

Global change
starts at the
heart of our
communities

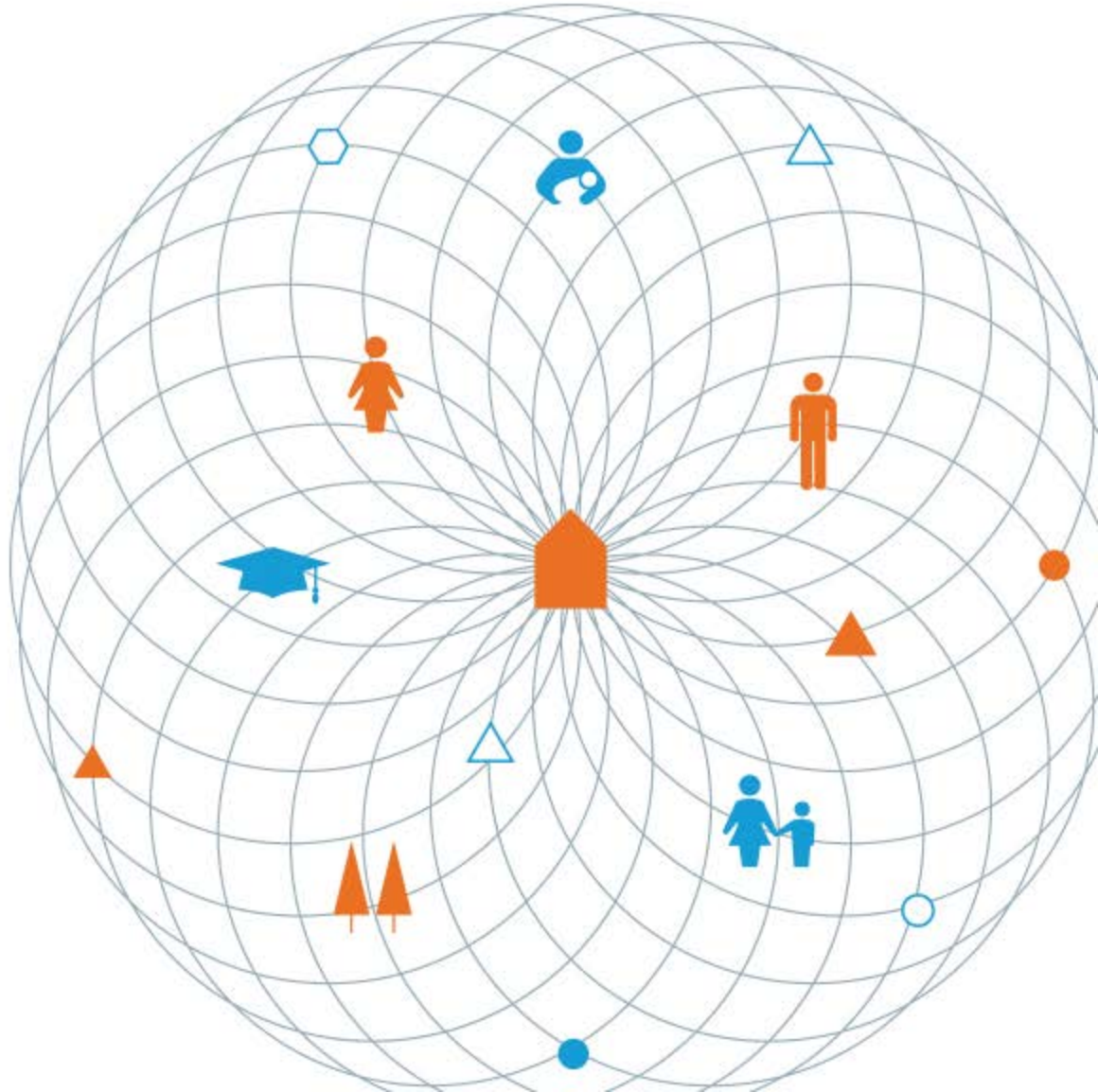


coffey
A TETRA TECH COMPANY

Communication on Progress

United Nations Global Compact

October 2017



Statement of Support	01
About Coffey	02
Human Rights	03
Labour	04
Environment	05
Anti-corruption	06

01

Statement of Support

Statement of Support

I am pleased to present Coffey's 2017 Communication on Progress.

Coffey remains committed to the United Nations Global Compact and its ten principles. With integrity as a core organisational behaviour, we are committed to human rights, labour standards, environment and anti-corruption through the Australian network. Our aim is to support nations to uphold their commitment to this global partnership to reduce extreme poverty and targets through the Sustainable Development Goals.

