

The Things We Value

2016 New Zealand
Sustainability Report



AECOM

Built to deliver a better world

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Cover: Rongomai Primary School Cycle Programme;
Waitaki Bridges Replacement; Pukeahu National War Memorial Park

Below: Te Pātaka Kōrero o Te Hau Kapua – Devonport Library.



Our Purpose

Built to deliver a better world

Our Values

Integrity · Clients · People · Safety · Innovation · Excellence

Our Sustainability Goals and Principles

Responsible Governance and Integrity

- Uncompromising integrity and ethical behaviour
- Adopting sustainability principles in our decision-making and behaviours
- Openly and honestly communicating our performance

Satisfying Our Clients' Expectations

- Providing integrated and high quality services
- Delivering on our Client Service Promise
- Taking ownership for meeting our clients' needs
- Building lasting relationships

Realising the Full Potential of Our People

- Creating a culture where people feel engaged, valued and inspired
- Supporting career development and training
- Respecting and encouraging a diverse and inclusive workplace

Keeping People Safe and Well

- Believing that all injuries are preventable
- Maintaining a strong health and safety culture
- Caring for the wellbeing of our people

Technical Excellence

- Sustaining capability and technical leadership
- Supporting new ideas and innovative approaches
- Sharing knowledge, skills and thought leadership

Strong Business Performance

- Investing in the development of our business
- Meeting or exceeding our profit and growth expectations on a sustainable basis
- Delivering value to our shareholders

Environmental Stewardship

- Using resources responsibly and reducing our environmental footprint
- Respecting ecological values and biodiversity
- Applying our technical expertise to deliver environmentally sound solutions for our clients

Contributing to Community Wellbeing

- Contributing to our communities and making a positive difference to the built and natural environments
- Undertaking socially responsible activities that support team members and increase their wellbeing





Top left: Auckland Rail Electrification; AECOM employees on site; Rarotonga Airport's Solar Farm; AECOM employee on site; Spark Data Centre – Takanini; Port Hills Geotechnical Investigation; Cambridge Section of the Waikato Expressway.

MANAGEMENT REPORT



I am proud to present *The Things We Value*; AECOM New Zealand's 2016 Sustainability Report, illustrating our performance as well as the actions we've taken over the last year to demonstrate our sustainability commitment.

The theme of this year's report is 'Integration'; appropriate given this is our first publication as a combined business, following our recent successful merger with URS. From humble beginnings in the early 20th century, AECOM New Zealand has grown to a team of over 750 professionals and with that, we have been able to further diversify and broaden our market presence, and, in doing so, cement our commitment and passion for New Zealand. Our focus has always been steadfast; to deliver excellence to our valued clients and support the nation's growth.

Fittingly then, *The Things We Value* showcases our sustainability goals and principles related to governance, client satisfaction, technical excellence, people development, health and safety, business performance, environmental stewardship and community contribution. Each year, we take stock and assess our operations to ensure we're working towards our goals and to identify areas where improvements can be made.

It goes without saying that our people are the heart of AECOM. Over the last year we have been focused on coming together as one team; practically through the integration of our systems and processes, and culturally through a new Diversity + Inclusion strategy, aligned employment terms, an enhanced range of benefits including flexible work arrangements and training programmes, all of which are designed to engage our employees and assist them in realising their full potential.

As an organisation we are focused on the next step and the next generation. Projects in today's world are more complex than ever, with interrelated technical, financial,

social and environmental challenges. Our 2016 report showcases some of the projects that fit this brief; from our work on State Highway 16 Causeway Upgrade in Auckland to supporting Genesis Energy with a range of integrated services across hydro, thermal and wind sites, we need to solve increasingly complex and ambitious technical challenges to deliver high-performing infrastructure and programmes needed for the future.

Within this context, our clients in both the public and private sectors are looking to reduce costs and increase productivity, while facing a wide range of evolving financial challenges that impact project success. They are seeking safer, more efficient ways to successfully operate assets and programmes in the most sensitive, challenging environments, and it's up to us to provide a response. In conjunction with the Rockefeller Foundation's 100 Resilient Cities Programme, we have been working with the Wellington and Christchurch City Council's on their resilience strategies and stakeholder engagement. While in Rarotonga, we've been working to install solar energy systems to power communities and reduce reliance on diesel generation.

Healthy environments are at the heart of what we do. Around New Zealand, and the world, our teams develop and protect natural systems and shared resources that cities, regions and people depend on to grow and thrive. Improving the quality of life for communities requires an understanding of the sometimes competing social, economic and health factors and their long-term implications. Recent work for the Ministry for Business Innovation and Employment and the He Korowai Trust on a pilot project to assess and repair substandard housing in Northland is a tangible example close to home.

The vital work we deliver, coupled with our corporate responsibility efforts, provides us with the privilege of touching the lives of New Zealanders every day. As a key player in the infrastructure industry, we have not only a responsibility, but we have the ability, to connect knowledge and experience across practices, markets and geographies to re-imagine what our clients can achieve and in doing so, deliver a better world.

John Bridgman
Managing Director, AECOM New Zealand

SUSTAINABILITY AT AECOM

Who we are

AECOM is a leading global provider of professional technical and management support services. We design, build, finance and operate infrastructure assets for governments, businesses and organisations in more than 150 countries. As a fully integrated firm, we connect knowledge and experience across our global network of experts to help clients solve their most complex challenges. From high-performance buildings and infrastructure, to resilient communities and environments, to stable and secure nations, our work is transformative, differentiated and vital.

