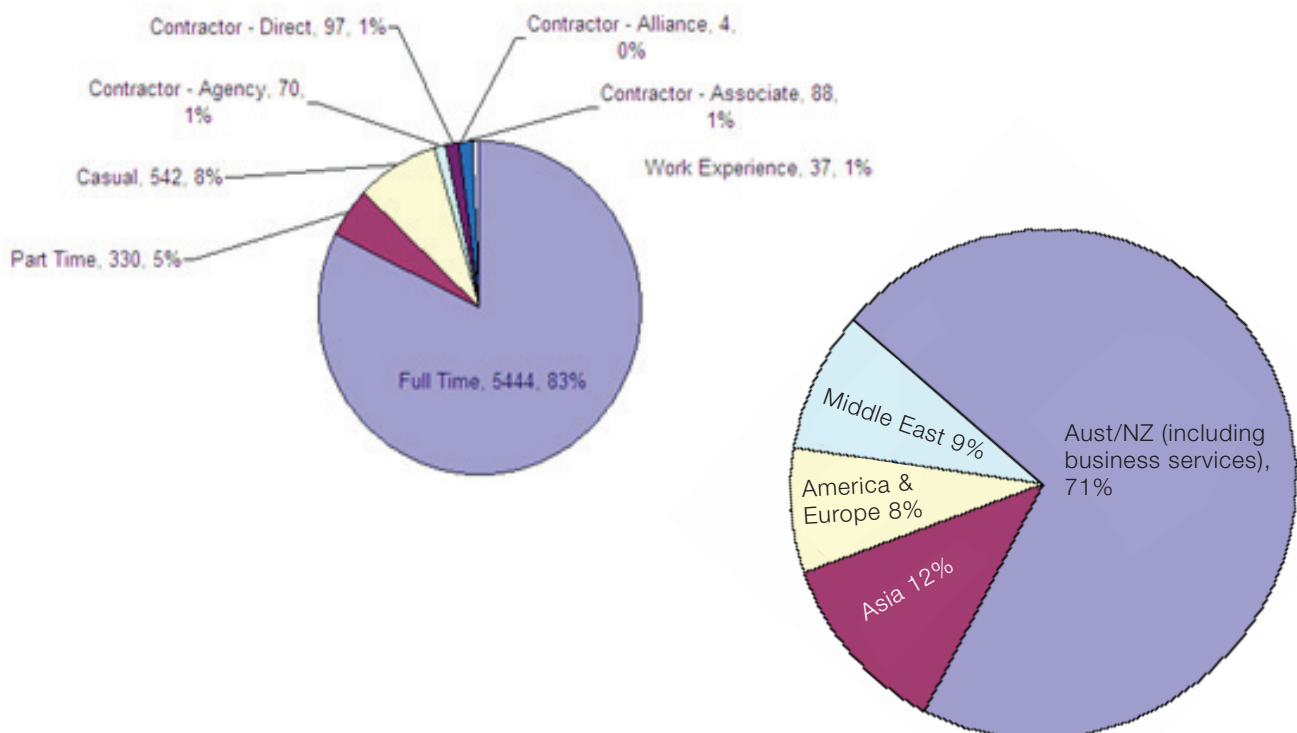
In addition, 66 percent of clients surveys stated they would provide a reference for a GHD project (30 percent of those surveyed did not answer this question).





Social: Labour Practices and Decent Work (LA)

GRI LA1	Total workforce by employment type, employment contract, and region
	REPORTED: BREAKDOWN OF EMPLOYEES BY TYPE AND REGION ACROSS GHD
Performance 2008-2009	<p>As at June 2009, GHD's total number of employees across the globe is 6,612. Of these, 5,774 are permanent full and part time employees, and 838 are casual, contractor and work experience people.</p> <p>Those people that are employed by GHD as casual, contractor or work experience type represent 13 percent of total people employed.</p> <p>Break down of the total 6,612 people across the globe.</p>





