

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2021

McCONNELL DOWELL

February 2021

Introduction



McConnell Dowell
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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, organisational 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

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DRIVING PROGRESS
www.mcconnelldowell.com



Values

Safety & Care

We look after each other. No one gets hurt.

Honesty & Integrity

Everyone gets a fair go. We play by the rules. Honesty with ourselves and others builds confidence and promotes trust and loyalty.

Customer Focus

We develop and foster long term relationships. We deliver on our promises. We are rewarded for value delivered.

Working Together

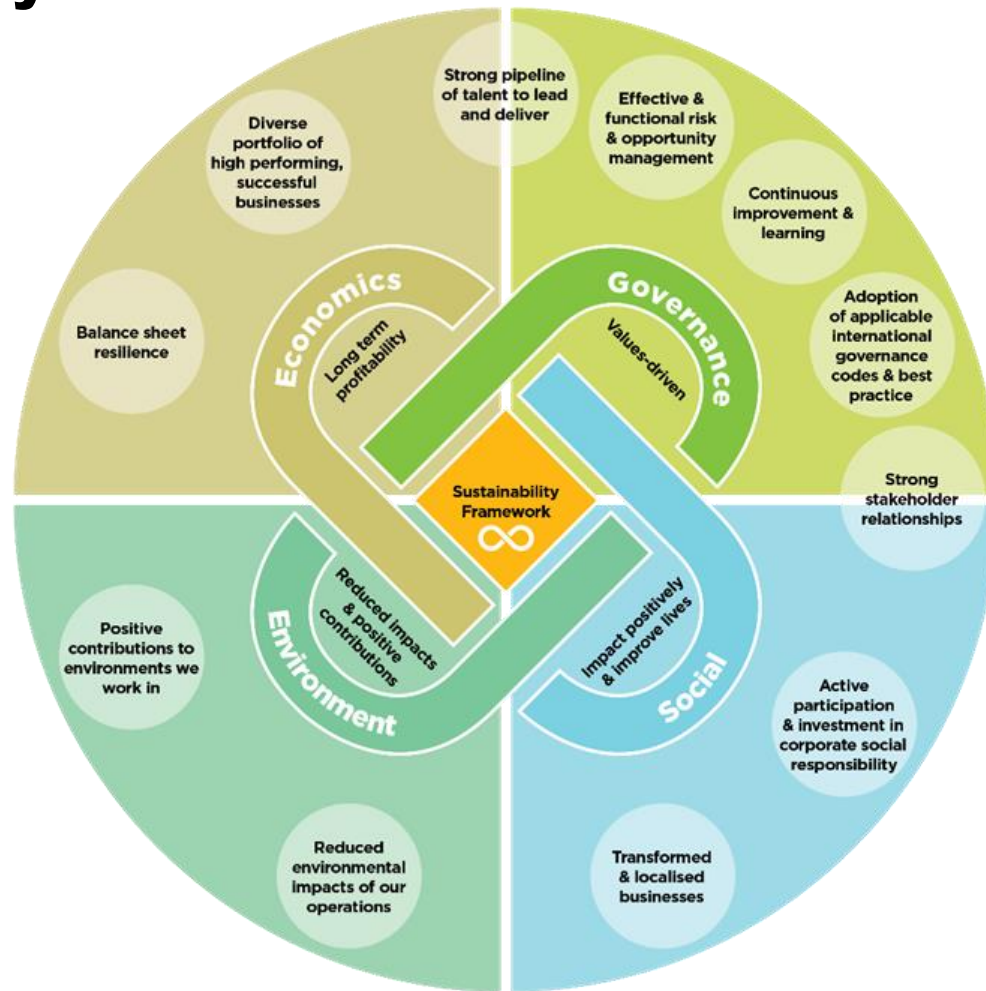
We are on the same team. We trust, respect and support each other.