We engage in partnerships to advance broader UN goals. Coffey is committed to working in countries side-by-side with communities, the private sector and government partners in a sustainable way through local capacity building. We look to improve local economies while delivering sustainable social change.

Coffey is a part of the Tetra Tech group of companies, and this year we are excited to announce Tetra Tech's sustainability goals for 2020. We are challenging ourselves to provide even great efficiencies, integrate more sustainable practices into our operations globally and increase our engagement in the communities in which we work.



Jan Auman

President, Tetra Tech International Development Services

02

About Coffey

Coffey's international development team is a comprehensive implementing partner for governments and the private sector, relied on for more than four decades by our clients, including the UK and Australian governments, to successfully deliver their programs in partnership with local organisations, through our global network of development professionals.

Our commitment to sustainable development. We help build the capacity of local organisations so they can tackle social, economic and political challenges. Ultimately, we leave behind usable tools and methodologies to support the communities in which we have worked.

And we measure development effectiveness. We've conducted more than 600 evaluations for clients such as the European Commission, DFID, the US Department of State and USAID. The evaluations help donors learn lessons they can apply to future policies and programs, while evidence of what works and what doesn't can be shared more broadly, so that the best ideas and practices are emulated.

Coffey is a Tetra Tech company.

Now, more than 50 years after it began, Coffey is a Tetra Tech company. Having joined Tetra Tech in 2016, we are now part of a global network of 16,000. We're delivering smart solutions for our clients – and providing the innovation and insight that comes from a proud history of delivery.

03

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Make sure that they are not complicit in human rights abuses

Assessment, Policy and Goals

Coffey is committed to an inclusive workplace that embraces and promotes diversity and equal opportunity. We value, respect and leverage the unique contributions of people with diverse backgrounds, experiences and perspectives to enhance the understanding of the needs of our customers and provide innovative solutions and exceptional customer services to an equally diverse community.

Coffey believes in treating people with respect and dignity as an individual and as part of this, Coffey does not tolerate unlawful acts of discrimination. Our expectations and policies are articulated in the **Diversity and Equal Opportunity Policy** and **Code of Conduct Policy**.

We have in place a **Child Protection Policy**, framed by the Department of Foreign Affairs and Trade's Child Protection Policy. In the delivery of its projects as all aspects of operations, Coffey is committed to proactively protecting children from abuse with a zero tolerance approach to child abuse and child pornography.

In 2015, the Australian Government introduced its **Indigenous Peoples Strategy**. Coffey has welcomed the Government's **Indigenous Procurement Policy** as an opportunity to look at where we can work together to support and stimulate Indigenous participation in our sector, and confirm our commitment to diversity by providing access to sustainable opportunities for people and businesses.

Implementation

Coffey's child protection policy, in place since 2007, ensures criminal record checks for all staff. Coffey will not knowingly permit a person to work with children if they pose an unacceptable risk to their safety or well-being. We work in environments in which it is challenging to detect child sex offenders. Children with disabilities and children living in areas impacted by disasters are particularly vulnerable. The human tragedy behind child sex offences cannot be understated – it is a fundamental moral imperative of all Coffey staff to be diligent in their adherence to our Child Protection Policy.

Coffey's **Gender Equality Disability and Social Inclusion (GEDSI)** team works with client projects to integrate gender equality, disability and social inclusion into all programs. With an in-house team of GEDSI specialists, Coffey assist projects to develop, implement and monitor GEDSI policies and strategies; develop training for and support local gender and disability advisers; provide quality assurance on program reports and annual plans; work with monitoring and evaluation specialists to ensure GEDSI is included in frameworks; undertake research and analysis in support of program delivery and undertake program reviews.

Coffey confirms its commitment to Indigenous Australians through the proposed development of a **Reconciliation Action Plan**, facilitated by Reconciliation Australia, with specific actions that aim to embed a reconciliation culture amongst staff and projects.



Achievements

Each year we submit a report to the Australian Government on **Gender Equality** in our workplace. Our 2016-17 public report was lodged with the Workplace Gender Equality Agency on the 31 May 2017. The report gives us the opportunity to measure how we're performing against gender equality standards in Australia. Understanding and addressing inequities also helps to improve the diversity of our teams and strengthen our overall business performance.

In 2017 we focused on monitoring the remuneration, performance ratings and promotions of our employees. By monitoring equality in these areas, we were able to assess whether there were any gender based gaps or bias and develop remedial plans to rectify them – to ensure that all of our people have the same opportunity to succeed at Coffey.

