

Communication on Progress (COP)

Aurecon Africa

2020-02-20

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to life*

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1 Statement of Continued Support by the Chief Executive Officer

I am pleased to confirm that Aurecon AMEI Limited reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. We are committed to

- Supporting and respecting the protection of internationally proclaimed human rights
- Ensuring that we are not complicit in human rights abuses
- Recognising the rights of freedom of association and collective bargaining
- Eliminating all forms of forced and compulsory labour
- Pursuing the effective abolition of child labour
- Eliminating discrimination in respect of employment and occupation
- Supporting the precautionary approach to environmental challenges
- Undertaking initiatives to promote greater environmental responsibility
- Encouraging the development and diffusion of environmentally friendly technologies
- Working against corruption in all its forms, including extortion and bribery

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. Unless otherwise indicated quantitative and qualitative information reflects the totality of Aurecon in Africa. Information covers our Financial Year 2019 and Financial Years 2020 to date as indicated.

Aurecon has compiled sustainability reports aligned to GRI Guidelines/standards since Financial year 2014. Aurecon South Africa (Pty) Ltd as the holding company for Aurecon AMEI is a member of the GRI Community.

Following due process, the Africa part of Aurecon decided to demerge from the Aurecon Group. The demerger became effective on 1 January 2020. The Africa business currently continues to trade as Aurecon Africa until such time as a new name and brand are finalised. Brand development is in progress. Future reporting will be submitted under the new brand.

We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,



Dr Gustav Rohde
Chief Executive Officer, Aurecon Africa

18 February 2020



2 Health & Safety

Aurecon in Africa has an overriding commitment to health and safety and aspires to the goal of no harm to people. Employees must familiarise themselves with and honour this commitment and comply with applicable laws and standards. We underpin our strong culture of health and safety with a detailed, targeted and responsive health and safety governance framework and management system.



“At Aurecon Africa, we understand that fostering a robust and responsive health and safety culture is a critical part of our obligation to our employees, our clients, and the communities in which we operate.”

Evert de Vries, Health and Safety Leader

Our staff can call on the support of a highly professional Health & Safety team who have the knowledge and experience needed to meet the challenges of project health and safety management. In addition, to give 'on the ground support' we appoint experienced health and safety professionals to our relevant project teams, people who combine a deep understanding of the management of health and safety and the needs of our clients.

2.1 Health & Safety Management System

With our experience in project and service delivery in more than 48 African countries, Aurecon Africa offers highest levels of expertise in the successful management of health and safety risk. We achieve this by having a Health and Safety Management System (HSMS) fully integrated with our project and service delivery processes. The HSMS is aligned to ISO 45001:2018.

Our HSMS framework is there to support us in delivery. The health and safety of employees covers both physical and mental health. We underpin our strong culture of health and safety with a detailed, targeted and responsive health and safety governance framework and management system. Through the application of our HSMS, our goals are to:

- Provide a safe and healthy work environment for everyone associated with Aurecon Africa
- Provide practical tools and techniques for use in the assessment and consideration of health and safety risks across all work we undertake
- Provide expertise and resources to implement and maintain our health and safety policies, standards and procedures

- Provide health and safety management processes to anyone working on an Aurecon Africa project to assist in:
 - Identifying, assessing, managing, controlling and reducing risk
 - eliminating hazards
 - preventing incidents
 - comprehensively managing injury and rehabilitation
 - promoting health, safety, well-being and continual improvement

2.2 Life Saving Rules

To support the HSMS framework, Aurecon Africa applies 10 Life Saving Rules, which address situations frequently encountered in the workplaces and industries in which Aurecon Africa are typically engaged. This programme is designed to offer practical lessons to use in the efficient and effective management of health and safety risks specific to our day to day operations - be it on a project site or in the office. The Life Saving Rules describe critical controls that must be in place to help our people work safely with high risk activities and environments

- Our people are both empowered and expected to adopt them. They are not optional.
- They offer a clear message on how to manage specific health and safety risks.