Our local team consists of over 750 professionals, placing us among the largest engineering, management, planning, consulting and advisory firms in the country. Our offices are located in Auckland, Hamilton, Tauranga, Wellington and Christchurch. It is the fusion of AECOM's global reach with local knowledge that enables the New Zealand team to deliver innovation and technical excellence.

Find out more at aecom.com and @AECOM.

For AECOM being a sustainable business means integrating sustainability practices into our own operations and delivering projects with an economic, social and environmental legacy of which our clients, employees and communities can be proud.

Our report this year

In October 2014 AECOM acquired URS Corporation and our New Zealand business includes legacy AECOM and URS. *The Things We Value* 2016 report builds on 12 years of sustainability reporting by URS New Zealand. This report is limited to AECOM New Zealand's operations from 1 October 2014 to 30 September 2015, in the context of the wider AECOM business. It includes information on a range of indicators that represent our social, environmental and economic performance.

The theme of this year's report is 'Integration' – reflecting our new organisation and the integration of sustainability into our projects and thought leadership work. The report covers the eight sustainability goals that make up *The Things We Value*, with each related section describing our systems and processes, progress during the year, and our future focus. This year we have not reported on past targets or trends as robust comparisons to previous AECOM and URS information was not always easy. We will address this next year. As well as providing facts and figures, the report tells our sustainability story often using cases studies. Our feature (pages 8–13) presents thought leadership on sustainable cities and practical ways we are working with clients to advance the cities agenda.

Our sustainability goals and principles reflect what AECOM New Zealand and our external stakeholders (see page 5) consider as our material sustainability issues. We are not aware of any significant exclusion. Our goals and principles are drawn from those developed by URS New Zealand and were updated in 2015 with a cross-functional group of AECOM employees and confirmed with management. Each year we set targets related to our sustainability goals. These annual targets are signed off by the New Zealand Leadership Team.

We have established internal principles for our report development process and review these as part of our report planning. These principles have a particular focus on stakeholder involvement and incorporate the use of the Global Reporting Initiative guidelines (see GRI Content Index). Our assurance process is managed by one of our senior sustainability consultants and involves an internal audit for data accuracy and a stakeholder review process that looks at materiality, inclusivity and responsiveness.



Working with others

AECOM works with others to integrate sustainability within our industry, our professions and the business community. Here is a snapshot of our work in 2015.

Putting theory into practice

We participated in the Sustainable Business Council (SBC) Ecosystems Services Review (ESR) pilot. Marta Karlik-Neale, Principal Sustainability, worked with colleagues to develop an ESR case study on our water sector services in Auckland, showing the business risks and opportunities arising from impacts and dependence on ecosystems.

Demonstrating our commitment to green buildings, AECOM is a founding member of the New Zealand Green Building Council (NZGBC) and we've been involved in over 50 Green Star rated projects to date. Key New Zealand projects are AECOM House, Hobsonville Point Primary and Secondary School, Ohakea Air Force Base Maintenance Building, and University of Waikato Student Services.

Providing strategic support

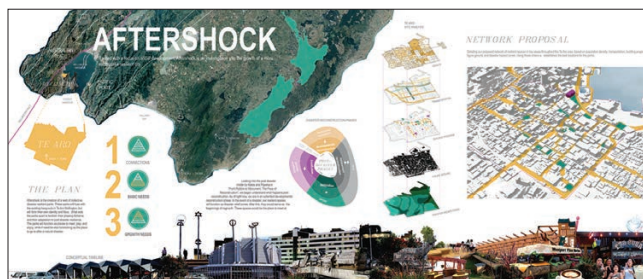
We also promote sustainability through executive participation in industry bodies. In 2015 Mark Drury, Executive General Manager – Strategy and Growth, continued as a member of SBC's advisory board, with a focus on leadership and infrastructure. Scott Smith, Senior Mechanical Engineer – Sustainability Research and Development, was part of NZGBC's Faculty, supporting the board and executive in shaping the organisation.

AECOM became one of the first organisational members of the Sustainability Society, an IPENZ technical interest group. We were part of a panel updating the IPENZ Practice Note on how engineers respond to sustainability. Sam Archer, AECOM's representative, explains: "We want to be leading the conversation about how engineers can improve the practice of sustainability. Compared to the UK where I'm from we still have a way to go."

Shaping a sustainable future

To help build a sustainable New Zealand and equip leaders with the skills they need, we've participated in a number of forward-looking initiatives. Three AECOM employees were part of an industry working group for the Sustainability Society's Waitoru Te Aro design studio project. The group helped Victoria University Landscape Architecture students design resilient master plans for Wellington's Te Aro precinct. Two student teams came first and second in an Australasian design competition.

Building on Vision 2050 and Future Leaders, in 2015 we supported SBC's new Leadership for Sustainable Value programme. The programme enables senior business people to advance their organisation's sustainability agenda and to network with like-minded professionals. This programme was well received by participants and business presenters alike. We also collaborated with the Sustainable Business Network on Bike 2050, part of a wider Smart Transport initiative (see page 35).



Waitoru Te Aro Design Studio project; Sustainable Business Council Leadership for Sustainable Value participants.