GRI LA7	<p>Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region.</p> <p>REPORTED: GHD HEALTH AND SAFETY PRACTICES AND PERFORMANCE</p>								
Goal 2008-2009	<p>As set out in GHD's Health and Safety Policy, the company's goals are to:</p> <ul style="list-style-type: none"> - Minimise injury and ill health - Meet or exceed our moral, legal and other health and safety obligations, including those additional obligations placed upon us by our clients - Implement continual improvement strategies in our drive towards risk minimisation and lasting health and safety benefits to our stakeholders. 								
Performance 2008-2009	<p>GHD records lost days as an injury or illness sustained at work that results in lost time injuries (LTI) from work for at least one complete core scheduled working day (or 7.5 hours). The company also records Medical Treatment Injuries which are defined as injuries sustained at work requiring formal off-site medical treatment.</p> <p>GHD has compiled the injury/illness frequency rates (per one million hours worked) with results shown below.</p> <p>GHD passed a significant milestone of achieving 3.5 million hours without a reportable LTI .</p> <table> <tr> <th>Performance Indicators</th><th>Frequency rate</th></tr> <tr> <td>Medical Treatment Injury Frequency Rate</td><td>2.28</td></tr> <tr> <td>Lost Time Injury Frequency Rate</td><td>0.59</td></tr> <tr> <td>Total Frequency Rate</td><td>2.87</td></tr> </table> <p>GHD captures the occurrence of 'minor' or first aid incidents and undertakes investigations but does not currently include First Aid Injuries in frequency rate calculations.</p> <p>We do not capture the history of occupational disease, and lost days because the frequency of this type of incident is low.</p> <p>GHD has no means of calculating the number of independent contractors for which GHD is liable for onsite.</p> <p>No workplace incident has resulted in a fatality of a full- or part-time GHD staff member.</p>	Performance Indicators	Frequency rate	Medical Treatment Injury Frequency Rate	2.28	Lost Time Injury Frequency Rate	0.59	Total Frequency Rate	2.87
Performance Indicators	Frequency rate								
Medical Treatment Injury Frequency Rate	2.28								
Lost Time Injury Frequency Rate	0.59								
Total Frequency Rate	2.87								

GRI LA12	Percentage of employees receiving regular performance and career development reviews. REPORTED: PERFORMANCE REVIEW PROCESS
Goal 2008-2009	Each full and part time employee should complete a formal performance review annually.
Performance 2008-2009	GHD's People Team automatically creates a Performance Review Document (PRD) for 100 percent of full- and part-time staff each year. 5189 PRD documents were created for full/part time staff this year, of which 92 percent (or 4774) of the PRD's were completed.

GRI LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity. REPORTED: A DIVERSE GHD CULTURE – EQUAL OPPORTUNITIES FOR ALL																		
Goal 2008-2009	Compliance with GHD’s Equal Employment Opportunity policy																		
Performance 2008-2009	<p>Approximately 30 percent of all GHD’s staff are females. There was an increase in the number of women in professional positions in 2009.</p> <p>The breakdown of gender by employment type is shown below. These figures reflect the numbers of staff within the employment category as at 30 June 2009 (not FTE).</p> <div><table><caption>Employee Breakdown by Gender and Employment Type (as at 30 June 2009)</caption><thead><tr><th>Gender</th><th>Full</th><th>Part</th><th>Casual</th><th>Other</th><th>Total</th></tr></thead><tbody><tr><td>Male</td><td>3864</td><td>340</td><td>146</td><td>70</td><td>4420</td></tr><tr><td>Female</td><td>1550</td><td>171</td><td>35</td><td>148</td><td>1904</td></tr></tbody></table><p>Male - 70% of total persons</p><p>Female - 30% of total persons</p></div> <p>GHD was highly commended by the Australian Equal Opportunity for Women in the Workplace Agency for its approach to and achievements in equal opportunity employment.</p> <p>‘Women in GHD’ was established as a networking forum to encourage, support and promote opportunities for women in GHD.</p> <p>In September 2009, GHD shareholders elected the first female to the GHD board of directors.</p> <p>GHD’s Staff Recruitment Policy Guidelines states that: age, sex or other personal features are not to be included as selection criteria (such criteria is unlawful under anti-discrimination laws and has no bearing on a candidate’s ability to perform the job).</p>	Gender	Full	Part	Casual	Other	Total	Male	3864	340	146	70	4420	Female	1550	171	35	148	1904
Gender	Full	Part	Casual	Other	Total														
Male	3864	340	146	70	4420														
Female	1550	171	35	148	1904														



