

Annual Sustainability Review

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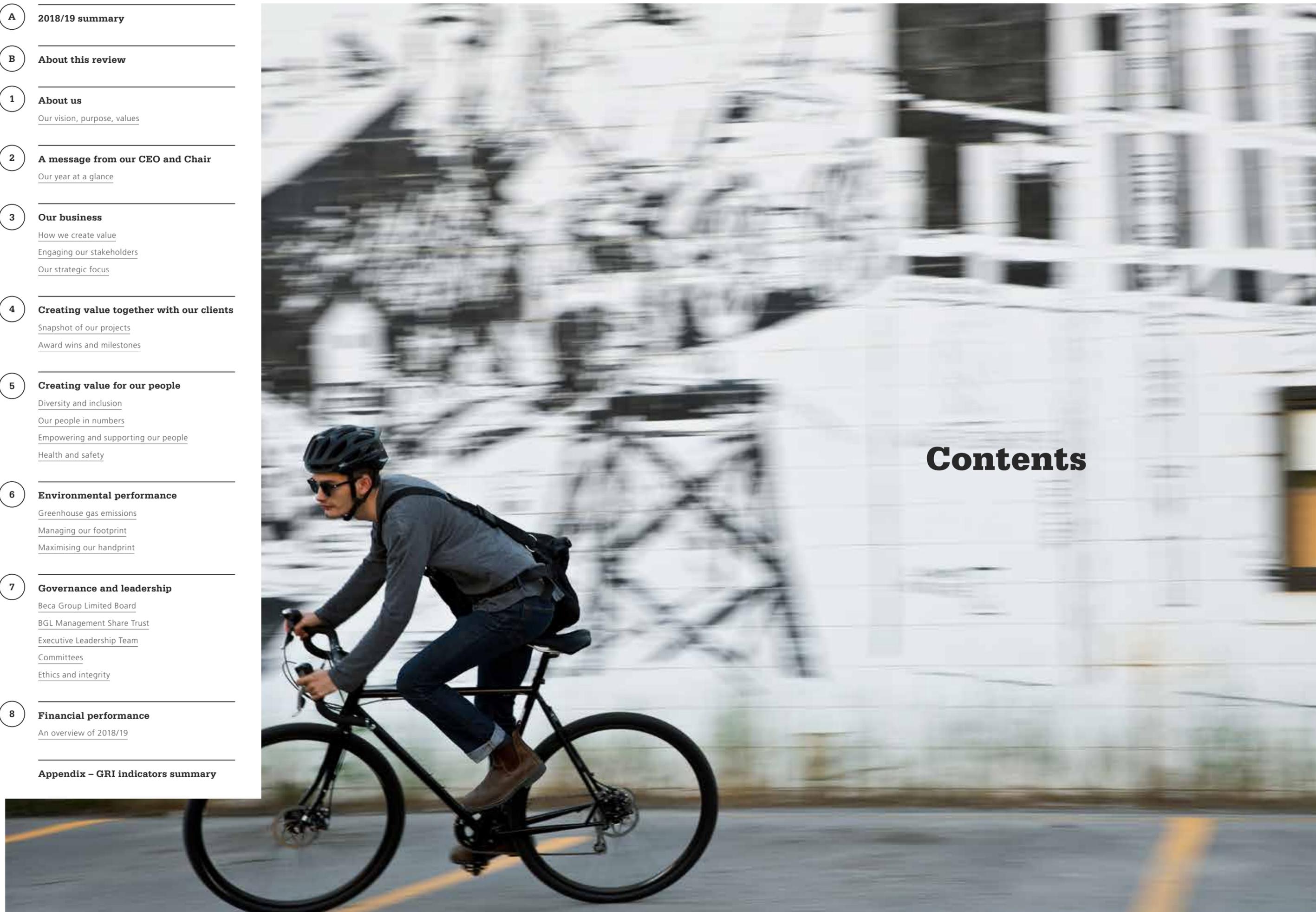
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2018/19 summary

focus areas

Climate change
reducing carbon emissions

Sustainable urbanisation
promoting liveable cities

Managing our footprint

Making an impact through our business operations.

NZ Climate Leaders Coalition signatory.

2030 target: overall **32%** carbon emissions reduction from a 2018 baseline.

Auckland office: **4.5** Star NABERSNZ rating.

Sydney office: **5** Star NABERS tenancy.

CARBON EMISSIONS | FY19

3.5% owned & leased vehicle fleet.

2.5% electricity used in our offices.

94% supply chain including goods and services we buy, business travel and employee commuting.

ACTION PLAN

Use B-Tune to increase the energy efficiency of our offices, install photo-voltaic panels on our Auckland office roof and improvements to our vehicle fleet, supply chain, business travel and employee commuting.

Maximising our handprint

Making an impact and supporting our clients and communities through external activities and the projects we deliver.

Ongoing project environmental management and compliance with sustainability frameworks.

Helping our urban cities grow sustainably through delivering:

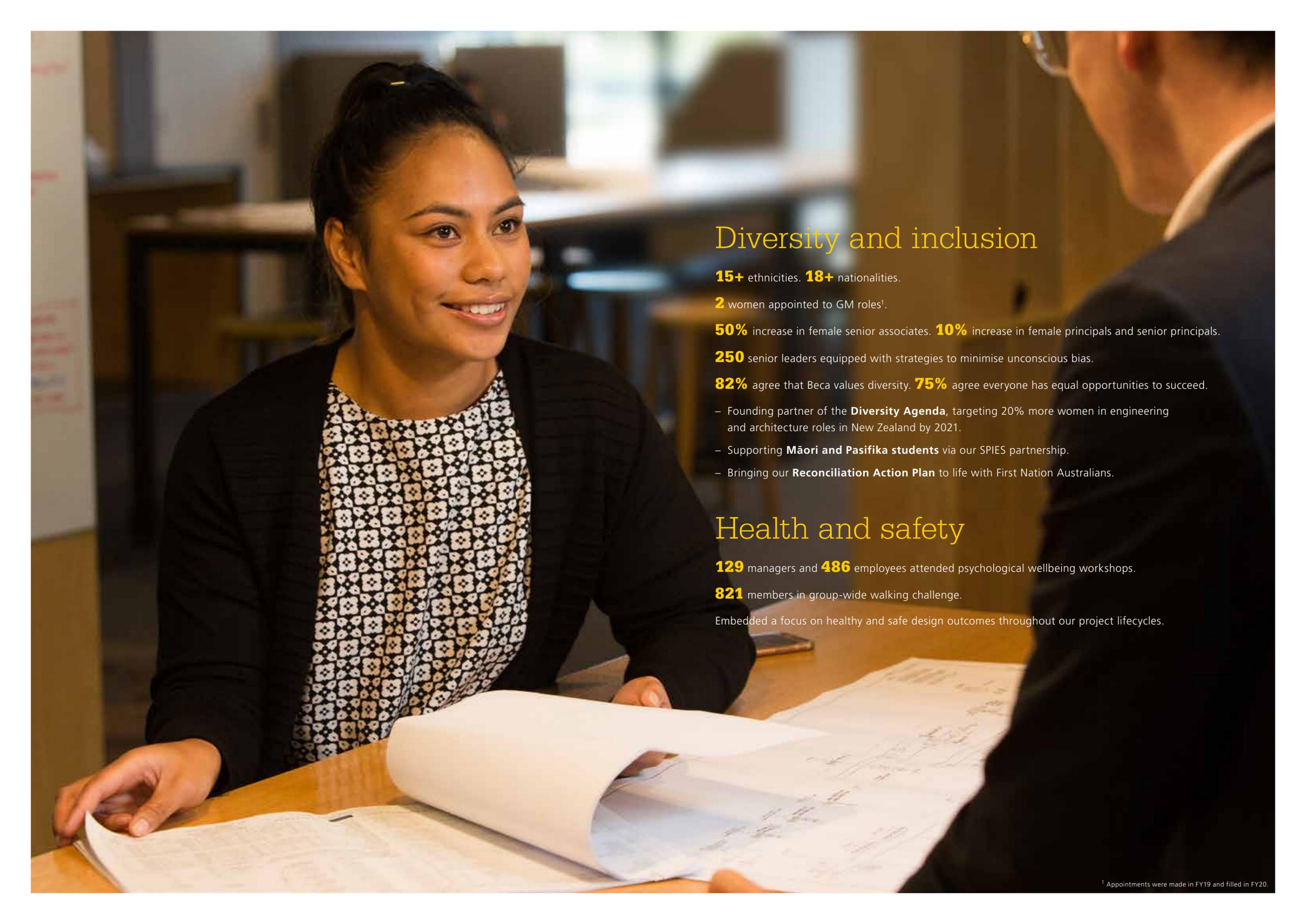
- Healthy, safe, sustainable housing.
- Integrated and accessible transport and infrastructure.
- Clean, resilient, sustainable water.

PROJECT AUCKLAND

Our response to the critical urbanisation challenges facing Auckland.

Clients: HLC, HNZC, NZ Transport Agency, Auckland Council, Auckland Transport, Watercare, Panuku, Ministry of Education, DHBs.

Our integrated service offering: Transport, 3 waters, social infrastructure, environmental resilience, industry sectors.