2015 KEY PERFORMANCE METRICS

3,467

Client projects worked on

752

Employees

0.15

Total Recordable Incident Rate

6

Sponsored awards
and scholarships

12

Project awards

16

Futureintech Ambassadors

130+

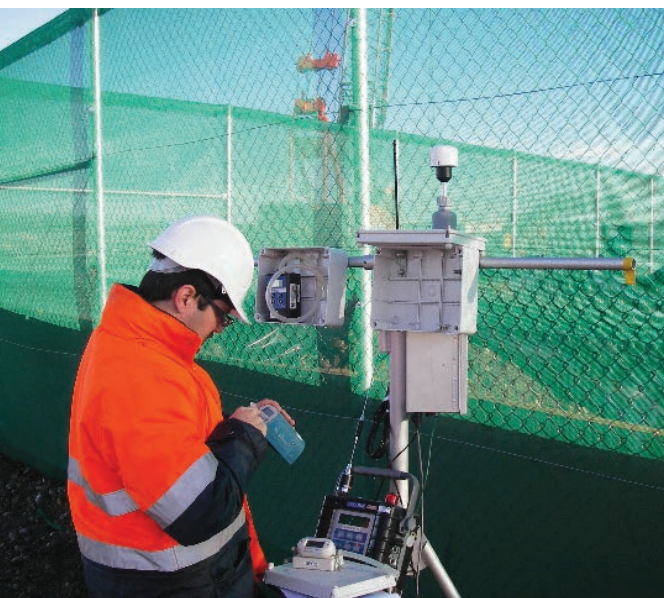
Technical Practice Groups

1,785

Tonnes of carbon dioxide emitted

0

Recordable environmental incidents



Top left: Grafton Gully Cycleway; Oakley Creek Restoration; Waikato Hospital; AECOM employee on site; Shotover Primary School, Queenstown; Giant Mountain Bike Race; Tauranga Eastern Link.



THOUGHT LEADERSHIP – Feature on Cities

Sustainable and resilient cities are important considerations for our industry. In this section we share insights from AECOM Thought Leaders who work locally with our clients, and a number of practical on-the-ground initiatives.



James Rosenwax
Market Sector Director – Cities
AECOM Australia New Zealand

Why we're focused on cities

Rapid urbanisation is taking place across the globe, and New Zealand is not immune. The notion that cities – rather than countries – are now competing with each other for labour and resources is not a new one. So, what will attract and retain the best talent in our cities, on this competitive world stage?

Answering that question requires us to consider what the 'perfect' city looks and feels like to each one of us. What is it that makes our city brilliant? In my opinion, the most brilliant cities exude character and confidence. They bridge the gap between private and public to get essential, human-focused, projects funded and delivered. They draw on technology and innovation to operate efficiently while achieving tangible social and economic benefits.

With the urban century upon us, we cannot afford to repeat the mistakes of the past. Designing and building cities how we always have will continue to generate problems like urban sprawl, ad-hoc development in some areas, poor liveability. All factors which inhibit productivity of people and investment.

The real challenge to the successful growth of our cities is to gather disparate decision-makers and create a common understanding on what aspirations can be achieved. Acknowledging this, Australia has recently appointed a

Minister for Cities. This is a move that could lead to a shift in how cities are planned, designed, built and operated; a pursuit of broad, integrated strategies that tap into hidden value. If we see more potential realised, there are lessons inherent for New Zealand.

City-defining opportunities are at risk across the country if we continue to be overly-bureaucratic and short-term in outlook. As Auckland grows, we need to create connected and healthy vertical communities – 'plumping up' our core, not our people. Unlocking potential in Wellington requires us to capitalise on its unique points of difference. By building a world-leading 21st century city in Christchurch, 'they' will come, we just have to agree what we want to be known for and hold true to this vision. Let's take measured risks and keep our eyes open to how the needs of inner urban open space are changing.

Take a look at the transformation in Brisbane; what was once a ghost town after 6pm is now transformed by diverse open, human-focused spaces. This investment in the inner city has driven a boom in apartment living that's likely to continue. Currently, the permanent inner-city population is growing at twice the rate of greater Brisbane. Density doesn't need to be a hard sell. Kids in suburban environments grow up and move out, they get bored living on the edges and want to live in the inner-city. They like to walk and to get out and about.

The concept of city resiliency has gained traction over recent times (see page 12). I believe resilient cities are the ideal platform to take us into the future of rapid growth and climate uncertainty. We can leverage our strength as resilient cities as the broad commercial enterprises that they are. Any resilient city needs a strong leadership team, a good risk management and communications platform, engaged and healthy people and a diverse range of services to provide consistent growth, regardless of the economic, social or environmental climate.

Let's enable brilliant cities by designing, funding and delivering on solutions created by thinking differently. The next generation of urban inner-spaces will provide for the young and old, active and passive, thirst and hungry, alluring us away from the digital world. Bold moves may be disruptive in the short term but defining in the long term. The opportunities are endless; if we compromise through insane bureaucracy on any number of exciting investments being made, we will miss out. Let's take the conscious path to utopia; attracting the world's best talent and industries and delivering tremendous opportunities for future generations.



Wilanow, Warsaw



Wilanow Qualia Development, Warsaw



Guy Perry
Consultant Architect
and Urban Planner
AECOM

The health benefit of human metrics in planning

The one thing that is guaranteed to grab my 8-year old's attention away from his iPad, is the sound of his friends playing outside. It might surprise you, but this actually happens because we live in a community where an outdoor play area is within earshot. Effectively, it's really convenient for my son to be a kid and play. That's the thinking that I believe should drive how we design communities and cities of the future.

Growing recognition of place-making is a plea to reconsider the role of the city as a balanced environment for its people. People thrive when they are healthy, active and engaged in their community. Designing human centric cities means we are looking after people and the environment; a tight relationship exists between sustainability and people's wellbeing.