We also commenced an ongoing training program for our current and all new international development projects in Coffey's **Gender Equality and Social Inclusion Strategy Development Toolkit** which was rolled out in August 2016. This program will continue into 2018.

Coffey's indigenous participation working group – as highlighted in 2016's Communication on Progress – has developed its **Indigenous Procurement Strategy and Indigenous Participation Plan** to support the Australian Government's Indigenous Peoples Strategy. With this strategy now in place, a further working group has been formed to deliver a **Reconciliation Action Plan**, a framework by which we will publically commit to and report on our plans and outcomes to support reconciliation for all Australians. The first phase of the Reconciliation Action Plan is due in 2018.

04 Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: The elimination of all forms of forced and compulsory labour

Principle 5: The effective abolition of child labour

Principle 6: The elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals

Coffey is committed to an inclusive workplace that embraces and promotes diversity and equal opportunity. Our **Diversity and Equal Opportunity Policy** aims to create a workforce that is fair and inclusive and seeks to retain and attract the best people to do the job,

Coffey's **Leave Policy** provides details regarding legislative leave requirements and standards. Coffey supports work/life balance and recognises that employees will require time away from work for the purposes of rest and recreation, but also to cater for circumstance which may arise in their personal and family lives. Types of flexible work arrangements may include part-time employment, job sharing, phased retirement, working from home, staggered return from parental leave and flexible work hours.

Coffey is committed to protecting the health and safety of our people in the places in which we work. Our approach to Workplace Health and Safety is outlined in the **Coffey Health and Safety Policy**.

As part of Tetra Tech, we adhere to Tetra Tech's **Duty of Care Standards for International Services** to mitigate risks to staff safety.

Implementation

Coffey's senior management are responsible and accountable for the health, safety and security compliance within their area of authority. They are expected to lead by example by demonstrating and supporting a positive behavioural commitment. We expect them to consult, seek contributions and communicate regularly with our people on matters affecting health, safety and the environment. They must support adequate planning efforts and provide resources necessary to implement and maintain Coffey and Tetra Tech's **Duty of Care Program** within areas under their control.

Coffey's **Employee Assistance Program** provides employees and their immediate family with a free-of-charge external resource available for counselling to discuss any work or personal issues. Along with six counselling sessions, the EAP also provides online health screening and calculators, and other health and wellbeing services.



Achievements

Safety remains at the core of what we do – and we continue to deliver a strong safety performance.

Our safety focus in 2017 targeted injury prevention, with new initiatives implemented to reduce the likelihood and severity of injuries. Our parent company Tetra Tech introduced the **FOCUS 4** Initiative, acknowledging that most workplace injuries occur due to four main incidents, including “struck by”, falls, overexertion, and environmental field hazards. The initiative aims to educate and guide employees to address the risk of injury, assess hazard controls, target improvement areas, encourage employee participation and prevent injuries.

05 Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals

Coffey is committed to ensuring environmental sustainability and integrating the principles of sustainable development in all development activities. Coffey is committed to the principle of 'do no harm' in the implementation of program activities.

Coffey recognises the potential links between environment and poverty as the poor rely on natural resources for their livelihoods. Coffey seeks to enable and improve the effectiveness of development activities to: support sound equitable management of biodiversity and eco-systems; improve access to safe water and sanitation; improve air quality; mitigate the effects of natural disasters; reduce resource-based conflict; and mitigate the effects of climate change. Furthermore it acknowledges there are legal obligations under the Australian Government's Environment Protection and Biodiversity Conservation Act 1999 to ensure that all activities likely to have environmental impacts are properly assessed and managed.

Implementation

Coffey is committed to the protection of the environment and to complying with all applicable environmental laws, rules and regulations in the jurisdictions in which it conducts its business. Our **Health, Safety, Security and Environment (HSSE) Management System** provides our people with the tools to keep them safe, no matter where in the world they are working. It recognises that a safe work environment is not just essential for our people, but for our clients and stakeholders as well. We also meet multi-jurisdictional requirements that apply in the countries in which we operate.

As part of Tetra Tech, we are part of a company that implements technically, socially and economically sustainable solutions to our clients' complex programs in more than 100 countries around the world.

We publically acknowledge our commitment to sustainability through the annual **Tetra Tech Sustainability Report Card**. From water-saving measures to multiple types of recycling programs, we strive to incorporate environmentally friendly practices into daily activities. By participating in sustainable actions across the company, we make a greater impact on our environment.