Diversity and inclusion

15+ ethnicities. **18+** nationalities.

2 women appointed to GM roles¹.

50% increase in female senior associates. **10%** increase in female principals and senior principals.

250 senior leaders equipped with strategies to minimise unconscious bias.

82% agree that Beca values diversity. **75%** agree everyone has equal opportunities to succeed.

- Founding partner of the **Diversity Agenda**, targeting 20% more women in engineering and architecture roles in New Zealand by 2021.
- Supporting **Māori and Pasifika students** via our SPIES partnership.
- Bringing our **Reconciliation Action Plan** to life with First Nation Australians.

Health and safety

129 managers and **486** employees attended psychological wellbeing workshops.

821 members in group-wide walking challenge.

Embedded a focus on healthy and safe design outcomes throughout our project lifecycles.

¹ Appointments were made in FY19 and filled in FY20.



B

About this review

This Sustainability Review reports on the Beca Group of companies activities from 1 April 2018 to 31 March 2019. It builds on our reviews from the previous six years which cover much of the detail about our operations, stakeholder engagement and how we create value.

Our focus areas this year include reducing carbon emissions and hence our footprint, and promoting liveable cities (sustainable urbanisation). These are two areas we identified as being strategically important to us and where we believe the work we do as an organisation can have the greatest impact. Our review this year highlights the progress we've made to date, our future targets, and how we are embedding these priorities into our business strategy.

This review has been developed in consultation with our relevant business groups and prepared using the G4 reporting guidelines produced by the Global Reporting Initiative (GRI), in general accordance with the core G4 requirements (see Appendix). If you have any questions or suggestions for improving this review or Beca's approach to sustainability, please contact sustainability@beca.com.

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About us

Beca is one of the largest employee-owned professional services consultancies in the Asia-Pacific region.

The nature of our business makes us incredibly diverse – in the services we provide, the markets and regions we operate in, and the range of clients, communities, partners and suppliers we engage with.



8

countries



20³

offices



3080²

employees

2208 NZ/Pacific employees

461 Australia employees

411 Asia employees



75+

disciplines

Vision

creative people together
transforming our world

Purpose

make everyday better

Values

partnership, tenacity,
enjoyment, care

MARKETS

Industrial | Power and Energy | Buildings | Government
and Defence | Transport and Infrastructure | Water

SERVICES

Advisory | Technology | Engineering | Design | Environmental

² Full-time equivalent employees.

³ Headquarters in Auckland, New Zealand.

2 A message from our CEO and Chair



DUO, Singapore

Our year at a glance

"The global challenges facing our world present numerous opportunities for Beca and our clients to mitigate risks, adapt, evolve, innovate, and thereby **make everyday better** for future generations."



Greg Lowe CEO



David Carter Chair

STRATEGY

Two key issues we have been focusing on this year are climate change and sustainable urbanisation. Other areas of focus include our continued efforts around diversity and inclusion, health and safety, and financial performance. Our five-year strategic plan sets out how we will address these focus areas with a medium-term goal of becoming the most respected and sought-after professional services firm across the worlds we touch.

KEY ACHIEVEMENTS

Sustainability has always been fundamental to what we do. More recently, it's become critical. There is an urgent, world-wide need to tackle climate change and other global issues like rapid urbanisation. As a result, we've become more intentional in our approach.

We've invested in bringing sustainability to the front; integrating it into multiple projects and conversations within leadership forums. Our key achievements this year include strengthening our sustainability leadership, becoming a signatory of the Climate Leaders Coalition, and committing to a carbon emissions reduction target for the Group.

CARBON RESPONSE

Our planet is warming, and it is beholden on all of us to consider the role we play in helping to halt and ultimately reverse the current momentum. The greatest positive impact we can have on climate change is through our handprint; working alongside our clients, partners and suppliers to develop innovative carbon reduction solutions. It's also about managing our footprint and making an impact through our business operations.

This year, we committed to reducing our total carbon emissions by 32% from a 2018 baseline; consistent with the need to keep the planet well below 2 degrees of global heating. [Section 6](#) of this review outlines how we are moving forward with our action plan to reduce our carbon emissions.

PROJECTS AND INNOVATION

We're proud to have won and led some outstanding projects this year that truly reflect our purpose and align with our sustainability focus areas. A snapshot of these is provided in [Section 4](#). Innovation remains a critical focus for our business as we monitor and address future changes and challenges coming our way.

MARKET PERFORMANCE AND TRENDS

Our global business groups continue to deliver improved business integration, which means our services can be delivered more consistently and seamlessly to our clients across the globe. Our continuing long-term focus on digital products and services seeks to further diversify our revenue sources and take advantage of the opportunities that digital transformation provides.

Across the markets in which we operate, we are seeing increasing demand for more sustainable project outcomes from our clients and communities. Rapid urbanisation is making an impact across the geographies we work in. Climate change is adding to the pressure, particularly around coastal areas, and driving more sustainable solutions for transport and mobility. As a result, planning for future resilient infrastructure is a major new challenge for our public sector clients. Auckland is once such as example. As it moves from being a large New Zealand city to a small international city, there is growing demand for improved urban development planning. With this evolution comes many of the challenges experienced in global cities such as housing affordability, pressure on critical infrastructure, and inequality.

Auckland's urban transformation is a subject of significant focus and investment from local and central government and has been a focus for us this year. 'Project Auckland' is our response to the challenges and opportunities these trends present. Detail on our city-wide systems-approach to delivering sustainable outcomes for Auckland is included in [Section 4](#).

FINANCIAL PERFORMANCE

Our financial performance measures show that our business remains financially healthy and prospects for the Group remain positive with a strong backlog and pipeline. A summary of financial performance can be found in [Section 8](#).

EMPOWERING EXCEPTIONAL PEOPLE

This year, a key strategic development focus has been on building our leadership capability which is reflected in the launch of our 'Amplify Essentials' leadership programme and new leadership appointments. We continue to empower and support our current and future people through various programmes and initiatives with more information available in [Section 5](#).

DIVERSITY AND INCLUSION

During the year our Diversity and Inclusion Steering Group, led by CEO Greg Lowe, continued to focus on group diversity and inclusion priorities and recommend initiatives to the Executive Leadership Team. Key focus areas have been valuing our differences and enhancing our gender and cultural diversity. Going forward, we will continue to grow a diverse and inclusive environment for our people through ongoing initiatives and focus areas. We are developing measurable performance indicators to track our progress in coming years.

HEALTH AND SAFETY

We have made progress on our journey towards achieving a generative HSE (health, safety and environment) culture through encouraging behavioural change, increasing awareness and understanding of risks, and culture improvements. It was encouraging to see Group-wide participation in a number of wellbeing initiatives this year, including our psychological wellbeing workshops. We continue to prioritise safety in design to make our projects and communities safer. Momentum will be maintained by focusing on HSE behaviours, risks and culture.

3

Our business

How do we create value?

Our value creation process is impacted by the inputs our stakeholders provide and the external environment in which we all operate. They include our employees, clients, business partners and suppliers, professional bodies / industry groups, national resources, manufactured goods and local communities. As an employee-owned business, it also includes our shareholders who work hard and are invested in, and motivated to provide outstanding services and value to our clients.

OUR CORE FUNCTIONS

- Anticipating and responding to stakeholder interests and needs.
- Attracting and developing diverse and talented people.
- Developing and nurturing our intellectual capital.

OUTPUTS

- Leading-edge insight and transformation services.
- Quality and innovative solutions at all project stages.

WHAT'S IMPORTANT TO US?

- Growing the value we create to those within the business and those outside it.
- Flexibility in the way we work and how we deliver.
- Continuing our journey towards greater diversity and inclusion.
- Being accountable for our environmental impact (reducing our footprint), and actively influencing positive project outcomes (maximising our handprint).
- Creating employment opportunities that enable people to make a difference.
- Remaining financially strong.
- Upholding industry standards and driving improvements in responsible practices.

OUTCOMES – THE VALUES WE CREATE

Employees: Our people receive a sense of belonging, achievement and recognition for the value they create; financial security; personal and professional growth and development opportunities; and a safe, healthy work environment that allows them to return to their families safely at the end of each day.

Clients: Through our market-leading engineering, technical and advisory services we help our clients shape communities and optimise their assets in multiple global markets.

Shareholders: Our employee shareholders receive financial and non-financial benefits associated with owning shares including dividends, the ability to work for themselves and have greater control over their and Beca's future.

Business partners and suppliers: Together we create mutual value and expand our capability and capacity to deliver projects for our clients, thus supporting the economic strength of the wider community.

Industry: Our passionate team get involved and share their experience for everyone's benefit through industry initiatives that include conferences and events, professional institutes and industry bodies, and mentoring future leaders.

Environment: We seek to reduce our direct impact wherever we can and work with our clients and supply chain partners to reduce the impact of their operations. We also work with our clients to protect and restore the environment via the services we provide, which can lead to improved air, land, biodiversity and water quality, reduced greenhouse gas emissions, and sustainable, resilient buildings and infrastructure.

Communities: Through our clients' projects, our work helps keep communities connected and safe – from the moment they wake up, to the moment they go to sleep.



Engaging our stakeholders

Our wide range of stakeholders provide us with valuable insights – telling us how we can make everyday better.

