

Presented by: Sam Johnson

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2018

McCONNELL DOWELL

MARCH 2018

INTRODUCITON

Statement of Support

I am pleased to confirm that McConnell Dowell reaffirms its support of The Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption and this commitment is reflected within our business strategy, organizational culture and our values.

McConnell Dowell is committed to supporting The Ten Principles and strengthening implementation of measures to integrate The Ten Principles into all areas of our business.

Yours sincerely,



Scott Cummins
CEO McConnell Dowell Corporation Ltd



HUMAN RIGHTS

McConnell Dowell respects human rights across its business operations. We are committed to strengthening our social performance and supporting our subcontractors to deliver improvements – whether through direct employment, individual engagement or community initiatives.

Community sponsorships

The Murray Basin Rail Project (MBRP) in Victoria, Australia is sponsoring the Royal Children's Hospital CHiPS program; the program supports children with chronic illnesses throughout Victoria and once a year allows them to attend a camp with other children in similar circumstances; pertinent given our project is regional Victorian based

WPA is collaborating with Melbourne City mission, a charitable organisation who work with refugees, and other disadvantaged groups to build capability in our teams to understand cultural diversity and the positive of inclusion in the workplace. This will be in the form of an online learning module for our subcontractors and employees.

The Urbanest project team have recycling bins on site to collect donations for HeartKids to collect items that can be taken to the local depot and turned in to cash. Donations to HeartKids to go to improve families of those affected by Childhood Heart Disease.



HUMAN RIGHTS

- The Kowarau Falls Bridge project in New Zealand donated materials from the project to a local kindergarten. The materials were then used as planter boxes as part of the kindergarten's playground redevelopment, to create a more natural environment for the children to play in.
- The Auckland Office support KidsCan, by collecting donations from the business unit and hosting fundraising events. KidsCan is a charity that provides over 161,000 kids with access to food, clothing and healthcare items in partnership with 675 schools across the New Zealand
- Built Environs support the Salvation Army's DUO program. Working alongside South Australian police to provide a safety presence for late-night revellers and to connect with rough sleepers. The café van is an extension to this ministry, to provide a static point of contact.
- The NM2 project in Thailand donated a fridge to provide the local school children at Ban Naklang with cold drinks.



HUMAN RIGHTS

Policies/Standards/Reference Documents

- Code of Business Conduct
- Diversity & Inclusion Policy
- Operating Standard – Resources
- Operating Standard – Managing Employment Issues



LABOUR

Indigenous Employment

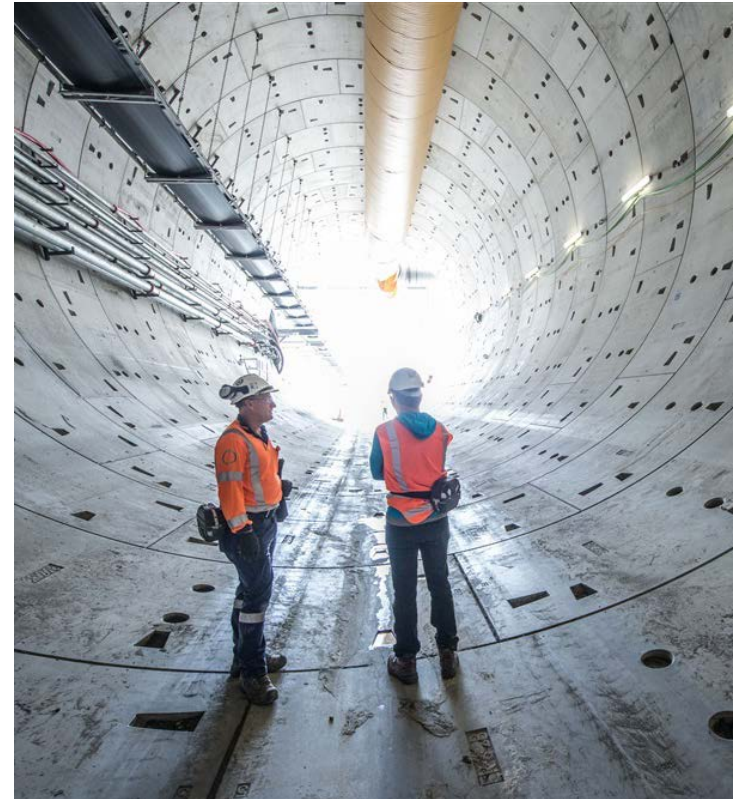
As the Head Contractor on the Northern Gas Pipeline (NGP) project (located in remote central Australia), we engaged local indigenous businesses/contractors to undertake activities such as clear and grade, maintenance of access tracks, civil works and traffic/security control works, as the work was to be undertaken on land that would be relevant to local indigenous people who had a legal interest in the land

Our recruitment program identified 33 suitable indigenous candidates for roles within the NGP project of which 27 commenced on the project. In addition, Local Contractors were required to provide a monthly report identifying the number of local indigenous employees were employed on the project

On the Murray Basin Rail Project (MBR) our approximate indigenous employment component is about 36% of workforce (the nature of rail and a dedicated labour hire provider specifically targeted at indigenous employment)

The Western Program Alliance (WPA) has implemented initiatives to engage businesses that are indigenous owned in the Western Suburbs of Melbourne.

McConnell Dowell remains committed to equal employment opportunities on all of our projects Worldwide.