A well designed city enables people to exercise naturally as part of their daily activity. Having amenities that are 'walkable', that is within 5 or 10 minutes walking distance, facilitates communities to avoid inactivity in the short term and life style diseases in the long term. We're designed to walk 10–15,000 steps per day and for the most part, we're not doing that. The advantages of suburbia have largely

disappeared. Where once it offered a dream lifestyle, today, it usually means long and costly commutes, and social separation. The real cost is not the housing – but the cost to run your car and the cost of your health. The trick is to ensure liveability; to achieve a fabric of life. It is the duty of our civic leaders to scale fast-growing cities to real human needs. It's not rocket science, but it is a big change in the way we've been thinking.

The notion of liveability extends well beyond the concept of cities designed to support life, to their ability to nurture an abundance of health, vitality and wellbeing for the whole population. We are flanked by fragile and over-urban suburban communities, guided by the need to drive. The implications are not only for our waistline, but also for our social cohesion and our impact on the planet.

A potential benchmark for the future, Miasteczko Wilanow – on the outskirts of Warsaw, was the subject of the largest development in Europe this century. Being privately funded, we needed to provide a return on investment, but we also wanted a neighbourhood that would represent a democracy and one that focused on and supported people's wellbeing.

We repositioned human accessibility by applying a different way of thinking. A series of guidelines were put in place for our local architects and engineers to adhere to. High density mixed use buildings capped to five levels, playgrounds within 70 meters of each home, compact

streets complete with a rubberised jogging track and integrated buildings incorporating different income brackets all contribute to an activated and engaged community.

The economics played out well and we also achieved measurably better health for the residents; high life expectancy, lowest childhood obesity rates in the city, low cancer rates, the lowest crime rates in the city and the highest birth rate in the country.

It is the grain, or the human metric of the city, which is fundamental in creating a more balanced lifestyle for people. You shouldn't have to go to the gym to keep fit; it should be embedded into the cities we are building, regenerating and expanding.

If we can lift our eyes from the function and performance of the single layers within a city, then we can embrace a more ambitious vision of healthy cities with integrated and beneficial community infrastructure. It's time to recognise that we have the knowledge and the tools... so what's stopping us?

Creating healthy cities is vital for a vibrant and sustainable future. At AECOM, we're making a long-term commitment to being part of the solution. Active and healthy communities and cities become hubs of social interaction and boast commerce and culture – they are exceptional spaces where we love to live. Great health and wellbeing should be non-negotiable for any civil society.



Wynyard Quarter, Auckland



Sentiment Report

Our six-monthly Infrastructure and Buildings Construction Sentiment Survey and resulting Sentiment Report is a central piece of AECOM's thought leadership and business intelligence activity. Over the last five years, it has garnered a growing following amongst our public- and private-sector clients and stakeholders; importantly, canvassing their views helps AECOM to understand better the challenges they are facing and their business priorities.

Twice a year, Sentiment is released to the media and clients at events in Auckland, Wellington and Christchurch which are designed to generate discussion and strengthen industry networks. Recent keynote speakers have included Hon Bill English – Deputy Prime Minister and Minister of Finance, Hon Simon Bridges – Minister for Transport and Minister of Energy and Resources, Hon Nick Smith – Minister of Housing, Hon Lianne Dalziel – Mayor of Christchurch, Kim Campbell – CEO of the Employers and Manufacturers Association, Professor Murray Sherwin – CEO of the Productivity Commission and Robert Jones – CEO New Zealand of Fulton Hogan.

The report has been used by Treasury, the Ministry of Business Innovation and Employment, Canterbury Earthquake Recovery Authority, Auckland Council and University of Auckland as a reference tool.



Connected Cities Forum

In 2012, AECOM's Global Cities Institute published Auckland, Connected – an ambitious report examining how our largest city can address the challenges and opportunities facing its development. Collaborating with specialists from the New Zealand Institute, Auckland Council and the Global Cities Institute, we sought to provide a roadmap to deliver on Auckland Council's vision for Auckland to become the world's most liveable city.

Our work identified that, above all, Auckland's future success is dependent on today's planning and a collective commitment to drive the city forward. As a result, AECOM established the Auckland Connected Forum series.

Since then, we have developed the Connected Cities Forum series branching out with events in Christchurch themed around issues such as housing, finance, transport and innovation. Guest speakers from different perspectives present their view points before an audience of senior clients and invited guests. Each event creates opportunities to build relationships, deepen understanding of issues related to the growth of our cities and engage with industry stakeholders and government in an effective and credible manner.

By regularly bringing together some of New Zealand's brightest minds, we hope to challenge existing thinking and evoke action that will contribute to the betterment of our cities.

Growing resilient cities

We're living in times of increasing volatility, with a reliance on increasingly interdependent infrastructure systems. Resilience is a rapidly emerging topic in New Zealand and beyond. These issues provide exciting and challenging opportunities as we consider how to improve our cities' and country's resilience to natural hazards, environmental dependencies and social and economic challenges.

Partnering on resilience

AECOM is a global strategy partner for the 100 Resilient Cities programme (100RC), pioneered by the Rockefeller Foundation. We provide project management, stakeholder engagement, and research assistance to cities that have been selected for the programme. In New Zealand this involves Christchurch and Wellington.

100RC helps cities become more resilient to the increasing physical, social and economic challenges of the 21st century, in particular those associated with globalisation, urbanisation and climate change. As Nicola Thomson, 100RC's Associate Director City Relations, says: *"Resilience is not just surviving but thriving."*

The 100RC process includes an identification and prioritisation of shocks and stresses, a current state analysis, development of focus areas, and then strategy and action plan. In 2015, AECOM has helped Christchurch with developing their Resilience Strategy and Wellington with kicking off their programme at a multi-stakeholder agenda setting workshop.