2.3 Management of Health & Safety Risks

Working in diverse geographies on the African Continent, our employees sometimes face exposure to high-risk diseases, natural disasters and political instability. We carefully manage the health, safety and security of our employees working in these locations through the following initiatives:

- All new joiners in Aurecon Africa are required to complete a Health and Safety induction. Mandatory refreshers are completed by all staff.
- Our Project Risk Assessment Process (PRAP) involves assessing any health, safety and country-related security and travel risks during the pursuit stage of project opportunities. Any such risks are monitored throughout the delivery of the project and planned mitigation actions updated as appropriate.
- Opportunities in countries with specifically high medical, security and/or transport risks require the formal approval by the Chief Operations Officer, Health & Safety Leader and Greater Afrika Office Lead. Such opportunities may also be referred to the Project Risk Committee chaired by the Chief Risk Officer.
- Travel reservations are made via Aurecon's in-house travel management company, in order to activate relevant travel insurance. This also ensures emergency evacuation processes are activated, in the event of a medical emergency. Travel to high risk locations requires a formal, documented Travel Plan which has to be approved by the Health & Safety Leader as well as other relevant management.
- Employees are informed of health, safety and security issues via email/sms alerts provided by the International SOS alert centre, open for assistance 24 hours a day.
- Employees travelling to high risk areas are required to contact the country managers ahead of the trip for up-to-date guidance around preventative measures, together with medical consultations to manage health risks appropriately.
- A Travel Advisory Guideline document is given to everyone travelling to all African destinations. This contains relevant information on the management of Ebola, Malaria, Tuberculosis (TB) and Cholera situations, among others.

2.4 Safe design

Aurecon Africa believes in protecting workers and the communities in which we operate. Through human centric design, we partner with clients to effectively identify, assess, eliminate and manage health & safety risks throughout the lifecycle of the asset. Aurecon Africa as a designer is committed to the health and safety of all people involved in various parts of the project lifecycle. Our design process considers relevant safe design legislation which may apply in the different countries in which we operate. We factor in any health &

safety issues which may occur during construction, operation through to asset decommissioning/ asset transformation.

2.5 Recent Achievements

- Lost Time Injury Frequency Rates decreased from 0.16 (FY19) to 0.12 (FY20 to date)
- Recordable Injury Frequency Rates decreased from 0.35 (FY19) to 0.25 (FY20 to date)

Note: Injury frequency rates are calculated over 200,000 hours

2.6 Looking Forward

- Reviewing HSMS elements, e.g. with focus on security and mental health following the guideline of ISO 45003 Occupational health and safety management – Psychological Health and Safety in the Workplace.



3 Diversity, Equity & Inclusion

As a proudly African business one of our aspirations is to ensure that embrace the richness through Diversity, Equity and Inclusion. It is in our ability to, Attract, retain, develop and continue to our people. Diversity , Equity and Inclusion (DEI) means that we not only embrace our difference, but we ensure that we create an environment where all our people feel valued, through each others actions. We know that through a spirit of Ubuntu we can achieve great things as a company and country..



“ Our purpose at Aurecon

Africa, is to inspire, to make a difference and to shape the future. It is about making this difference in the lives of our employee’s, the communities that we work in and hopefully by our actions we can create a better Africa”

Dean Naidoo, Chief People Officer

Aurecon Africa will not, under any circumstances, tolerate any form of bullying, sexual harassment, discrimination or general harassment in the workplace. Aurecon Africa understands the importance of supporting equal employment opportunity policies and the value of diversity to the company.

Key values of our *Code of Conduct and Ethics* are that we celebrate diversity, respect others and act with integrity and honesty. Employees must familiarise themselves with and comply with all relevant Professional Codes of Ethics, Codes of Conduct, Codes of Practice or Rules of Conduct that may be applicable to them in any jurisdiction in which we undertake business.

All Aurecon Africa employees have contracts of employment with specific conditions of employment. We do not employ any person under the age of 18. Aurecon Africa’s policies and formal terms of employment are consistent with the applicable laws and awards in the countries in which we operate.

3.1 Performance Management - Let’s Talk

Annual performance and development goals are agreed with employees and captured onto our HR integrated system called Workday. Workday is an application which assists in managing employees in a fair and transparent way that facilitates performance and career discussions. Monthly Let’s Talk session are held between the manager and their employees to check in with staff on how they are progressing, what help or further resources are needed to achieve their performance and development goals. Let’s Talk is focused on growing our people. It is a conversation driven process design to:

- Be simple and streamlined which drive performance outcomes
- Support a clear understanding of individual goals and expectations for the performance period
- Drive career discussions

3.2 -Discrimination

Within Aurecon Africa we create an environment free of discrimination. We will not tolerate any form of unfair discrimination at any level, from any of our stakeholders. We have implemented a grievance policy that provides a mechanism for employees, contractors and consultants to raise a grievance about workplace issues (including, but not limited to, discrimination, harassment, bullying, violence, vilification or victimisation) without fear of retribution and to enable corrective action to be taken where necessary.

3.3 Recent Achievements

BBBEE Level 1

Aurecon is committed to the implementation of Broad-Based Black Economic Empowerment (BBBEE) within its South African operations and has been verified as a Level 1 Contributor to BBBEE under the Amended Generic Codes of Good Practice.