Achievements

Tetra Tech's **2016 Sustainability Report Card**, publically available at www.tetratech.com, outlines our achievements in environmental sustainability through implementing sustainable practices in our operations, by supporting sustainability through our projects, and supporting sustainability in the communities in which we work. In this year's report card Tetra Tech announced its goals for 2020, including to provide even greater efficiencies to clients, integrate more sustainable practices into more of our operations around the world, and increase our engagement in the communities in which we live and work.

The report shows that Tetra Tech promoted sustainable practices throughout more than 400 offices worldwide, with offices in 18 countries reporting significant reductions in paper use and waste output, and increases in recycling program participation.

Tetra Tech's annual Bike to Work Week Challenge promotes an alternative transportation option for employees to reduce greenhouse gas emissions. In 2017, during Bike to Work Week in May, employees worldwide rode **28,337 kilometres (17,608 miles)** meaning that our cyclists collectively saved about **3,332.6 litres (880.4 gallons) of petroleum** and kept the equivalent of about **7.8 metric tons CO₂e** from being added to the earth's atmosphere.

06

Anti-corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

Coffey is a value-based company with a core of acting with integrity and aspiring to the highest ethical standards. These standards are outlined in the **Coffey Policy on Bribery, Corruption and Facilitation Payments**. Coffey's **Code of Conduct** explains the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour expected from staff.

Coffey's **Delegation of Authority Policy** defines the limits of authority designated to specified positions of responsibility within Coffey.

For those projects that we managed on behalf of the Australian Government, our policy is framed by the relevant laws in those countries where we work and those of the Australian Government's **Commonwealth Fraud Control Framework 2014** through **DFAT's Fraud Control and Anti-Corruption Plan 2016**.

Coffey has been involved with the provision of development assistance for many years. We work across a multitude of nations, cultures and value-systems; to date we have worked in around 100 different countries. We are increasingly mindful of the need to prevent, detect and manage fraud in all its forms.

Implementation

Where Coffey becomes aware of bribery or corruption within any of our companies or our stakeholders, we will act to uphold our values based on the particular circumstances of the event. If a Coffey staff member has been involved and it is shown that they have knowingly been party to such action, they risk summary dismissal.

Our overarching fraud policy dictates in accordance with its ethics and values, that no undue benefits shall accrue to any staff member or its agents, intermediaries, subcontractor or consultant as a result of dishonest conduct. In accordance with DFAT's Fraud Control Policy and the Commonwealth Fraud Control Guidelines, Coffey maintains a zero-tolerance approach to any form of fraudulent activity.

Our parent company, Tetra Tech, requires all employees to receive training in Ethics and the Code of Conduct and matters related to the Foreign Corrupt Practices Act (FCPA) and related global ethical issues where such training may be relevant to an employee's job responsibilities.

Coffey's Audit, Risk Management and Fraud Control services are fully informed and guided by 2014 Commonwealth Procurement Rules (CPRs), AS/NZS ISO 31000:2009 Risk management, Principles and guidelines, ANAO Fraud Control in Australian Government Entities, Better Practice Guide, 2011 and AS 8001-2008 Fraud and Corruption Control.

When managing projects on behalf of our clients their fiduciary risks are mitigated through Coffey's diligent approach. The financial training, oversight and support provided by Coffey project finance teams reduce the opportunity, rationalisation and motivation for fraud. The team includes CPAs and Chartered Accountants who have completed the Certificate IV in Government (Investigation) conducted by Australian Forensic Services.

Achievements

Coffey's centralised a fraud registry and management system for its international development business ensures consistency with **DFAT's Fraud Control and Anti-Corruption Guidance 2016**. This was audited in 2017 by DFAT to ensure our fraud processes and policies are successfully implemented. We were acknowledged by DFAT as having compliant and effective fraud control measures.

In 2017 all relevant staff participated in Tetra Tech's Ethics and Code of Conduct Training along with Foreign Corrupt Practices Act Training.

Our international development project finance teams conducted fraud control and anti-corruption training for all of our new projects managed on behalf of the Australian Government, including in Fiji, Indonesia, Kiribati, the Philippines and Papua New Guinea, training project employees in fraud control and anti-corruption.

Coffey's system of biannual project 'health checks' bring together program staff and senior Coffey personnel to monitor and assess program performance against milestones, performance indicators and the scope of services. Over the past 12 months, health checks have been conducted on 20 client projects. Each health check was informed by each project's individual annual finance and project quality audits.