Wider resilience thinking

AECOM's work in the resilience field is broad and growing. It includes a NZ Transport Agency tool that measures the transport network's resilience – we're currently working with the University of Auckland on this pilot stage. Our people are highly visible in the field, including Principal Consultant James Hughes, who has co-authored the resilience section of the 2015 Infrastructure Asset Management Manual. As James reflects: *"This work is challenging for AECOM – what is our role and how can we make a meaningful difference to our clients and the communities they represent? Through the provision of advice yes, but can we be more proactive?"*

Working in more than 150 countries worldwide, we have the potential to be very influential in the way the modern world is shaped. Are we provocative enough? Is there the potential to do more? Given the climate challenges facing us, will we be followers, or at the cutting edge?"



Top two: Resilient Wellington Agenda Setting Workshop 2015 (photos Mark Tantrum, Wellington City Council)

Bottom two: Damage from Cyclone Pam, Nukufetau, Tuvalu; House Tanking Study.





Transmission Gully (photo Mark Tantrum)

Sustainable infrastructure rating tools

Over the last few years, we've championed the increasing use of sustainability assessments and rating tools in New Zealand, especially on infrastructure projects. Our work in this area reflects an ongoing commitment to incorporating sustainability into our projects. As Kerry Griffiths, Technical Director – Sustainability, points out: *"The biggest impact we have around sustainability is our work with clients and infrastructure development is a significant part of that."*

Driven by the increasing threat of climate change and the scarcity of materials, alongside a growing need for community responsiveness, the

benefits of sustainability rating tools are varied. These tools:

- Provide a common language and a consistent framework.
- Offer a comprehensive checklist to guide sustainability actions.
- Drive improved performance in low impact design, energy, water and material use, and stakeholder and community engagement.
- Set a standard for industry to work towards.

Following practices long established in the UK, and growing in Australia and North America, we believe increasing use of these tools in New Zealand is an indication of advancement in the infrastructure sector. We're supporting the use of sustainability rating tools on some of our largest

infrastructure projects, including Wellington's Transmission Gully, Auckland's City Rail Link and the Auckland Airport expansion. AECOM has expertise across the globe in the use of these rating tools and Kerry Griffiths is currently undertaking international doctoral research into their performance and effectiveness.

We pride ourselves on having two Greenroads and four Infrastructure Sustainability accredited professionals – Kerry Griffiths, James Hughes, Craig Hind, Maurice Marquardt and Marta Karlik-Neale. These accredited professionals, our project experience and our research investment demonstrate the comprehensive understanding of, and passion for, sustainability in infrastructure held by AECOM.

Responsible Governance and Integrity



Strategy and direction

AECOM's overarching purpose, underpinned by values of integrity, clients, people, safety and excellence, is to deliver a better world in collaboration with our clients and stakeholders. To achieve that purpose we have a strategic vision to be an integrated service provider focussed on end-to-end thinking and integrated solutions for our clients, and we are reshaping our business to reflect this.

Our purpose, values and strategic vision is supported by our sustainability goals and principles. These sustainability goals and principles outline the commitments and behaviours we believe are critical to being a responsible business. This formalised approach to managing and reporting on our sustainability impacts is new and draws upon work undertaken by our legacy URS colleagues.

Our focus for 2015 has been to share the story behind the goals and principles, to workshop these with people across the business and to identify the programmes and initiatives already in place and the focus areas for 2016 and beyond. Targets for each of the sustainability goals have been developed for 2016 by goal owners, often in conjunction with their colleagues across the Australia New Zealand region and the wider AECOM. We want to align with the business as a whole and ensure that we reflect local needs and context. The New Zealand leadership team confirmed the targets and will track progress in achieving these on a regular basis - at least quarterly. Regular e-news, company meetings and senior staff forums keep our people informed and engaged with business developments and performance across the goals. The 2016 targets for our sustainability goals are presented in relevant sections of this report.

Ethics and compliance

We are committed to doing the right thing in all that we do. Our Ethics and Compliance programme supports us to achieve that through visible leadership, policies and procedures, training and assurance. Our people undertake mandatory annual training on AECOM's Code of Conduct and receive regular updates on evolving areas such as anti-corruption laws. To support our people in dealing with ethical issues at work we maintain a 24/7 hotline open to all employees, contractors and third parties. All calls or emails are investigated and brought to closure, and can be made anonymously.

Five years ago AECOM established an annual Ethics Week. In 2015 this was held from September 21 to 25, with the theme of 'Built on Integrity'. Employees were encouraged to take simple actions – online training, lunch-and-learn sessions, team discussions, participate in an online Chatter group – to make ethics both a personal and team focus.

AECOM's audit programme has a broad reach and applies a risk-based approach, ensuring regular audits take place and resulting issues are addressed by management. Our Leadership Team regularly communicates about ethics and our local Ethics and Compliance Committee reports quarterly on relevant issues.

Details of our ethics and compliance programme can be found at aecom.com/about-aecom/ethics/.



New Zealand Leadership Team

Back from left: Paul Gillies, Peter Hartley, Geoff Milsom, Shaun Hubbard, Chris Ballantyne, Mike O'Halloran
 Middle: Matthew Heal, Craig Davidson, John Bridgman, Peter Stratford
 Front: Ian Jenkins, Mark Drury, Natasha Ryan, Anant Prakash, Craig Parker. Absent: Ian Martin.