Female Headcount 39%

Financial Year	South Africa	Greater Afrika	Global Heritage Organisation
FY14	35%	24%	
FY15	Not generated		
FY16			30%
FY17			32%
FY18			32%
FY19			33%
As at 1 Dec 2019	39%		

(*Middle East included)

Historic Data: Due to organisational changes and the demerger, it is difficult to provide directly comparable data on female headcount for the Africa business only. Above table provides the percentage of female employees for past reporting periods of the heritage organisation.

Voluntary Annualised Attrition 10%

Financial Year	South Africa	Greater Afrika	Global Heritage Organisation
FY14	10.2%	9.4%*	
FY15	14.3%	10%*	
FY16			11.1%
FY17			12.8%
FY18			13%
FY19			13%
As at 1 Dec 2019	10%		

(*Middle East included)

Historic data: Due to organisational changes and the demerger, it is difficult to provide directly comparable data on voluntary attrition for the Africa business only. Below table provides attrition data for past reporting periods of the heritage organisation:

Employer Rankings

Universum's Most Attractive Employers rankings, South Africa:

- 2019: Voted one of top Engineering/Technology companies to work for in South Africa – Top 10 for professionals; Top 20 for students
- 2018: Voted one of top Engineering/Technology companies to work for in South Africa – Top 10 for professionals; Top 20 for students

South African Graduate Employers Association (SAGEA):

- 2019: Ranked Aurecon 4th among the top engineering employers in South Africa

3.4 Looking Forward

- Reinventing our leadership development- programme
- Refreshing our programme for Women in the workplace development
- Co-Creating the culture journey
- Launch Diversity, Equity and Inclusion (DEI) framework including DEI workshop for senior management, awareness training for managerial staff and Tool Box Talks for all employees

4 Ethics and Integrity

At times we see media reports in which large and respected organisations with strong global brands are accused of and implicated in corruption and unethical conduct. This has devastating effects on the brands and reputations of these organisations and poses a threat to the livelihoods of employees and other stakeholders of these organisations who may not be involved in or had no control over the alleged unethical conduct.



“Aurecon Africa has a well developed and robust Integrity Management System to prevent or mitigate the risk of corrupt activities occurring on our business. At the date of this report we have no knowledge of any incidents or legal action against Aurecon Africa in respect of corruption, anti-competitive behaviour, anti-trust or monopoly practices”

Jan-Lodewyk Pretorius, Company Secretary



4.1 Ethics Core Policy

The Ethics Core Policy of the Aurecon Group continues to apply to Aurecon Africa. In terms of this policy we commit to:

- Acting with integrity in all that we do
- Ensuring that our directors, senior managers and employees act honestly and with integrity in all their dealings for the company
- Ensuring the upmost integrity in our financial reporting
- Establishing a culture of transparency through disclosure
- Making our directors, senior managers, employees and contractors responsible for raising concerns about and reporting unethical conduct or suspected unethical conduct without fear of recrimination

4.2 Code of Conduct and Ethics and Integrity Policies

Aurecon Africa protects and fosters a culture of integrity. Individually and collectively. All employees subscribe to our Code of Conduct and Ethics. Aurecon has a suite of Integrity Policies and Procedures which provide clear direction on our expectations regarding ethical business conduct. This includes the following policies:

- Anti-Bribery and Corruption Policy
- Conflict of Interest Policy

- Fraud Policy
- Gifts and Entertainment Policy
- Whistle-blower Policy

Supporting these policies is our online training for anti-bribery and anti-corruption and the Code of Conduct and Ethics, aimed at increasing awareness and strengthening our culture.

4.3 Political donations

Aurecon Africa does not engage in the activities of political parties and does not make political donations in cash or kind. Our employees are permitted to engage in political activities as individuals subject to the other provisions of our Code of Conduct and Ethics, including the duty to avoid conflicts of interest and as long as they do not purport to represent Aurecon Africa. Employees are expected to remember at all times that their personal conduct can impact on the reputation of Aurecon Africa and are expected to act accordingly.

4.4 Working with Governments

Aurecon Africa seeks to have an open and collaborative relationship with governments in all countries in which we work. All employees must ensure that they familiarise themselves with and comply as necessary with all applicable government contracting standards and applicable laws. Employees must abide by our Code of Conduct and Ethics no matter where we do business.

4.5 Bribery and Corruption

Aurecon Africa prohibits and will not tolerate any form of bribery and corruption in its business dealings. Bribery involves providing a benefit to any person to improperly influence actions by a third party. Officers and Employees involved in international operations and in accounting and audit functions are required to be familiar with and abide by all laws in every country in which Aurecon Africa operates that prohibit bribery and corruption including when it is committed outside the country.