Through ongoing engagement, we have gathered a wealth of information and developed an understanding of what they care about most. These insights have helped inform the development of our business strategy and sustainability framework.

Key engagements this year

IDENTIFYING FOCUS AREAS

We reflected on the issues our stakeholders identified as being strategically important to Beca and where we believe we can make the greatest impact.

Our two focus areas: climate change and sustainable urbanisation will be embedded into our business strategy going forward.

GROUP CULTURE SURVEY

We introduced an annual culture survey to help us understand how our culture and leadership will enable us to deliver on our purpose, maintain our values-based culture and drive future growth. It included two questions on our sustainability performance which we will continue to monitor to see how well our strategy is becoming embedded.

The survey results highlighted six focus areas that will make a difference to our culture, and all our teams are involved in action planning.

Employees

CHANNELS

One-on-one career development, surveys, focus groups, webinars and workshops.

INTERESTS AND NEEDS

External: Climate change and carbon reduction, water quality, urbanisation, wealth inequality and digital disruption.

Internal: Technical leadership, ethical behaviour, attracting and retaining talented people, client service excellence and a safe, diverse, positive culture.

Clients

CHANNELS

Job directors and job managers, project teams, client relationship managers, direct feedback, industry feedback and project work.

INTERESTS AND NEEDS

Working together: Reliability, responsiveness, technical expertise, understanding their business or industry and ease of doing business.

Wider themes of importance: Climate change mitigation and resilience, rapid urbanisation and the provision of housing and infrastructure, health and safety at work, and technological change and opportunities.

Shareholders

CHANNELS

Shareholder portal, annual shareholder meeting, board communications and consultation sessions.

INTERESTS AND NEEDS

The long-term sustainability of our business, conservative capital management, dividend yields, increasing share price and informed decision-making.

Partners / suppliers

CHANNELS

Collaboration on our clients' projects and corporate activities.

INTERESTS AND NEEDS

Maintaining positive relationships, trust, mutual benefit, values and business integrity, ethical and sustainable supply chain / suppliers.

Local communities

CHANNELS

Clients' projects, community partnerships and pro-bono activities.

INTERESTS AND NEEDS

Early and open communication, long-term trusted relationships, protecting our natural environment, ethical actions and moral judgements, and giving back.

Professional bodies / industry groups

CHANNELS

Involvement in professional institutes, governance on boards, conferences and events, mentorship and sponsorship.

INTERESTS AND NEEDS

Maintaining professional and technical standards, professional accreditation, our social and environmental responsibility, leadership experience and giving back.

Our strategic focus

Climate change

Reducing carbon emissions

Sustainable urbanisation

Promoting liveable cities



Business strategy

Under the leadership of our Chief Strategy and Operations Officer Don Lyon, our strategic planning framework and five-year strategic plan supports us to deliver on our Second Century aspirational goal:

By 2030 we are the most respected and sought-after professional services firm across the worlds we touch.

Under a theme of “Amplify Beca”, the plan establishes seven core strategic goals for the first five years of this journey to 2023. We already have a healthy and sustainable business and these goals recognise that much of what we do must continue. ‘Amplifying Beca’ is about building on our culture, values and resources and taking the business to new levels by further strengthening our culture, by amplifying our competitive advantage in an increasingly commoditised world, and by lifting our strategic positioning on the world stage. In doing so we can also make a broader positive contribution to our clients’ success, to the welfare of our people and their families, and to the communities and environments in which we live.

Progress to date

Our Sustainability Steering Group (SSG) comprising of Board and Executive Leadership Team Sponsors and a Sustainability Leader is now well established. The SSG is supported by several working groups across core areas of our business, such as project delivery and client relationships; helping to deliver on strategic sustainability initiatives and create value.

From the wealth of information we have from our various stakeholders, the SSG established our two priority areas of focus for the business (climate change and sustainable urbanisation). These are two aspects that align with stakeholder views – where Beca as a diverse professional services firm has the ability to make a significant positive impact. In July 2018, we **joined the Climate Leaders Coalition**. This commitment is in line with our corporate strategic focus on carbon emissions. As providers of advice and design services that impact our global climate, it is important that we can ‘walk the talk’ and the advice we provide comes from a place of credibility. It requires us to publicly report on our carbon emissions, set an emissions reduction target in line with keeping planetary warming to 2 degrees, and work with our supply chain to reduce emissions.

This year we also identified our carbon emissions reduction targets for the Beca Group, calculated in line with international best practice from the Science Based Target Initiative. While this will be formally announced and adopted in FY20, it has been a key focus for FY19. More information on our target and baseline emissions is in [Section 6](#).

2030 target: Overall 32% carbon emissions reduction from a 2018 baseline.

We have developed an overall action plan that prioritises emissions reduction initiatives relating to our building energy use and our vehicle fleet, as well as focusing on our supply chain to obtain better data and identify reduction initiatives. We are also investing in our workspaces to reduce our carbon footprint, both by ‘up-cycling’ existing building stock and by investing in upgrades to our largest offices. Our 2020 year will progress the actions we’ve identified in the plan. In conjunction with our focus on our carbon footprint, we are investigating in ways to measure the positive influence we have through our clients’ projects. We call this our handprint. As we develop and roll out our broader business strategy, we’re integrating a carbon and climate response focus to support delivery of outcomes

that create long-term holistic value to the business and to others outside the business. In line with our other strategic sustainability priority of sustainable urbanisation, detail on our city-wide systems-approach to delivering sustainable outcomes for ‘Project Auckland’ is included in [Section 4](#).

Innovation

Innovation and creativity sit at the heart of finding solutions to complex issues. Our world is changing quickly, and to keep pace we must continue to find ways to do things differently. We support and embrace innovation and have an eye to future changes coming our way. Our innovation programmes including our Future Focus Group and New Ventures Accelerator, continue to enable us to develop our intellectual capital, empower our people to realise their full potential, and identify solutions that will diversify our market offering and create value for our clients, communities and environment.

4

Creating value together with our clients

Helping Auckland grow sustainably

Project Auckland

As New Zealand's most populous city and the fourth most diverse metropolis in the world, Auckland continues to grow in leaps and bounds. Rapid population growth and increasing urbanisation is putting pressure on essential infrastructure and systems, requiring more integrated and sustainable solutions for transportation, water supply, social services, housing, commercial, industrial and urban development.

Project Auckland is our strategic response to these critical challenges. Working together with our clients and partners, we're helping Auckland realise its potential and maintain its position as one of the world's most liveable and desirable cities. The aim is to understand and prioritise how we can collectively support the government's plan to deliver transformational urban development solutions for Auckland.

Sustainable outcomes are common across all our clients' focus. We are guided at a global level by the United Nations Sustainable Development Goals, in particular **Goal 11 and 9**.

At a national level, we are informed and guided by the introduction of the Government's Zero Carbon Bill and other reforms such as the National Policy Statement on Freshwater Management (noting these have progressed over the 2019 and 2020 financial years). At a local level we seek to help Auckland Council deliver on the outcomes that the Auckland Plan seeks to provide our city and more recently, the Council's declaration of a climate emergency.

Clients: HLC, HNZC, NZ Transport Agency, Auckland Council, Auckland Transport, Watercare, Panuku, Ministry of Education, DHBs.

Services: Our integrated offering: Transport, 3 waters, social infrastructure, environmental resilience, industry sectors.

Auckland snapshot⁴:

800 people moving to Auckland each week.

4th most diverse city in the world.

2 million estimated population by 2030.

38% contribution towards national GDP.