Business management and leadership

The New Zealand business is led by Managing Director John Bridgman who reports to the Australia New Zealand Chief Executive, Lara Poloni. Group Directors lead our five business lines covering Transportation, Water and Urban Development, Energy, Buildings and Places and Environment, and Area Managers provide a key client interface and local support for our Hamilton, Tauranga, Wellington and Christchurch offices. Other key leadership roles are held by Ian Jenkins as Operations Manager, Craig Parker as Human Resources Manager and Paul Gillies as Regional Finance Manager.

Mark Drury, Executive GM Strategy and Growth, leads strategic business development efforts along with our Group Directors, Market Sector Directors and Client Account Managers. The market sectors where we particularly focus are highways and bridges, aviation, rail and ports, urban water, water resources, energy generation, industrial and oil and gas, and commercial and public sector builds.

Our senior technical employees have crucial roles in business development, delivering technical excellence and providing professional leadership. At the end of 2015, three people were promoted to Industry Director and six to Technical Director (see page 17). Thirteen people joined the ranks of Associate Director.

AECOM New Zealand Structure





Building sustainability into the business

Sustainability management and reporting

As the new AECOM consolidates we have started to explore how sustainability performance and delivery are integrated into our business. Our eight sustainability goals and their principles provide the framework for our thinking and this report is a significant step in sharing with our people, our clients and other key stakeholders the great work we are doing, as well as the areas we want to build on.

The Things We Value report brings together the aspects of our business which address our sustainability impacts. It shows that the work we do with clients, the development of our people, our thought leadership, our financial performance and our community and environmental programmes are all part of what makes us a sustainable business. Integrated annual reporting provides a valuable mechanism to promote joined-up thinking, identify strengths and drive continuous improvement.

In 2015 we continued to participate on AECOM's global Sustainability Programme Advisory Board. This group contributes to strategy development and enterprise-wide sustainability programmes and initiatives. Our local data management and reporting is part of the bigger picture.

Sustainability and our client work

As outlined in the Working with Others and Thought Leadership sections of this report we are very active in engaging with our clients, our communities and industry more generally in promoting the sustainability agenda. An important part of our contribution to a sustainable future is to share our knowledge and promote debate – with current areas of interest being healthy and liveable

cities, community resilience, natural capital evaluation and climate change response. We contribute to and participate in a number of industry organisations which promote sustainability (see page 5).

Our clients increasingly ask for sustainability criteria in project delivery and we continue to respond – through planning, training and communications, sharing project examples, focused research and engaging with industry. In 2015 we continued our focus on sustainability management in infrastructure projects, applying sustainability rating tools such as Greenroads and Infrastructure Sustainability as well as developing bespoke frameworks customised to client needs (see page 13).

"With the formation of the new AECOM it has been exciting to experience the strength of our global sustainability practice and to work with colleagues from AECOM and URS to bring our sustainability programmes together. In 2016 we will build on these foundations to deliver our first combined enterprise sustainability report, to improve our data management systems and to help drive performance improvement including greenhouse gas reductions. AECOM is proud to be a member of the UN Global Compact and is committed to working with our clients and internally to deliver a better world."



Mike Hoffman
Program Manager, Innovation
and Sustainability
AECOM

Delivering Quality through Excellence

In 2015 AECOM focused on integration and project delivery with the aim of creating a step change. Delivery Excellence is a programme designed to drive AECOM's Integrated Provider Vision, and deliver best-in-class service from a life cycle perspective. We want to deliver excellence in every step of every project, every time. There are new tools and systems being developed to help us achieve this goal, but technology and best practices can only take us so far. To succeed with Delivery Excellence, we are also focused on company culture.

The business has developed six work streams within Delivery Excellence which focus on supporting project teams, managing profitability and risk, providing integrated systems and developing best practice. Our people are collaborating with colleagues across the global business to deliver these work streams:

- **Project Management Performance:** Improving the management of projects through training and the implementation of new processes.
- **Technical Excellence:** Establishing standards to improve project quality and enhance market leadership.
- **Deliver to Win:** Rewarding project team members who meet and exceed targets.
- **Risk and Profitability Management:** Advancing risk assessment and enhancing profitability through quality improvements.
- **Project Lifecycle Best Practices:** Developing best practices guidelines for each phase of a project.
- **Ecosystem:** Delivering an integrated solution platform for all aspects of project planning.

Each work stream has a number of initiatives and metrics to track performance. Some of these are already in place and started to be reported, while others form part of our targets for 2016. From a project risk management perspective we have introduced a Healthy Start procedure for all projects and a Data Quality metric which tracks and combines three project quality measures.

2016 Targets

Responsible Governance and Integrity

Risk Management and Systems

- ▶ Maintain our ISO certifications
- ▶ 100% Healthy Start completion on projects
- ▶ Improve our data quality metric year on year

Communicating our Sustainability Performance

- ▶ Embed annual cycle for sustainability reporting
- ▶ Establish bi-annual management reporting on sustainability

Promotions to Industry Director



Mike
O'Halloran



Peter
Lipscombe



Trevor
Hipkins

Promotions to Technical Director



Andrew
Curtis



Cathy
Forrest



Grant
Eccles



Greg
Booth



Mark
Gordon



Ray
Brown



Satisfying Our Clients' Expectations

Projects
worked on

2015 ▶ 3467

Client satisfaction
– overall project

2015 ▶ 7.85 / 10

"Without our clients, we wouldn't be here." A simple statement from Mark Drury, Executive General Manager – Strategy and Growth, that highlights why it is critical to meet our clients' needs and strive to exceed their expectations.