Environmental (EN)

GRI EN1	Material used by weight and volume. REPORTED: MATERIALS PURCHASED BY GHD FOR INTERNAL USE & USED IN PROJECTS
Performance 2008-2009	As part of our Environment Management Systems (EMS), GHD has a guidance document (EOP01) to assist materials purchase. We do not have a specific sustainable procurement policy. GHD's Project Impact Assessment (PIA) process includes consideration of sustainable materials within our projects where possible.
GRI EN2	Percentage of materials used that are recycled input materials. REPORTED: OPPORTUNITIES FOR GHD TO PURCHASE MATERIALS THAT CONTAIN RECYCLED CONTENT
Performance 2008-2009	Purchase of recycled content materials is largely restricted to printing paper and is presently highly variable across our operating businesses.
GRI EN3	Direct energy consumption by primary energy source REPORTED: GHD'S FUEL PURCHASE AND NATURAL GAS CONSUMPTION
Performance 2008-2009	Fuel usage is a small portion of energy used by GHD (approximately 58 TJ registered for fuel use within hire cars, personal vehicles and fuel cards) - this data is derived from the Greenhouse Gas Inventory. Less than 1 percent of this fuel consumption is from a renewable energy source / ethanol enriched fuel (E10 Unleaded). Only two of GHD's offices (Mt Gambier and York) register use of natural gas as a source of energy (consuming just 0.09 TJ of energy).
GRI EN4	Indirect energy consumption by primary source. REPORTED: ELECTRICITY CONSUMED BY GHD OPERATIONS
Performance 2008-2009	Our GHG Inventory 2008-2009 recorded 42,754 GJ of purchased office electricity for 6059 FTE, an average of 7.1 GJ/FTE.



GRI EN6	Initiatives to provide energy efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. REPORTED: ENERGY EFFICIENCY / RENEWABLE ENERGY SERVICES PROVIDED BY GHD												
Performance 2008-2009	<p>GHD's services include the identification of energy efficiency opportunities (EEO) for our clients in the water, energy, resource, industrial and building sectors, including to clients in Australia liable under the EEO and energy reporting legislation (NGERS). GHD also provides design and related services in renewable energy with projects in wind, solar, hydropower and biomass.</p> <p>GHD's Project Impact Assessment process promotes the consideration of energy efficiency and renewable energy within our projects where possible.</p>												
GRI EN7	Initiatives to reduce indirect energy consumption and reductions achieved REPORTED: GHD'S ELECTRICITY – CONSUMPTION REDUCTION, EFFICIENCY & RENEWABLE SOURCES												
Goal 2008-2009	<ul style="list-style-type: none">• Include in GHD's Property Management Manual that, wherever available, building energy efficiency ratings should be considered in selecting leased office premises – for example in Australian offices, buildings should have a minimum Green Star Rating of 4 (in accordance with the Green Building Council of Australia)• Develop Office Energy Guidelines as a basis for operating centres to prepare Office Energy Plans• Prepare / implement Office Energy Plans in major operating locations												
Performance 2008-2009	<p>In 2008-2009, the Green Star building ratings were considered prior to the relocation of three GHD offices (which included Newcastle, Geelong and Canberra offices), which resulted in selecting premises with Green Star Ratings between 4 and 5.</p> <p>As part of GHD's internal Sustainability Initiative, the Office Energy Guidelines were prepared (May 2009) to assist offices prepare Office Energy Plans.</p> <p>Electricity consumption increased marginally in total but decreased on a per Full Time Equivalent (FTE) staff basis.</p> <table><tr><td></td><td>2007/08</td><td>2008/09</td><td>Increase / Decrease</td></tr><tr><td>Electricity (MWh)</td><td>11,156</td><td>11,876</td><td>6.5%</td></tr><tr><td>per FTE (kWh/FTE)</td><td>2,041</td><td>1,960</td><td>- 4.0%</td></tr></table>		2007/08	2008/09	Increase / Decrease	Electricity (MWh)	11,156	11,876	6.5%	per FTE (kWh/FTE)	2,041	1,960	- 4.0%
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GRI EN 8 GRI EN10 GRI EN21	<p>Total water withdrawal by source.</p> <p>Percentage and total volume of water recycled and reused.</p> <p>Total water discharge by quality and destination.</p> <p>REPORTED: WATER CONSUMPTION INCLUDING CONSERVATION, REUSE AND RECYCLED INITIATIVES PLUS ASSOCIATED SEWAGE DISCHARGE QUALITY/LOCATION FOR GHD'S OPERATIONS AND PROJECTS</p>
Performance 2008-2009	<p>As GHD buildings are generally leased, GHD does not have direct control of fittings and fixtures which influence water efficiency, nor receive data associated directly with our tenancies. Accordingly our water / wastewater data is not sufficiently accurate to report at this time.</p> <p>However, in 2009 three of GHD's Australian offices moved to premises with Green Star ratings in line with our intentions to progressively move to more energy and water efficient offices.</p> <p>One of the major global markets in which GHD provides services is the water/sewage market, by providing sustainable services through efficient and alternative practices.</p>
GRI EN12	<p>Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.</p> <p>REPORTED: BIODIVERSITY CONSIDERATIONS WITHIN GHD PROJECTS & FOR GHD OPERATIONS</p>
Goal 2008-2009	<p>GHD's Sustainability and Environmental Policy states that GHD aims to comply "with all legal and other environmental requirements, including the protection of biodiversity".</p>
Performance 2008-2009	<p>GHD has the following capabilities which consider biodiversity value within GHD projects:</p> <ul style="list-style-type: none"> • Environmental Impact Assessment (EIA) and approvals teams which consider a range of impacts arising from clients' projects including biodiversity factors • The use of our PIA process (discussed above) which promotes biodiversity protection issues to be incorporated in our clients' projects <p>As part of GHD's Environmental Management System (EMS), processes are in place to identify the environmental impacts of our work. Controls to mitigate these impacts are established and audited to ensure GHD meets its environmental obligations and minimises any negative environmental impacts.</p>