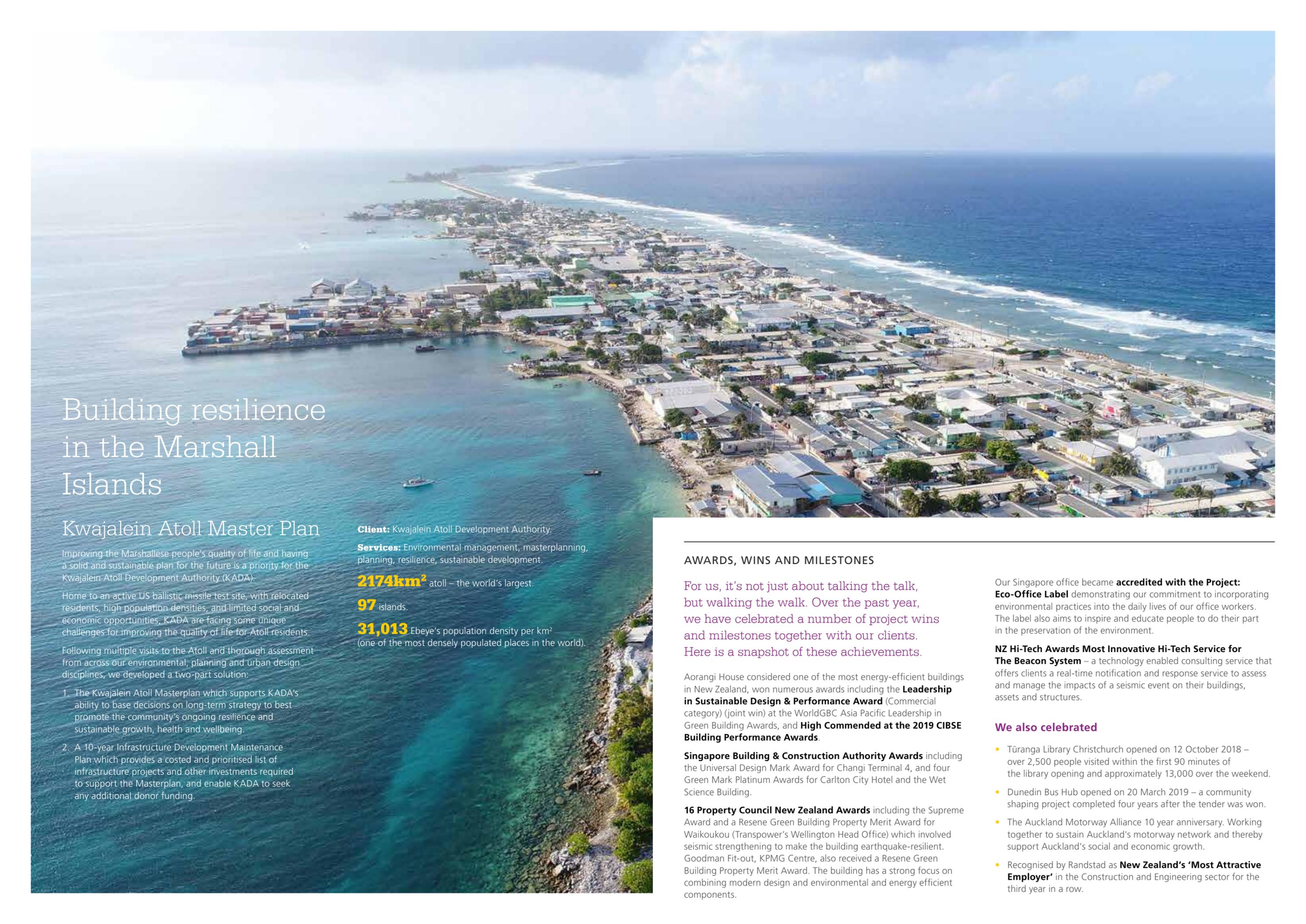
SNAPSHOT OF OUR PROJECTS

Motivated by our purpose to make everyday better and our values-driven culture, we're helping deliver transformational solutions and rising to the challenge of sustainability together with our clients.

We create value through understanding and delivering successful solutions, exceptional service and our client-centric approach. We also use our skills and systems to empower innovation; helping our clients shape communities, optimise their assets and streamline their operations. What follows is a snapshot of the projects we've been involved in. Each of these can be found on [beca.com](https://www.beca.com) where you'll be able to read more as well as discover the other ways we continue to make everyday better.



⁴ ATEED 2017 Growth Monitor Report.



Building resilience in the Marshall Islands

Kwajalein Atoll Master Plan

Improving the Marshallese people's quality of life and having a solid and sustainable plan for the future is a priority for the Kwajalein Atoll Development Authority (KADA).

Home to an active US ballistic missile test site, with relocated residents, high population densities, and limited social and economic opportunities, KADA are facing some unique challenges for improving the quality of life for Atoll residents.

Following multiple visits to the Atoll and thorough assessment from across our environmental, planning and urban design disciplines, we developed a two-part solution:

1. The Kwajalein Atoll Masterplan which supports KADA's ability to base decisions on long-term strategy to best promote the community's ongoing resilience and sustainable growth, health and wellbeing.
2. A 10-year Infrastructure Development Maintenance Plan which provides a costed and prioritised list of infrastructure projects and other investments required to support the Masterplan, and enable KADA to seek any additional donor funding.

Client: Kwajalein Atoll Development Authority.

Services: Environmental management, masterplanning, planning, resilience, sustainable development.

2174km² atoll – the world's largest.

97 islands.

31,013 Ebeye's population density per km² (one of the most densely populated places in the world).

AWARDS, WINS AND MILESTONES

For us, it's not just about talking the talk, but walking the walk. Over the past year, we have celebrated a number of project wins and milestones together with our clients. Here is a snapshot of these achievements.

Aorangi House considered one of the most energy-efficient buildings in New Zealand, won numerous awards including the **Leadership in Sustainable Design & Performance Award** (Commercial category) (joint win) at the WorldGBC Asia Pacific Leadership in Green Building Awards, and **High Commended at the 2019 CIBSE Building Performance Awards**.

Singapore Building & Construction Authority Awards including the Universal Design Mark Award for Changi Terminal 4, and four Green Mark Platinum Awards for Carlton City Hotel and the Wet Science Building.

16 Property Council New Zealand Awards including the Supreme Award and a Resene Green Building Property Merit Award for Waikoukou (Transpower's Wellington Head Office) which involved seismic strengthening to make the building earthquake-resilient. Goodman Fit-out, KPMG Centre, also received a Resene Green Building Property Merit Award. The building has a strong focus on combining modern design and environmental and energy efficient components.

Our Singapore office became **accredited with the Project: Eco-Office Label** demonstrating our commitment to incorporating environmental practices into the daily lives of our office workers. The label also aims to inspire and educate people to do their part in the preservation of the environment.

NZ Hi-Tech Awards Most Innovative Hi-Tech Service for The Beacon System – a technology enabled consulting service that offers clients a real-time notification and response service to assess and manage the impacts of a seismic event on their buildings, assets and structures.

We also celebrated

- Tūranga Library Christchurch opened on 12 October 2018 – over 2,500 people visited within the first 90 minutes of the library opening and approximately 13,000 over the weekend.
- Dunedin Bus Hub opened on 20 March 2019 – a community shaping project completed four years after the tender was won.
- The Auckland Motorway Alliance 10 year anniversary. Working together to sustain Auckland's motorway network and thereby support Auckland's social and economic growth.
- Recognised by Randstad as **New Zealand's 'Most Attractive Employer'** in the Construction and Engineering sector for the third year in a row.



Improving stability and electricity in rural Myanmar

Bawgata Lower Hydropower Feasibility Studies

Bawgata River is the proposed location for a 51MW hydropower plant, anticipated to provide electricity, strengthen community resilience and grow the regional economy. The Norwegian and New Zealand Governments have partnered to fund the design of the scheme for Thoolei, a company of the Myanmar Karen National Union. While the engineering design was developed in Norway, we were responsible for completing the social impacts assessment, with funding through the Ministry of Foreign Affairs and Trade. To make this happen, we engaged a local consultant and our Myanmar team to work collaboratively with local communities. Together we identified how communities may be affected, and possible mitigation strategies for the plant's construction and operation. Others were then responsible for ensuring there will be no unacceptable environmental, social or cultural impacts, and that the outcomes are supported by stakeholders.

Partners: Norwegian Government, New Zealand Government, Thoolei, GHD, NZ Ministry of Foreign Affairs and Trade, Beca.

Services: Environmental impact assessments, planning and environmental approvals, resilience, sustainable development.

51mw hydropower.

53.37 million population of Myanmar.

100+ different ethnic groups.

Making central Auckland's waterways cleaner

New Zealand's largest ever wastewater project

The Central Interceptor will deliver significant benefits to Auckland's community and environment; providing additional wastewater capacity to meet Auckland's growing population and helping to drastically reduce combined stormwater and wastewater overflows into our waterways. Maximising opportunities for long term sustainable outcomes are a key focus for this critical infrastructure project. Part of our role is to integrate sustainability requirements into all project areas to support the eventual delivery of an Excellent rating under the Infrastructure Sustainability Council of Australia (ISCA)'s Infrastructure Sustainability Rating Tool. One key requirement is completing a carbon footprint baseline, from which carbon reduction initiatives from the design and construction phases will be measured.

Client: Watercare.

Delivery team: Ghella Abergeldie Joint Venture (GAJV), Arup, Beca.

Services: Wastewater, ground engineering, environmental, sustainable development.

Project build: 2019-2025.

13km long **4.5m** wide.

200,000m³ capacity.

80% expected reduction in wastewater overflows.

5

Creating value for our people

Our creative people are our greatest asset. Together we are transforming our world and making everyday better.

Our goal is to grow an environment where our people have equal opportunity to build a career that reflects their abilities and passions, where they believe in their potential, feel they belong, and can be their best selves.

Focus areas

Valuing differences

Enhancing our gender and cultural diversity



Diversity and inclusion

What's important to us?

Creating a diverse and inclusive workplace, psychological wellbeing, developing our people and health and safety are important to us.

We value the diversity of our people and recognise that being inclusive of everyone is essential to sustaining our success. The more diverse we are, the better our ideas, strategies and client solutions will be – the more we will represent our world and be able to make everyday better. During the year, our Diversity and Inclusion Steering Group continued to focus on group diversity and inclusion priorities and recommended initiatives to the Executive Leadership Team.

Key initiatives this year

UNDERSTAND AND MINIMISE UNCONSCIOUS BIAS

- **250** senior leaders across Beca participated in workshops.
- Mitigation strategies have been incorporated into our development programmes.

GROUP CULTURE SURVEY

- **8** questions about diversity and inclusion.
- **82%** agree Beca values diversity.
- **75%** agree everyone has equal opportunities to succeed at Beca.