Through working collaboratively with our clients we can deliver better outcomes. We are committed to continuous improvement through measurement and feedback, a client service culture and great relationship management.

Measuring satisfaction

Measuring and responding to client feedback is an essential element of improving our service and we do this in a variety of ways, formally and informally. Our Client Satisfaction Survey allows us to measure performance across a number of key areas, recognising when we do well and identifying when we could do better. This survey, introduced in the second half of 2015, also provides us with a Net Promoter Score (NPS), which tells us if clients would recommend us to others – a real measure of satisfaction.

Our Group Directors follow-up on all negative client feedback, helping us to understand the reasons behind the feedback and the ways we can improve. As well as focusing on improvement, the satisfaction survey helps us to recognise and promote great work by our project teams.

In 2015, our clients scored us highest for our technical team and our environmental awareness, with overall project satisfaction and communication next. Early results indicated an NPS of 13%. For 2016, we are looking for a dramatic improvement which we are already starting to see.

The Client Service Promise

In early 2015, we implemented the Client Service Promise, our formal commitment to delivering the best possible service to our clients.

The Client Service Promise is driven at the highest level by Lara Poloni, Chief Executive Australia New Zealand, and fully supported by the New Zealand Leadership Team. The Client Service Promise acts as a daily reminder to all employees of what they can do to serve our clients well. The associated Client Service Handbook includes practical tips and ideas to bring the Promise to life.

It is essential we embed into our culture the need for constant and better communications with our clients. To deliver great service we need to get the basics right – confirming our client's expectations at project kick-off, talking with our client when issues arise, and identifying better, smarter ways to achieve their objectives.

As Mark Drury explains: *"The three behaviours that form the Client Service Promise are everyday actions undertaken by our employees, but they are solidified by their inclusion in the Promise. We want to get better at face-to-face relationships with our clients – emails simply don't cut it. We know that sometimes projects and relationships don't always go the way that we plan, but through improved communications and this focus on understanding our clients' needs, we can do better."*

The Client Promise is based on three key behaviours:

Our Client Service Promise

I commit to:



Understand my client, their business and industry



Be on time, every time



Communicate proactively and regularly with my client

Signed: _____



Relationship management

We want to build lasting relationships with our clients, and for large or strategic clients this can't just be managed at a project level. AECOM's Client Account Management (CAM) programme seeks to strengthen the relationship between us and our clients, both existing and emerging. Through the CAM programme client directors are assigned to manage these relationships. The client director's role is to understand their client's context and needs better, so that collectively AECOM – local and global – can contribute to our clients' success.

To monitor progress, individual KPIs are set for each client director related to client contact and communication, project work and client satisfaction. The KPIs are also linked to the Client Satisfaction Survey. This ensures a holistic approach to our client engagement and management process.

In early 2015, we implemented the Client Service Promise, our formal commitment to delivering the best possible service to our clients.

Looking ahead

We want to build on the Client Service Promise with a more targeted approach that reinforces client service actions and behaviours. On time, every time delivery is a particular focus area. We will be working with our employees to really embed a client service culture.

Our 2016 NPS target reinforces our client service commitment and this target is translated into individual and team goals. We need to further step up our response to any negative feedback and implement a process of lessons learnt to inform our future actions.

2016 Targets

Satisfying Our Clients' Expectations

Driving the Client Service Promise

- ▶ Significantly improve our Net Promoter Score
- ▶ Embed a client centric culture

Sharing our global talent

- ▶ Three public events showcasing global expertise



DELIVERING FOR OUR CLIENTS

When we receive a positive client survey score, we seek to recognise the people that helped make it happen. One example in 2015 was the work of Dave Burton, Technical Director – Planning, for planning work on Rotorua Hospital for the Lakes District Health Board (DHB).

AECOM has worked with the DHB for a number of years. The Rotorua Hospital project spanned several years, with Dave undertaking a critical planning role, including responsibility for policy, consenting, local authority liaison and strategic advice. To navigate the sometimes difficult planning process with major DHB projects, Dave worked diligently with Lakes DHB to create a consenting strategy that he then presented to Rotorua District Council. The Council supported the proposed strategy, including the key role that they were to play in the process.

Through his efforts, the planning process worked out exactly how Dave said it would, ensuring a smooth path forward for the project. Understandably, Lakes DHB was impressed.

Dave explains: *"With major DHB projects, you're on the side of the angels – you try a bit harder. They're a good thing to be involved in, as you're dealing with public money for public good."*



Dave Burton
Technical Director – Planning

Realising the Full Potential of Our People

Headcount

2015 ▶ 752

Having an engaged workforce is critical to our success. We achieve this through supporting, developing and recognising our people; measuring their satisfaction; building and celebrating our strengths; and in 2015 especially, focusing on an open and honest integration process.

Male : Female

2015 ▶ 73% : 27%

Supporting and developing our people

Managing the integration

One of the unique challenges we faced in 2015 was supporting our people through the integration of URS with AECOM. Keeping our employees well-informed and up to date with progress was a key priority. This included monthly team briefs by John Bridgman, Managing Director, local updates, and frequent emails. As Craig Parker Human Resources Manager, explained: *"You can't ever communicate too much"*.