<div>GRI EN16</div> <div>GRI EN17</div>	Total direct and indirect greenhouse gas (GHG) emissions by weight																																																				
	Other relevant indirect GHG emissions by weight																																																				
	REPORTED: GHD’S GREENHOUSE GAS (GHG) INVENTORY 2008/09																																																				
<div>Goal</div> <div>2008-2009</div>	<ul style="list-style-type: none">To improve the accuracy and completeness of reporting GHD’s GHG InventoryTo promote emission reductions with a particular focus on office energy and company travel																																																				
<div>Performance</div> <div>2008-2009</div>	<p>GHD has completed GHG Inventories over the past three years. During this time, we have continued to improve the accuracy of the GHG Inventory. Following an external audit of the 2008 inventory the GHG inventory reporting boundary was extended and broadened.</p> <table><tr><td></td><td colspan="2">All units in t CO2-e</td></tr><tr><td></td><td>2007-2008</td><td>2008-2009</td></tr><tr><td>Direct GHG Emissions - Scope 1</td><td>260</td><td>309</td></tr><tr><td>Indirect GHG Emissions - Scope 2</td><td>8,784</td><td>9,500</td></tr><tr><td>Indirect GHG Emissions - Scope 3</td><td>14,296</td><td>15,756</td></tr><tr><td>Indirect GHG Emissions - Scope 2 & 3</td><td>23,080</td><td>25,256</td></tr><tr><td>Scope 1-3</td><td>23,340</td><td>25,565</td></tr><tr><td>Allowance for omitted items</td><td>2,334</td><td>1,243</td></tr><tr><td>Total Emissions</td><td>25,674</td><td>26,808</td></tr><tr><td></td><td></td><td></td></tr><tr><td>FTE</td><td>5,477</td><td>6,059</td></tr><tr><td>Scope 1 / FTE</td><td>0.05</td><td>0.06</td></tr><tr><td>Scope 2 / FTE</td><td>1.60</td><td>1.73</td></tr><tr><td>Scope 3 / FTE</td><td>2.61</td><td>2.88</td></tr><tr><td>Scope 1-3 / FTE</td><td>4.26</td><td>4.22</td></tr><tr><td>Allowance / FTE</td><td>0.43</td><td>0.21</td></tr><tr><td>Total Emissions</td><td>4.69</td><td>4.42</td></tr></table> <p>In 2009 the three largest sources of GHD’s GHG emissions were office electricity (41%), flights (24%) and hotels (14%).</p>			All units in t CO2-e			2007-2008	2008-2009	Direct GHG Emissions - Scope 1	260	309	Indirect GHG Emissions - Scope 2	8,784	9,500	Indirect GHG Emissions - Scope 3	14,296	15,756	Indirect GHG Emissions - Scope 2 & 3	23,080	25,256	Scope 1-3	23,340	25,565	Allowance for omitted items	2,334	1,243	Total Emissions	25,674	26,808				FTE	5,477	6,059	Scope 1 / FTE	0.05	0.06	Scope 2 / FTE	1.60	1.73	Scope 3 / FTE	2.61	2.88	Scope 1-3 / FTE	4.26	4.22	Allowance / FTE	0.43	0.21	Total Emissions	4.69	4.42
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GRI EN18	<p>Initiatives to reduce greenhouse gas emissions and reductions achieved.</p> <p>REPORTED: GHD'S EFFORTS TO MINIMISE GHG EMISSIONS WITHIN OUR OPERATIONS</p>
Goal 2008-2009	<p>Establish procedures to reduce GHG emissions with an emphasis on electricity and travel.</p> <ul style="list-style-type: none"> Preparation of Guidelines setting future GHG emission reduction targets to facilitate the subsequent preparation of Office Energy Plans (OEP) and Travel Plans by operating centres.
Performance 2008-2009	<p>GHD has launched the OEP guidelines and OEP preparation (including energy audits) have commenced for the most established GHD offices. Although guidelines for preparing OC Green Travel Plans are in draft format, some operating centres have plans under preparation.</p> <p>The inventory set out above indicates a decrease in emissions per FTE from 2007/08 of 6 percent. The latest inventory includes some new sources which have added 703 t CO₂-e to our reported emissions. The emission reductions achieved are 6 percent if a direct comparison is made with the 2007/08 inventory.</p>
GRI EN22	<p>Total weight of waste by type and disposal method.</p> <p>REPORTED: GHD'S WASTE MANAGEMENT AND RESOURCE RECOVERY</p>
Goal 2008-2009	<p>GHD's Sustainability and Environmental Policy states that GHD aims to "improve waste management practices".</p>
Performance 2008-2009	<p>As GHD is a decentralised company with leased offices of various sizes and resources, it has been difficult to establish a reliable and common waste measurement regime. Accordingly at this time we are not able to accurately quantify waste data. We have estimated waste production as 84 kg per FTE based on industry data from Australia for office based activities, which translates to 509 t for GHD as a whole.</p>