FOUNDING PARTNER OF THE DIVERSITY AGENDA

- **#20for2021:** Targeting **20%** more women in engineering and architecture roles in New Zealand by 2021.

Measuring our impact

- More women hired and promoted.
- **2** women appointed to General Manager roles⁵.
- **50%** increase in female Senior Associates.
- **10%** increase in female Principals and Senior Principals.
- Established a 'Diversity and Inclusion Index Score' from our Group Culture Survey results which can be used as a benchmark to measure improvements over the next few years.
- Increased numbers of Māori and Pasifika graduates (and 16% of our New Zealand student interns), building greater cultural capability across our business.
- Outside of Beca we are also committed to supporting our diverse communities including providing support to Māori and Pasifika engineering students through SPIES and enacting a **Reconciliation Action Plan (RAP) in Australia**.
- More information on these initiatives follow under the heading 'Empowering and supporting our people.' Going forward, we will continue to grow a diverse and inclusive environment for our people through our ongoing initiatives and focus areas.

⁵ Appointments were made in FY19 and filled in FY20.

Our people in numbers

Who we are in numbers strongly demonstrates our diverse and inclusive culture.

Our statistics are of those in our career framework, that is, full-time equivalent (FTE) employees, which includes permanent and fixed-term employees, as well as our Beca Group Limited (BGL) Board members. To help us better understand the diversity of our people going forward, we will be broadening the information we collect on our people to include sexual orientation, disability and religion, as well as nationality, ethnicity, age and gender. We do not have any employees covered by collective bargaining agreements.

NATIONALITIES

Employees

New Zealander	52%
Australian	10%
British	8%
Indonesian	3%
Singaporean	2%
South African	2%
Malaysian	2%
Thai	2%
Indian	2%
Myanmese	2%
Chinese	1%
Irish	1%
American	1%
Filipino	1%
Canadian	<1%
French	<1%
Fijian	<1%
Unknown ⁶	5%
Other	5%

BGL Board members

Australia	14%
New Zealand	86%

ETHNIC ORIGINS

Employees

New Zealand European	23%
European (incl. Australian)	11%
Chinese	7%
Caucasian	6%
Indonesian	<1%
British & Irish	2%
Asian	1%
NZ Maori	1%
South East Asian	1%
Middle Eastern	<1%
Pacific	<1%
African	<1%
Indian & South Asian	4%
Latin & South American	<1%
Unknown ⁶	41%
Other	1%

BGL Board members

NZ European	43%
European (incl. Australian)	14%
Unknown ⁶	43%

COUNTRY / BRANCH

New Zealand 2189

Auckland	1121
Christchurch	308
Dunedin	31
Hamilton	142
Nelson	13
New Plymouth	32
Palmerston North	10
Tauranga	238
Wellington	287
Queenstown	7

Australia 461

Adelaide	4
Brisbane	41
Canberra	22
Melbourne	261
Sydney	133

Asia 411

Indonesia	114
Singapore	141
Thailand	114
Myanmar	40
Philippines	2

Pacific / other 19

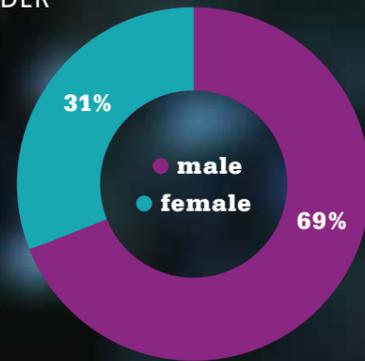
Marshall Islands	2
New Caledonia	10
Papua New Guinea	2
Fiji	4
Netherlands	1

Total FTEs 3080

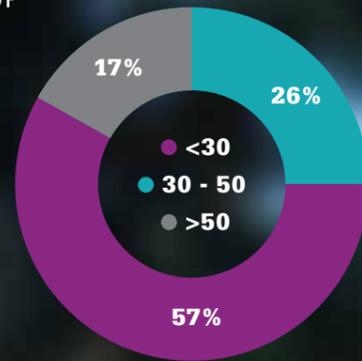
⁶ Ethnic data is self-reported, with an option not to disclose.

Employees⁷

GENDER

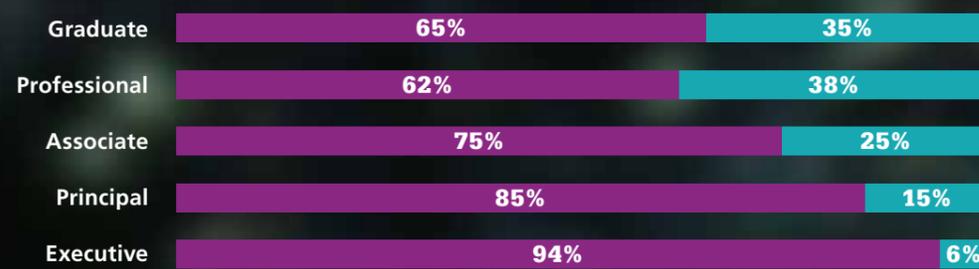


AGE GROUP



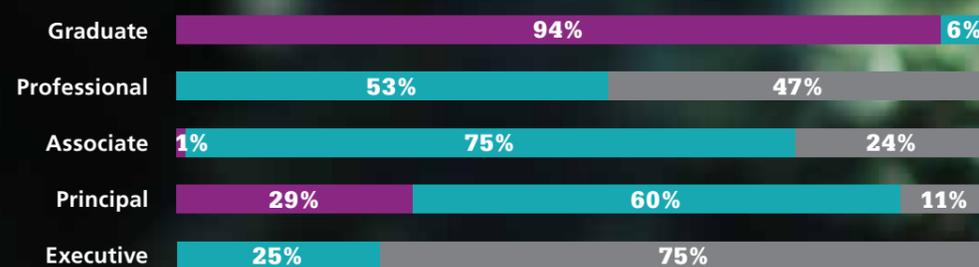
GENDER

● male
● female



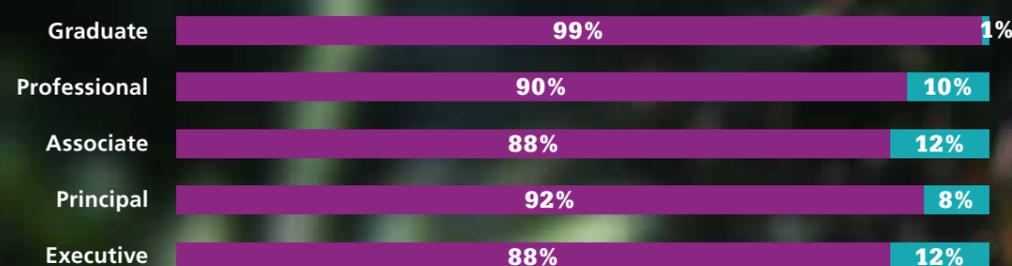
AGE GROUP

● <30
● 30 - 50
● >50



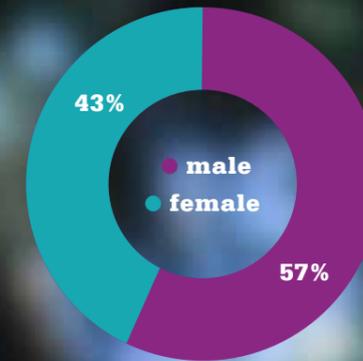
CONTRACT

● full-time
● part-time

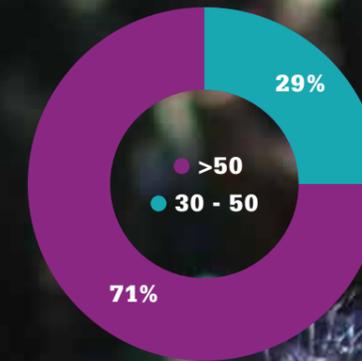


Board members⁸

GENDER



AGE GROUP



⁷ Full-time equivalent.

⁸ BGL Board members.





Empowering and supporting our people

Empowering exceptional people is key to the sustainability of our business. We empower and support our people to be the best they can be – providing a wide range of training and leadership development options to broaden their capabilities and advance their careers.

We support our people's involvement in sustainability-related activities and events where they can use their skills and experience to come up with creative solutions to sustainability challenges. This commitment extends to our future people – the next generation of Beca leaders – we offer ongoing support through various events, partnerships and other initiatives. Further information about these activities can be found via the links that follow.

Leadership capability

This year our strategic development focus has been on building our leadership capability, prioritising the development of our first core leadership competency: leading others. As part of this, our 'Amplify Essentials' leadership programme will deliver impactful learning modules to over 400 leaders at Beca. The programme is designed to build consistent leadership skills in coaching, feedback and storytelling. Going forward, a critical focus for our Amplify Essentials programme will be on 'on-the-job application' and senior leadership exposure. Next year we will also be trialling and rolling out a hiring development programme aimed at developing structured behavioural interviewing skills and increasing awareness of bias in recruitment and mitigation strategies.