4.6 Reporting of Breaches

Aurecon Africa recognises the importance of fostering a culture and business environment in which employees feel safe to report improper and unethical conduct without fear of being victimised. We are therefore committed to have appropriate reporting procedures for unethical conduct that are consistent and comply with the applicable laws of the countries in which we operate.

All employees are expected to report unethical or improper conduct or breaches or suspected breaches of the Code in accordance with the applicable reporting procedure. Breaches can be reported anonymously to protect the whistle-blower. We procedures for the investigation of any report of unethical conduct or breaches of the law.

We will not tolerate any form of punishment, disciplinary or retaliatory action against any person for reporting of reasonably held concerns of suspected or actual misconduct or an improper state of affairs. Any such retaliatory action will itself be a serious breach of the Code which will result in disciplinary action, including termination of employment in appropriate cases

4.7 Recent achievements

- Online Code of Conduct and Ethics training is mandatory for all employees. A more detailed four-module anti-bribery and corruption course is mandatory for management. Refresher courses are required every three years, with completion tracked through our training management database.
- Implementation of protocols and procedures aimed at improving the assessment of vendors and introducing due diligence questionnaires and thorough background checks including legal/court judgements and political exposure. Vendors are required to commit to Aurecon's Code of Conduct and Ethics as part of the vendor registration process.
- Development and issue of the new Aurecon Africa Delegation of Authority Matrix.
- Development and roll out of revised Project Risk Assessment Form which inter alia checks any corruption related risks for all African countries based on the Transparency International Corruption Perception Index (CPI)

4.8 Looking Forward

- Continued development of a culture where leaders are connected and consult with each other on challenges relating to risks and ethics.

5 Environmental Care

At Aurecon Africa, we recognise that environmental care in our industry has two dimensions. We need to ensure that our own operations have responsible environmental footprints and minimise any adverse effects of our activities as much as possible. We have been measuring the environmental performance of our operations for nearly half a decade and made good progress in managing our greenhouse gas emissions, use of water and consumables and our waste in a responsible way. We regularly participate in major environmental initiatives such as United Nations World Environment Day and Earth Hour.

As early as 2014, we mandated that all project planning needs to consider how to enhance the social and environmental performance of our deliverables.



“To have a real and positive impact on major threats like climate change, water and resource scarcity and pollution, we need to look at our projects. As engineers and advisors, we are ideally positioned to take our knowledge and skills to scale by finding better design solutions for our clients and our planet.”

Sonja de Klerk, Head of Quality, Environment & Sustainability

5.1 Greenhouse Gas Emissions

We have calculated, externally verified and disclosed the carbon footprint of Aurecon Africa’s offices on a regular basis for over half a decade. Starting with a small number of offices on a pilot basis in 2013, we gradually expanded the coverage of our carbon footprint. Today, most of Aurecon Africa’s offices participate in our carbon footprint measurement, representing a total of 99.4% of our staff.

Direct Emissions (Scope 1)

These emissions relate to activities owned or controlled by Aurecon Africa such as fuel combustion including generator usage during times of grid power shortages, refrigerant leakage from air conditioning usage and fleet vehicles.

Direct Emissions (Scope 2)

Scope 2 emissions are associated with our consumption of purchased electricity. As our offices are in different African countries, the electricity we purchase from the main grid is subject to different emission factors. Emission factors depend on the way grid electricity is generated, for example coal-fired power stations versus renewable energy sources. The same amount of electricity usage in kWh can thus result in different amounts of CO₂-e emissions, which is outside our control.

In order to minimise our consumption of electricity, some of our largest operations are based in buildings with high environmental performance, such as buildings rated under relevant national and international green star rating frameworks. We track the actual electricity consumption on an ongoing basis.

Emissions along the value chain (Scope 3)

These are emissions which occur along an organisation's supply and distribution chain, e.g. business travel. At Aurecon Africa, we measure the emissions generated by our air travel and paper usage. In some of our locations, we also monitor emissions from water consumption, taxis and waste.

The largest source of our Scope 3 emissions is air travel. However, this is managed through default economy class bookings which have a much lower emission factor than flights in higher classes. Higher class flights are generally only booked in special circumstances when the health and safety of staff would otherwise be compromised. We encourage staff to refrain from air travel as far as reasonably practical and make use of our video/teleconferencing and digital communication tools instead.