GRI EN26	Initiatives to mitigate impacts of products and services, and extent of impact mitigation REPORTED: DEMONSTRATING SUSTAINABILITY WITHIN GHD'S CLIENT PROJECTS
Goal 2008-2009	GHD's Sustainability and Environment Policy states: In our project work we aim to: <ul style="list-style-type: none"> Evaluate and improve the social and environmental performance of projects over which we have control or influence Offer solutions that improve sustainability outcomes for both our clients and their stakeholders.
Performance 2008-2009	<p>The central initiative for delivery of our policy commitment is the Project Impact Assessment (PIA) process, described in Section 6 and above. The PIA procedure seeks to identify the potential social and environmental impacts of our projects and devise improvement strategies. In addition to the PIA, our Environmental Management System (EMS) processes identify the environmental impacts of our work. Controls to mitigate these impacts are established and audited to ensure GHD meets its environmental obligations and minimises any negative environmental impacts.</p> <p>Our 'innovations' initiative also encourages sustainability related innovation in our projects. An example includes the developing of a unique shading device for the outside of tall buildings to reduce electricity use in buildings by 30 percent. The mobile shade follows the sun's path throughout the day, and incorporates photovoltaic cells that produce enough electricity to power the movement of the shade as well as contribute to 10 percent of the buildings remaining energy requirements. Other examples of innovative GHD projects are available by visiting: http://www.ghd.com/global/about-us/innovation/our-innovations/</p>

Economic Indicators (EC)

For more details on our financial performance over the past year, please see our 2009 Annual Review.