Current and future people

- Four future Beca leaders attended the **2018 UNLEASH Innovation Lab in Singapore** to come up with innovative ways to achieve the United Nations' Sustainable Development Goals (SDGs).
- Our New Zealand Managing Director Darryl-Lee Wendelborn joined a panel of influential women at the 63rd session of the **United Nations' Commission on the Status of Women**.
- A Beca team of four took part in the **Oxfam Trailwalker** 100km event, raising over \$5000 for Oxfam's development work in the Pacific.
- Through our **scholarships programme**, we support tertiary students in Singapore and New Zealand, including Ngāi Tahu tertiary students and Tainui Maori and iwi members. We also provide support to Māori and Pasifika engineering students through our **partnership with Auckland University's South Pacific Indigenous Engineering Students (SPIES) association**.
- In Australia we signed and are enacting a **Reconciliation Action Plan (RAP)** aimed at engaging with and promoting connection with First Nation Australians.
- Our continued partnership with Engineers Without Borders New Zealand included Platinum Sponsor of the **2018 EWB NZ Humanitarian Engineering Conference**.
- We also engage in a number of events to showcase the opportunities a career in engineering can provide, including **Week of Engineering**, University Career Fairs across our hubs, and the **Wonder Project**.

Health and safety

We are committed to maintaining a **safe and healthy workplace** and continue to care about our people, clients and communities through conscious and mindful behaviour. To sustain our business and make everyday better, health and safety is our way of life – fully ingrained in our culture and the responsibility of all our people.

2018/19 objectives

- Progress on our journey towards achieving a generative HSE (health, safety and environment) culture.
- Be 'Well Aware' – actively encourage, support and educate our people to become healthier and happier.
- Prioritise safety in design to make our projects and communities safer.

Progress

- Top 10 HSE behaviours: Promoted and embedded across our business.
- Top 10 HSE risks: Increased awareness and understanding via communications campaigns – the overall number of incidents reported decreased and we positively increased the lessons we learnt.

- Top 3 HSE culture survey focus areas: We focused on improving our learning culture, risk culture, and tools and competency. A Group-wide pulse survey will be conducted next year to measure the impact.
- Group-wide participation in wellbeing initiatives including a walking challenge, discounted mole-map, and psychological wellbeing workshops.
- Embedded a focus on healthy and safe design outcomes throughout our project lifecycles, and promoted best practice through the use of appropriate technologies.

In the future, we seek to continue our journey to creating a leading culture where health and safety is part of everything we do. We recognise that challenges remain to promote mindfulness and key behaviours to support this culture. We also recognise the importance of our culture of care in promoting wellbeing and healthy habits, as well as consciously seeking opportunities for environmental solutions in our jobs. We have already made a tangible difference over recent years and plan to keep this momentum going.

2019/20 objectives

- Embed our HSE behaviours through proactive leadership, increased awareness and positive messaging.
- Our top 3 HSE risks are understood and managed across the business.
- Consciously seek and promote opportunities to mitigate climate change and deliver positive environmental outcomes.
- Report on our carbon emissions and reduce our emissions in line with our target.

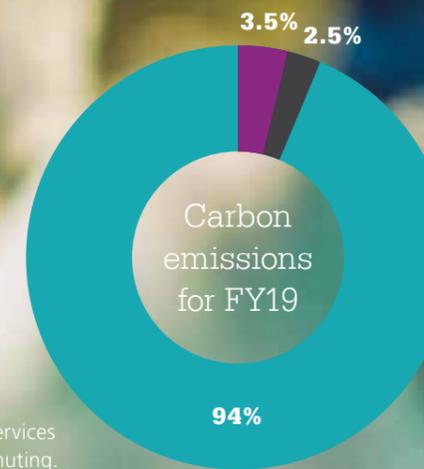
6

Environmental performance

We understand the impact we have on our environment – directly through our own actions and indirectly through the advice we provide on clients’ projects. This gives us an opportunity to influence the impact others are making and a responsibility to encourage positive environmental outcomes.

Our target

A total reduction of 32% of our emissions target for the Beca Group, compared to a FY18 baseline.



- Owned and leased vehicle fleet.
- Electricity used in our offices.
- Our supply chain including the goods and services we buy, business travel and employee commuting.

Greenhouse gas emissions

As part of our commitment to the Climate Leaders Coalition, we continue to publicly report on our carbon emissions, and have committed to set an emissions reduction target in line with keeping planetary heating to well below 2 degrees, and work with our supply chain to reduce emissions. Read more about **our commitment to combat climate change**. This year we identified our carbon emissions reduction targets for the Beca Group, calculated in line with international best practice from the Science Based Target Initiative.

We have adopted an absolute emissions reduction approach. Our 2018 baseline emissions include those over which we have direct control, as well as indirect emissions from our full supply chain, including employee travel to work. For FY19, Beca Group’s gross GHG emissions are estimated at 33,100 tonnes of carbon dioxide equivalent (tCO2-e). This is a decrease of 11% compared to our baseline FY18, despite an increase in full time equivalent (FTE) staff of 10%. Emissions per FTE decreased across every geography.

This reduction includes a decrease in business travel, particularly air travel, however the remainder of the reduction is driven by reduced spend and economic activity rather than reflecting a change in purchasing processes. Our focus over the next year is to improve data collection in certain areas, such as our supply chain, and begin to implement emission reduction initiatives from our action plan.

The below table compares Beca Group’s carbon emissions from FY2019 (being 1 April 2018 to 31 March 2019) to the previous year FY 2018 (being 1 April 2017 to 31 March 2018).

	FY18 tCO2-e	FY19 tCO2-e	% change
New Zealand	23,400	21,600	-8%
Australia	10,200	8,200	-20%
Asia	3,500	3,200	-9%
Total	37,100	33,000	-11%

Managing our footprint

ACTION PLAN

To help us meet our target we have developed an action plan. In the short term, this is focussing on increasing energy efficiency of our offices using our B-Tune service. First up is our Auckland office where we will also be installing photo-voltaic panels on the roof with a real-time energy dashboard in the foyer. We’ll be looking at our vehicle fleet, how many vehicles, what type and how we manage them. As many of our emissions are in our supply chain, we’ll be looking at our business travel, how our employees get to and from work, and the goods and services we buy.

GREEN TEAMS AND OTHER ACTION GROUPS

Across most of our offices, we have Green Teams consisting of passionate people who volunteer their time to increasing awareness and leading regional sustainability initiatives – from introducing waste reduction measures, to facilitating lunchtime TED talks, tree planting, beach clean-ups and supporting our sustainability focus areas; through to launching a **#smallsteps** social media campaign that shares the small steps we can all do every day to work towards sustainability.

Our Green Team also kicked-off an SDG Speaker Series, where internal and external people were invited to discuss and present on different SDGs and what can be done to support these goals. To date, SDG 9 (Industry, Infrastructure and Innovation), SDG 13 (Climate Action) and SDG 11 (Sustainable Cities and Communities) have been discussed, with the latter involving Beca’s Paul Stanton sharing his work on our resilience offering and aligning with our focus on urbanisation through his ‘Project Auckland’ presentation.

In Wellington, our Green Team is supporting around 30 of our regional team who have partnered with key clients and construction partners to try and develop frameworks for a future “Environment in Design” (EiD) process. Through the two workshops they hosted, key environmental drivers were identified. A tool was then developed in response to these drivers, which was later tested on a project supplied by the partnering client or contractor. Every bit counts and in addition to our corporate drive, we are delighted to see our people coming together on their own accord, forming internal action groups to help us work towards our carbon emissions reduction target.

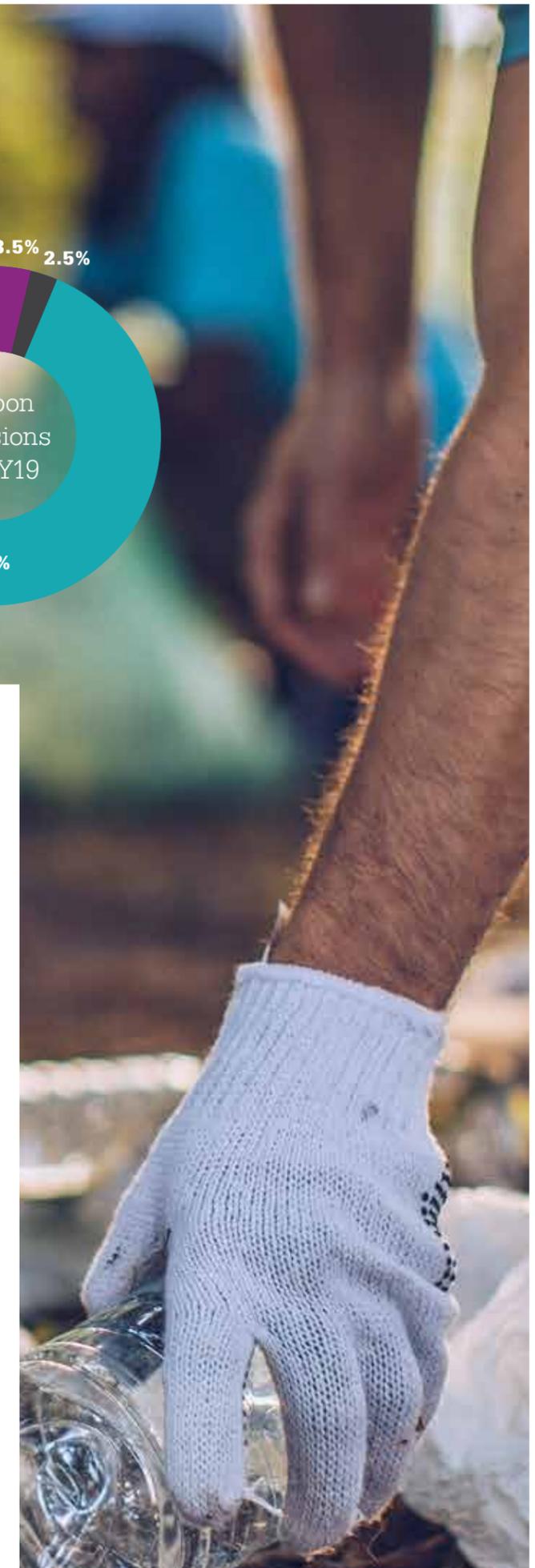
The Beca E-scooter Group for example, are using electric micro-mobility in lieu of cars and buses for their journeys and reported a saving of 2.4 tCO2-e during the FY18-19.