LABOUR

Engagement from local communities in disadvantaged areas

For the NGP project, MCD have utilised Project Ready Graduates and the Projects Jobs & training Portal to maximise local labour participation. The Local Content Plan document for the project identified that 20% of the construction work force including sub-contractors was to be achieved

Concerted effort has been made on the MBR Project wherever possible to target local engagement of services in regional Victoria; wet/dry plant hire; and employment of local hires which at present is about 39% of workforce (many of these would be previously in the ranks of the unemployed but we haven't tracked that data)

WPA has implemented local social procurement initiatives with PPE purchases, catering, stationary and consumables through locally-based traders

WPA is supporting a program to recruit refugees who are looking to work in the civil engineering and construction industry.



LABOUR

Policies/Standards/Reference Documents

- Code of Business Conduct
- Diversity & Inclusion Policy
- Operating Standard – Resources
- Operating Standard – Managing Employment Issues



ENVIRONMENTAL

At McConnell Dowell we focus on the small everyday environmental achievements and initiatives as much as the larger ones. We encourage our project teams to think for themselves and implement activities to minimise environmental impact....in turn the employees take these initiatives and can also employ them at home.

Examples are:

- Beach clean up in Indonesia at our project site
- Dirty water from boot washing area is recycled back to the vehicle washing bay and cycled through the ECM Plant to conserve water in Singapore
- Recycling of containers to make hanging gardens on projects in Singapore
- Active protection of local wildlife in New Zealand
- Introduction of Eco bins into Melbourne Head Office – reduction in landfill waste of 90%
- Involvement in construction of 'waste for fuel' plants
- Involvement with Resilient Melbourne



ENVIRONMENTAL

Our environmental commitment is second to none. On all our projects environmental management is everybody's responsibility, regardless of their role and the nature or location of the projects.

We lead by example in promoting environmental management. We empower our people and teams to be their best and our people are actively encouraged to be creative and innovative in approaching environmental management.

We have a dedicated team of environmental professionals that actively supports all staff in achieving the high environmental standards expected. We do this with a positive and collaborative approach and a focus on accountable leadership; reducing emissions; managing efficient use of energy, resources and project materials; minimising waste; and through responsible biodiversity management of local flora and fauna.

We take on a "one team" approach with our clients and partners in our commitment to the environment. Our method has created a framework for our environmental standards which have been recognised throughout the industry.



ENVIRONMENTAL

Policies/Standards/Reference Documents

- Environment Policy
- Operating Standard Environment
- Sustainability Policy
- Code of Business Conduct



ANTI-CORRUPTION

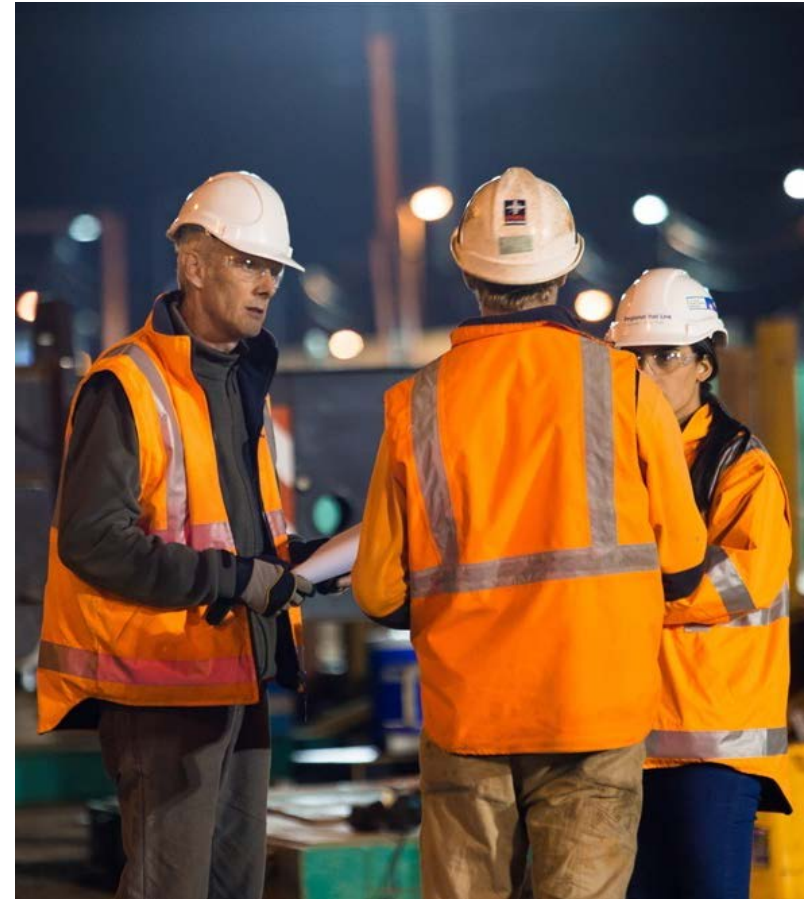
It is our vision is to build a legacy that every employee, their families and future generations can be justly proud of and at its very foundation it assumes that everything we do is of the highest ethical standard.

We take pride in our commitment to corporate citizenship, which is formalised in our code of business conduct. We expect every person at McConnell Dowell to adhere not only to the letter, but also to the spirit of this code and all relevant legislation.

We expect that ethical behaviour be practised by every employee, from the executive team to each and every person employed by every operating group.

We have zero tolerance policy to all forms of corruption and have developed an Anti-Corruption Framework as a working framework, not only to assist us in avoiding corruption in our own activities, but also doing what we can to promote higher ethical standards across the entire sector.

Our Code of Business Conduct has been refreshed and will be re-issued to every employee globally, in addition each employee has annual mandatory training – this is across all countries and locations.



ANTI-CORRUPTION

Policies/Standards/Reference Documents

- Anti-Corruption Framework
- Code of Business Conduct
- Hotline for Reporting Corruption
- Operating Standard Anti-Fraud
- Operating Standard Conflict of Interest