GRI EC1	<p>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.</p> <p>REPORTED: ECONOMIC VALUE GENERATED</p>
Performance 2008-2009	<p>Increase (18%) in gross revenue (AUD 1.1bn)</p> <p>Increase (37%) in net assets (AUD 151.6bn)</p>
GRI EC 2	<p>Financial implications and other risks and opportunities for the organisation's activities due to climate change.</p> <p>REPORTED: FINANCIAL & OTHER RISKS AND OPPORTUNITIES FOR GHD DUE TO CLIMATE CHANGE</p>
Goal 2008-2009	<p>Implementation of a Climate Change Business Plan; incorporation of climate change (CC) in project planning; development of a climate change risk manual.</p>
	<p>Performance 2008-2009: In 2008-2009 GHD identified and implemented a number of initiatives to manage the potential risks of climate change for GHD as a company and for GHD's clients:</p> <ul style="list-style-type: none">• The Project Impact Assessment (PIA) was launched and used within GHD's established core business areas. It evaluates the social, economic and environmental impacts of GHD's projects and devised project improvement strategies, including climate change and greenhouse gas mitigation and impacts• Launch of new Climate Change Service Line to develop business in GHG abatement and CC risk adaptation





GRI EC 8	<p>Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro-bono engagement.</p> <p>REPORTED: THE IMPACT OF GHD'S TECHNICAL SERVICES ON INFRASTRUCTURE FOR PUBLIC BENEFIT</p>
Goal 2008-2009	<ul style="list-style-type: none"> • Contribution to sustainable development through the provision of technical consulting services to infrastructure projects • Use of the GHD in the Community to provide funds and skills for projects in disadvantaged communities across the world
Performance 2008-2009	<p>Commercial Engagements: As an international professional technical services company, GHD's commercial services include the planning, design and construction supervision of water, energy, communications and transport infrastructure. These projects included the undertaking of a range of International Development Assistance (IDA) work.</p> <p>Pro-bono Engagements: Through GHD in the Community we continue to use GHD's in-house skills to provide pro-bono services and support. In 2009 these services were extended to provide:</p> <ul style="list-style-type: none"> • Safe drinking water & community education in Tanzania • Construction of children's playground in a hospital in Hanoi • Environmental damage prevention following the Victorian bushfires in February 2009 • Initial response assistance to the oil spill off Moreton Island in Queensland, Australia • Provision of access/landscaping design services for Northcott disability services, Sydney, Australia

8. **GRI** Compliance

GHD has used the Global Reporting Initiative Sustainability Reporting Guidelines as a basis for compiling this Sustainability Report. We have self declared our Sustainability Report to qualify with a Level C report.

Reliability - While the GHD Sustainability Report is not audited externally verified this year, we have endeavoured to report in keeping with the GRI Reporting content and the AA1000 Accountability Principles Standard (2008) via:

Inclusivity - GHD has determined which indicators are material to GHD (as an organisation and projects) via input from a range the range of key stakeholders being clients, employees. The Sustainability Report has resulted in a number of goals, or commitments under each indicator to ensure that GHD as an organisation has adequately demonstrated aspirational progress as a result of identified material areas by key stakeholders.

Sustainability Context - GHD's key stakeholders have determined which are the most material indicators. These are reported with priority as the information was available. Some of the remaining indicators are also addressed to enable the report to deliver a balanced view of GHD's performance and future goals.

Completeness - GHD has considered the voice (by survey) and requirements of a number of key stakeholders when determining the material indicators to report. It is considered that the identification and preliminary reporting of GHD's performance on these material issues will enable GHD to expand and improve performance in future years.

Balance - GHD has reported on indicators considered to be material, where information is available and/or recorded by GHD irrespective of GHD's associated performance being negative or positive.

Comparability - GHD has reported indicators to enable comparison as appropriate, both over time within GHD and as a comparison with other similar companies.

Accuracy - GHD is reporting accurately to the best of our ability. Where uncertainties or unknowns are present these are stated.

Timeliness - The reporting period was the 2009 fiscal year.

Clarity - GHD has clearly stated the information reported within the Report.



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