Maximising our handprint

PROJECT ENVIRONMENTAL MANAGEMENT

We want to continually improve our performance and staff awareness regarding environmental management through our bespoke Project Delivery System (PDS). Our Australian and Singapore businesses are certified to ISO14001. Through our environmental commitment, we look to reduce our impact on the environment wherever possible through our project work.

Compliance with regulatory requirements is business-as-usual, but we look to bring in a more holistic view of environmental sustainability. We use frameworks such as Greenstar, NABERS, the ISCA Infrastructure Sustainability Rating Tool and Greenroads, where other aspects such as waste generation, water consumption, fuel use and emissions generation are assessed.



7

Governance and leadership

Beca Group Limited Board

The Board is responsible for the corporate governance of Beca Group. Accountable to all shareholders, they represent and promote shareholder interests with a view to building long-term shareholder value, with due regard to other stakeholder interests. As an employee-owned company, our Board is committed to ensuring we maintain the highest standards of corporate governance and ethics.

DAVID CARTER

Executive Chair

David has held a wide range of technical, management and corporate roles, including Chief Technical Officer, which has seen him involved in project work around the globe. David is also a founding board member of the Sustainable Business Council, a NIWA (National Institute of Water and Atmospheric Research) advisory board member, a trustee of The University of Auckland Foundation and sits on The University of Auckland's Civil and Environmental Advisory Board.

GREG LOWE

Group Chief Executive

Greg has overall accountability for the business operations of the Beca Group; leading delivery of Beca's global strategic objectives. He chairs the Business NZ Major Companies CEO Forum and the NZ Defence Industry Advisory Council, and is a member of the King's College Board of Governors and a Fellow of IPENZ, having previously served on the IPENZ Board and the IPENZ Competency Assessment Board. In 1998, Greg was made an Officer of the New Zealand Order of Merit.

CATHERINE DRAYTON

Non-Executive Director (FCA)

Catherine has held a range of senior international positions in the professional services sector. Most recently, she serves as a Councillor of the University of Canterbury and holds a number of company directorships including Christchurch International Airport, Ngāi Tahu Holdings Corporation, Southern Cross Health Trust, and Southern Cross Medical Care Society.

JAN DAWSON⁹

Non-Executive Director

Jan is a professional independent director with a 30 year career specialising in audit and accounting services. She is currently Chair of Westpac New Zealand Limited; a Non-Executive Director of AIG Insurance New Zealand Ltd, Air New Zealand Ltd and Meridian Energy Ltd; Vice President of World Sailing IOM Ltd; a member of the National Health Board Capital Investment Committee; and Councillor for The University of Auckland.

THOMAS HYDE

Executive Director

Thomas is also our Group Director – Advisory. He has held several roles during his time at Beca including leading the development of our strategic business consulting services, with a focus on helping clients exploit and adapt to technology-led disruption of their businesses. He also leads the integration of all Defence activity across the group, with active involvement in the defence industry in Australia and New Zealand.

AMELIA LINZEY

Executive Director

Amelia is also Senior Technical Director (Planning) and Beca Technical Fellow. She is the Chair of our Sustainability Steering Group and represents Beca on the New Zealand Sustainable Business Council. She is a member of the New Zealand Planning Institute and Editor of the Planning Quarterly Journal.

DON LYON

Executive Director

When he's not in his roles as Chief Strategy and Operations Officer, Group Director for our Utilities business group (comprising Water and Power) and member of our Sustainability Steering Group, Don volunteers as a Director and Deputy Chair of Tennis NZ Inc., the national body responsible for the sport in New Zealand.

⁹ Jan Dawson resigned from the BGL Board on 31 March 2019.

Executive Leadership Team

Our Executive Leadership Team (ELT) is responsible for all our operational aspects as well as how we deliver value; working alongside the Board to provide the long-term strategic direction and vision for our future.

Together our Board and ELT consider external risks that could impact us, while also focusing on the foundations of our business such as talent acquisition and retention, relationships with our clients and strategic business partners, and our shareholding model.

This enables them to establish policies, strategies, leadership, management, resources, processes and systems to support the creation of a sustainable business that benefits our stakeholders.

ELT MEMBERS AS AT 31 MARCH 2019

Greg Lowe (Chair) Group Chief Executive

Craig Price Chief Technical Officer

Darryl Lee-Wendelborn Managing Director New Zealand

Craig Lee Managing Director Australia

Lee Ang Seng Managing Director Singapore

Damian Pedreschi Group Director Transport

Don Lyon Chief Strategy and Operations Officer

Ian Bull Group Director Industrial

John Boers Group Director Industrial Markets

Laurent Sylvestre Chief People & Culture Officer

Mark Fleming Chief Financial Officer

Mark Spencer Group Director Buildings

Thomas Hyde Group Director Advisory

BGL Management Share Trust

All management shares in Beca Group Limited (BGL) are held by BGL Management Share Trustee Ltd (BGLMST) which fulfils the functions of a voting shareholder, including appointing BGL Directors and approving shareholder matters (such as major transactions, a significant BGL capital structure change, issues of shares, or altering BGL's constitution). The Directors of BGLMST are due for review by 1 April 2020.

DIRECTORS OF BGLMST AS AT 31 MARCH 2019

Richard Aitken BGLMST Chair

Phil Card Business Director, Food and Beverage

David Carter BGL Executive Chair

Rebecca Davidson BGL Company Secretary

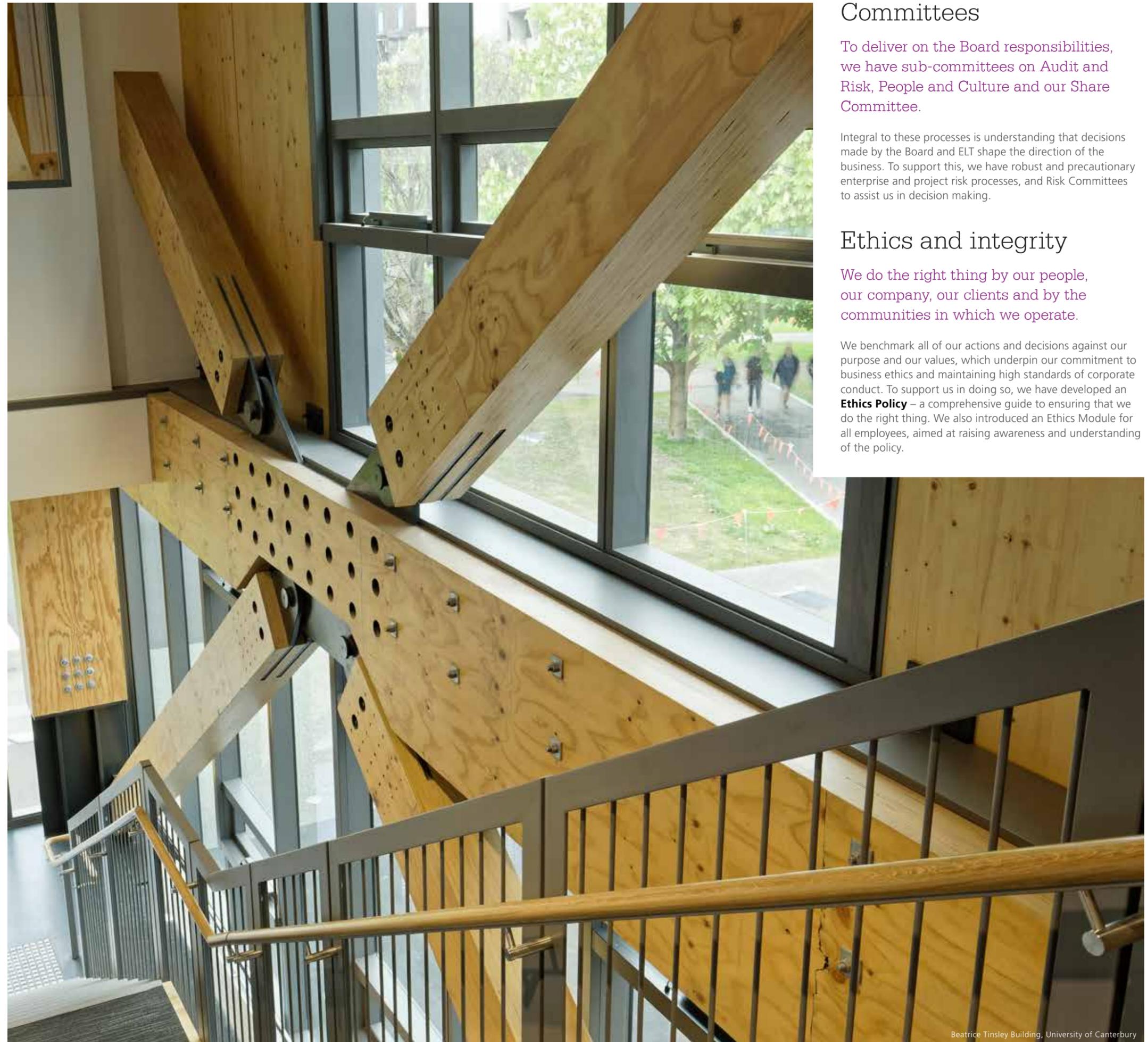
Mark Fleming Chief Financial Officer

Don Lyon Chief Strategy and Operations Officer

Craig Price Chief Technical Officer

Lee Ang Seng Managing Director, Singapore

Darryl-Lee Wendelborn Managing Director, New Zealand



Committees

To deliver on the Board responsibilities, we have sub-committees on Audit and Risk, People and Culture and our Share Committee.