Performance Excellence












We achieve great results. We learn and drive continuous improvement

SAFETY & CARE
**HONESTY
& INTEGRITY**
**CUSTOMER
FOCUS**
**WORKING
TOGETHER**
**PERFORMANCE
EXCELLENCE**

McConnell Dowell Sustainability Framework



THE MCD SUSTAINABILITY RELATIONSHIP FRAMEWORK

SUSTAINABILITY PILLAR	MCD VALUE	GLOBAL REPORTING INDEX	UN Sustainable Development Goal Alignment	UN Global Compact Principle
Social Make a positive difference to the health and well-being of the community – an impact to improve lives and diversity	SAFETY & CARE WORKING TOGETHER PERFORMANCE EXCELLENCE HONESTY & INTEGRITY	GRI 403 -2 OHS management system and its continual improvement GRI 403-6 Promotion of worker health (and services available) e.g. employee assistance, skin cancer checks GRI 405-1 Diversity of the Governance body (board/exco); and employees by age, gender and other GRI 201 - 1 Direct economic value generated – community investments (link to global compact report)	SDG3 – Good health and well-being SDG9 – Industry innovation and infrastructure SDG10 – Reduce inequality SDG11 - Sustainable cities and communities    	Principle 1 – Businesses should support and respect the protection of internationally proclaimed human rights: Principle 6 – the elimination of discrimination in respect of employment and occupation.
Governance Adoption of applicable international governance codes and practices	PERFORMANCE EXCELLENCE HONESTY & INTEGRITY	GRI 419-1 Non-compliance with laws and regulations in the social and economic area Disclosures 101, 2 and 3 GRI 205 - Anti corruption GRI 206 - Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	SDG16 – Peace, justice and strong institution 	Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.
Environment Reduced environmental impact and positive contributions	SAFETY & CARE CUSTOMER FOCUS WORKING TOGETHER	GRI 302-1 Energy GRI 303-5 Water GRI 306-2 Waste	SDG7 – Affordable and clean energy SDG12 – Responsible consumption and production SDG14 – Life below water SDG15 – Life on land    	Principle 9 – Encourage the development and diffusion of environmentally friendly technologies
Economics Balance Sheet resilience through a diverse portfolio & high performing successful businesses	PERFORMANCE EXCELLENCE CUSTOMER FOCUS	GRI 204-1 proportion of spending on local suppliers KPI 404-3 – performance and career development reviews	SDG8 – Decent work and economic growth SDG17 – Partnership for the goals  	Principle 4 – The elimination of all forms of forced and compulsory labour

UN Global Compact Principle 1 & Principle 10

McConnell Dowell respects human rights across its business operations - all employees, communities and countries. We are committed to ensuring healthy lives and well being, strong social performance reducing inequality within and among all countries. A key to achieving these goals is working with our subcontractors – support, education and teamwork to deliver improvements in employment and community initiatives.

Equality and Leadership Representation

At Group level, McConnell Dowell has completed a comprehensive review of pay across genders to ensure that there are no gender pay discrepancies for all positions.

Recognising the need for under represented groups to move into leadership roles, McConnell Dowell is putting in place a fast track leadership program which will provide accelerated leadership opportunities to those in under represented groups.



UN Global Compact Principle 1 & Principle 10

- 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.
- WPA in Melbourne continues to collaborate 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.
- Built Environs in New Zealand is working with Auckland City Mission to construct their new Mission building. As part of the process, Built Environs is supporting the Mission with it's work – providing shelter, food and care to Auckland's homeless and disadvantaged residents.



Human Rights

Policies/Standards/Reference Documents

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

Sustainability Development Goals

- SDG3
- SDG10

Monitoring Results

- MCD monitors the contributions made to local communities and reports through the company CSR reporting



UN Global Compact Principle 4

Indigenous Employment

The Western Program Alliance worked with Outlook to offer long term employment to people who face significant barriers to employment due to disability. The team has collaborated with Outlook in sharing the vision for empowering people with disability.

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.



UN Global Compact Principle 4

Engagement from local communities in disadvantaged areas

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

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

Codesafe Platform – Education & Development

Our Home Without Harm Codesafe platform has allowed our subcontractors, as well as our direct workforce and Clients, to access material to assist in education about risks on projects. The platform provides access, via scanning a QR code, to educational films and documents – designed to increase safe practice in the workplace.

The platform is actively shared with all of our workers, regardless of the employer, plus our Clients – the aim is to increase safety within the industry as a whole and improve the knowledge base of the whole labour force.



Labour

Policies/Standards/Reference Documents

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

Sustainability Development Goals

- SDG5
- SDG8

Monitoring Results

- Monitoring of employment diversity through employment records.
- KPI of increasing gender equality and diversity year on year.



UN Global Compact Principle 9

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 – supporting this learning process results in a network of environmental initiatives that are then continued in the individual homes.

Examples are:

- High recycled plastic content noise walls to be installed on the Mordialloc Freeway project.
- Diesel generators changed out with biofuel generators where possible.
- Recycling of vegetation cleared from our projects in Victoria to provide mulch to local schools.
- Maintaining the public roads in Singapore – cleaning and providing shelter for the public on areas of road near our projects. Providing a clean and safe environment for all public road and transport users.
- Active protection of local wildlife in New Zealand
- Increased use of Eco bins into Melbourne Head Office – reduction in landfill waste of 90%
- Involvement in construction of 'waste for fuel' plants
- Solar sheds installed on some projects



UN Global Compact Principle 9

On 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

Sustainability Development Goals

- SDG9
- SDG11

Monitoring Results

- Measurement of data through the Sustainability Warehouse
- Assurance of data through EY audit process



UN Global Compact Principle 10

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

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.



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

Monitoring Results

- Data collected from mandatory Code Of Business Conduct e-learning module
- Monitoring of Anti-Corruption hotline activity.