War on waste

Sometimes our civilisation is called the “throw-away society”. At Aurecon in Africa, we are conscious of the waste we generate and think of innovative ways to reduce, reuse and recycle our waste. In 2017 we launched a recycling centre at our Tshwane office to lower our impact on the environment and assist local government in reducing waste in the city. And in the process created an employment opportunity for a disabled woman.



[Aurecon Tshwane Recycling Centre - Link](#)

Precious water

In 15 African countries experienced near-catastrophic draught conditions during recent years. If the tap runs dry, you recognize how depended we all are on clean, potable water. We try to make every drop count.

The nature of Aurecon’s business is such that most of our water comes from utility providers and, in some instances, from rainwater harvesting. Accurate reporting on water consumption is challenging in some of our offices as certain buildings are leased and therefore, we don’t pay water bills directly. Water is, however, measured within our offices wherever possible.

Water saving initiatives have been implemented in many of Aurecon’s facilities. Some of these initiatives include:

- Harvesting rainwater for flushing toilets
- Recapturing fire test water and water from the HVAC cooling towers to supplement the rain water for flushing toilets
- Water efficient fittings, taps, urinals, showers and toilets
- Providing toilets with a dual flush system
- Landscaping with local indigenous plants so there is reduced reliance on water
- Using treated effluent from wastewater facilities for landscape irrigation and cooling towers
- Irrigation of landscaped areas at night, based on moistures sensor data

5.2 Recent Achievements

- 99 % of staff in Aurecon Africa are covered by our voluntary carbon footprint measurement
- Our total Scope 3 emissions decreased from 4735t CO₂e (FY18) to 3308 t CO₂e (FY19)

5.3 Looking Forward

- Improve our Environmental Management System to better align to ISO14001:2015

6 Creating Shared Value for Communities

Together with clients who share similar goals, Aurecon Africa strives to deliver world-class projects and solutions which enhance our environment, build stronger communities, raise living standards and create vibrant and sustainable economies.

We're also committed to investing and allocating resources to aid development and improve quality of life in the communities in which we live and work. This focus is embodied by the *Aurecon Cares* programme in South Africa. We understand each community's needs are unique, so our programmes encompass different aims – from empowering the young to become successful, active citizens, through to financial assistance for food and shelter. Our profession enables our people to contribute in the most practical and effective ways by providing input into community development and infrastructure in needy areas around the globe.



“Aurecon Africa and our people embrace the philosophy of giving back to the community by encouraging proactive involvement in the company's multiple corporate social investment initiatives and voluntary programmes. Many of our employees are also giving back’ on a personal level in their local communities, which is something we encourage and support as an organisation.”

Senzekile Mdluli, BBEE & CSI Manager

6.1 Recent Achievements

- **Bursaries**
Aurecon Africa paid out around R 1.6 million for bursaries from July 2019 – December 2019
- **PROTECH - Empowering young learners to pursue careers in STEM**
PROTEC targets previously disadvantaged communities and youth with Science, Technology, Engineering & Mathematics (STEM) industry. Through PROTEC, we aim to contribute towards the South African National Development Programme goals by contributing to the advancement of STEM education.
 - 2017 – 2020 Aurecon Africa sponsored 30 grade 10 learners in Bloemfontein.
 - 2019 – 2021 Aurecon Africa sponsoring 40 new learners from 7 schools in Mamelodi.
 - The programme has produced over 300 learners in these regions who have pursued careers in STEM.

- **Sakhikamva Foundation - Serving a society to create a positive legacy**

Sakhikamva is an NPO involved in aviation awareness and skills development for youth in aerospace. The foundation has developed more than 90 000 youth in South Africa. Some of the programmes include Africa Code Week, Coding, Robotics & Artificial Intelligence.

Aurecon sponsored R35 000.00 to the Sakhikamva foundation for the conversion of an old aircraft into a STREAM (Science, Technology, Robotics, Engineering, Aerospace & Mathematics) Laboratory for the foundation.

On 8 April 2019 the Sakhikamva Foundation hosted an event at Lanseria airport to launch the STREAM Laboratory.



- **Songo - Sport and Education**

Songo is a Sport and Education support programme that provides after school programme assistance to children along with allowing them to play and ride bikes in the community of Kayamandi, Stellenbosch.

Aurecon Africa sponsored R150 000.00 and made a 3-year commitment to Songo. Over and above our contribution, Aurecon Africa employees played an active role during Mandela day and Cape Epic by giving back their time of employee show support in 2018.

We held a workshop with Songo where we identified their needs. The immediate need identified was for security fencing as members of the community would cut across the base to get to where they were going. A model was developed, and funds were raised where Aurecon made in order to put up the fence.



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