Integral to these processes is understanding that decisions made by the Board and ELT shape the direction of the business. To support this, we have robust and precautionary enterprise and project risk processes, and Risk Committees to assist us in decision making.

Ethics and integrity

We do the right thing by our people, our company, our clients and by the communities in which we operate.

We benchmark all of our actions and decisions against our purpose and our values, which underpin our commitment to business ethics and maintaining high standards of corporate conduct. To support us in doing so, we have developed an **Ethics Policy** – a comprehensive guide to ensuring that we do the right thing. We also introduced an Ethics Module for all employees, aimed at raising awareness and understanding of the policy.

8

Financial performance

Our financial performance measures show that the business remains financially healthy, is well capitalised and that shareholders continue to enjoy good returns.

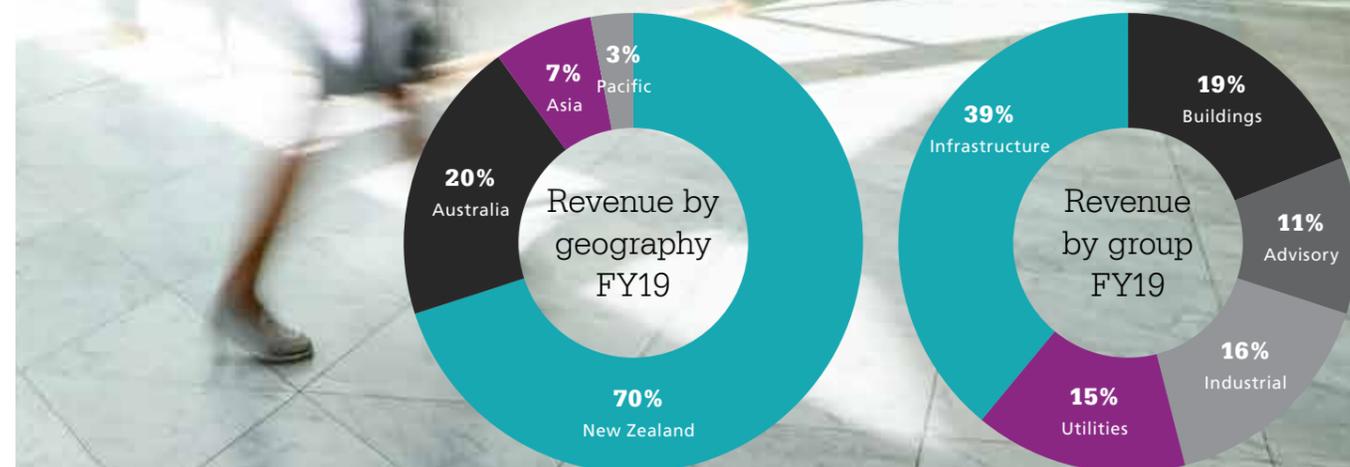
In FY19, the business experienced modest revenue growth of \$8.4m, and a \$6.2m reduction in pre-tax profit compared to our record performance achieved in the prior year.

Geographically, we again had a solid performance in New Zealand, albeit lower than plan and the prior year, while the Australian result was softer than expected despite a strong start to the year. Trading in Singapore remains challenging although the loss incurred was slightly less than the prior year.

Our aim is to continue to build momentum across our key markets to deliver sustainable results. Embedding sustainably profitable performances in Singapore and Australia remain key priorities for us. Significant opportunities remain with regards to improving our performance by winning profitable opportunities in our pipeline, balancing client workload with our resourcing levels across the Group, reducing contract assets and aged debt, as well as reducing project variances and losses, and being more prudent with expenditure.

NZ\$ million for the Year ended 31 March 2019	New Zealand	Australia	Asia
Revenues	401.7	108.5	39.4
Operating costs	Not disclosing	Not disclosing	Not disclosing
Employee wages and benefits	For commercial sensitivity reasons Beca Group chooses not to disclose wages nor benefits publicly		
Donations and community investments	1.5	0.4	0.03
Payments to/refund from Government primarily income tax	17.18	0.33	0.34

Total monetary value received from the Government incl. tax relief, subsidies, investment grants, awards, assistance and incentives **NZ\$0.08m**



Appendix GRI indicators summary



Richmond Terminal Station, Melbourne

In completing this review, Beca has used the G4 Reporting Guidelines produced by the Global Reporting Initiative (GRI). These guidelines reflect good practice in sustainability reporting and we aim to report in accordance with the core G4 requirements. This table identifies where in the review you will find the information. The GRI component of the report has not been externally assured according to AA1000 AS/ISAE 3000.

Code	Description	Section
Strategy and analysis	G4.1 Statement from the most senior decision-maker of the organisation.	2. CEO and Chair's message
	G4.3 Name of the organisation.	1. About us
	G4.4 Primary brands, products and/or services.	1. About us
	G4.5 Location of organisation's headquarters.	1. About us
	G4.6 Number and names of countries where the organisation operates, and names of countries that are specifically relevant to sustainability	1. About us 5. Our people in numbers
Organisational profile	G4.7 Nature of ownership and legal form.	1. About us
	G4.8 Markets served including geographic breakdown, sectors served and types of customers	1. About us
	G4.9 Scale of the reporting organisation including employees, number of operations, net sales, total capitalisation and quantity of products or services provided	1. About us 8. Financial performance
	G4.10 Total number of employees by contract and gender, total number of employees by region and gender	1. About us 5. Our people in numbers
	G4.11 Total percentage of employees covered by collective bargaining agreements	5. Our people in numbers
	G4.12 Organisation's supply chain	3. Our business
	G4.13 Any significant changes in the organisation's size, structure and ownership	No change
	G4.14 Whether and how the precautionary approach or principle is addressed by the organisation	7. Governance and leadership
	G4.15 Externally-developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribed to	Not listed
	G4.16 List of memberships of association and national or international advocacy organisations in which the organisation holds a position on the governance body, participates in projects or committees, provides funding, views membership and strategic	Not listed

Code	Description	Section
Identified material aspects and boundaries	G4.17 All entities included in the organisation's consolidated financial statements or equivalent documents, including any data that is not reported	B. About this review
	G4.18 Process for defining report content and aspect boundaries and how the organisation has implemented the reporting principles	B. About this review
	G4.19 All material aspects identified in the process for defining report content	3. Our strategic focus
	G4.20 Materiality - whether the aspect is material to the organisation and any limitations	N/A
	G4.21 For each material aspect, report the aspect boundary outside the organisation and whether the aspect is material outside of the organisation or not	N/A
	G4.22 Report the effect of any restatements of information provided in previous reports and the reasons for re-instatement	N/A
	G4.23 Any significant changes from the previous report	No change
	G4.24 Provide a list of stakeholder groups engaged by the organisation	3. Engaging our stakeholders
	G4.25 Report the basis for identification and selection of stakeholders with whom to engage	3. Engaging our stakeholders
	G4.26 Organisations approach to stakeholder engagement including frequency and type	3. Engaging our stakeholders
Stakeholder engagement	G4.27 Key concerns that have been raised through stakeholder engagement and how the organisation has responded	3. Engaging our stakeholders
	G4.28 Reporting period	B. About this review
	G4.29 Date of most recent previous report	B. About this review
	G4.30 Reporting cycle	B. About this review
	G4.31 Contact point	B. About this review
	G4.32 Report the "in accordance" option the organisation has chosen	B. About this review Appendix – GRI indicators summary
	G4.33 Policies and practice in place with regards to seeking external assurance	Appendix – GRI indicators summary
	Governance G4.34 Governance Structure and organisation, including committees of the highest governance body	7. Governance and leadership
	Ethics and integrity G4.56 Describe the organisation's values, principles, standards and norms or behaviour behind codes of conduct and ethics	1. Who we are 7. Governance and leadership



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Tauranga | New Plymouth | Palmerston North | Nelson | Wellington |
Christchurch | Queenstown | Dunedin **Pacific Islands** Fiji | New Caledonia

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everyday
better.**