We fully integrated the legacy URS employees into the AECOM Performance and Rewards system and process, and all employees now have the opportunity to:

- Create goals that support the company and business line strategy and are in line with their personal development
- Measure achievement against those goals
- Participate in formal and informal discussions with managers around personal and professional development
- Be nominated for promotion based on their contribution and experience
- Have their performance contribute to a salary review which also reflects local and industry benchmarks.

Average age of employees

2015 ▶ 40.9

Global Mobility – outbound assignments

2015 ▶ 27

By the end of 2015, we had completed the harmonisation process with the majority of our people aligned on terms and conditions of employment and able to access a wider range of market-leading benefits. This includes our new parental leave initiative which offers 20 weeks' fully paid maternity leave, maintaining employees' KiwiSaver contributions while on leave, and one week paid paternity leave. A leave benefit, offering an additional two days' annual leave after each five years' service, is also provided.

Flexible working arrangements

In late 2015 we started to talk with employees about a change in the way we work to provide increased flexibility in terms of work hours and working remotely. We will report on this in 2016.

Guiding our graduates

We have a dedicated graduate development programme – the Growing Professional Skills (GPS) group. It's a three-year programme aimed at our graduates with one to three years' experience. The programme covers a wide range of topics, intended to help our graduates gain important skills for practical application in their developing careers. GPS also focuses on building strong peer relationships and supporting industry accreditations our graduates may be working towards.

Andrea de Graaf, Advisor – Talent and Culture, comments on the benefits to our graduates: *"The GPS programme aims to bridge the gap between the formal learning environment at university and the more fluid fast-paced life at AECOM. In terms of technical capabilities, the graduates' formal learning is supported by on-the-job training. To complement this, we provide the soft skills often not covered at university. Being part of the GPS group means they gain an immediate network of colleagues across the business and the country."*



AECOM employees on site at Waitaki Dam; HYPE networking event.

Helping Young Professionals Excel (HYPE)

HYPE is open to everyone at AECOM, providing opportunities for networking and career development through a range of technical and social events. There is a committee of approximately 10 people across all disciplines who meet monthly to discuss events, key initiatives and the future forward plan.

Ben Woodham, Senior Engineer – Mechanical and a HYPE committee co-chair, explains: *“HYPE aims to offer opportunities for everyone at AECOM to get together on a professional and social level to interact. A key driver is to try and get the departments interacting.”*

Key events run in 2015 include:

- A bridge building competition with about 70 participants
- Mini golf construction and competition with about 100 participants
- A mentoring workshop for mentors and mentees with about 40 participants.

Developing our leaders

We've continued to deliver our three leadership development programmes throughout 2015. These programmes aim to enhance employees' contribution to the business and their engagement at work:

- The **Team Leader Development Programme** is a 12-month programme to support our new and potential team leaders. There were 19 attendees in 2015.
- **Leading an Engaged Workforce** is a two-day programme that examines the critical role our leaders play in fostering employee engagement. Fourteen people participated in 2015.
- The **Senior Leader Development Programme** identifies future leaders and is a prerequisite for senior leadership roles. The 12-month Australia New Zealand programme had 24 participants in 2015.

Measuring satisfaction

We run an annual employee engagement survey as part of a global initiative. We then take action to address any areas of concern. In 2015, we ran the survey very early in the integration process (the Wellington and Auckland offices had only just co-located) and over 75% of employees in New Zealand responded.

The survey revealed that our people felt AECOM has notable strengths in safety, diversity and inclusion, and teamwork and collaboration. Areas to work on were the retention of key staff; the targeting, resourcing and delivery of training and development; and some aspects associated with reward, recognition pay, and benefits.

Recognising our people

Recognising our people's contributions is an integral part of what we do, and we achieve this in a variety of ways. We run an Encore Awards programme which recognises and rewards employees for their contributions and achievements. Anyone can nominate an individual or team for an Encore award and the value of the award is determined by the level of achievement or contribution. Additionally, we have monthly Regional Managing Director (RMD) awards. John Bridgman, Managing Director, recognises publicly and through financial reward, individuals or teams nominated by their peers for having a significant impact on our business or our clients. In 2015, combined payment for these programmes exceeded \$100,000.

We also introduced an annual People Award programme (see page 23) focusing on various aspects of *The Things We Value*.



Lara Poloni, Chief Executive Australia New Zealand; Gender Diversity strategy document.



GENDER DIVERSITY AT AECOM

Although we acknowledge that diversity encompasses a broad agenda, in 2015 our focus was on gender diversity, both internally and within the wider industry. Multiple drivers are behind this including the enthusiasm of Lara Poloni, Chief Executive Australia New Zealand. As Lara says: *"Gender diversity and equality makes good business sense, and that is the way we want to do business at AECOM."* Additional factors include the integration with URS, which brought its existing strategies and focus around gender diversity.

Our Strategy

In July 2015, we released a new gender diversity strategy for the Australia and New Zealand region. It has three clear aims: to create a flexible culture; to increase the gender diversity of our workforce and leadership teams; and to become industry leaders in attracting, developing and managing a diverse workforce. The strategy focuses on seven areas – from unconscious bias awareness to career development for women – and its development

and implementation is overseen by a Diversity & Inclusion Advisory Panel. Quarterly, the Panel reviews the strategy's progress and reports on amendments, concerns and successes. At the conclusion of financial year 2016, the panel will review the strategy to ensure its relevancy.

M-Circle

M-Circle (Mentoring Circle), a global AECOM initiative, was started in the Auckland and Hamilton offices in 2015 with monthly meetings. It's a forum for women to get together and discuss topics related to career advancement, goal setting, finance, leadership, personal brand and flexible working. Currently, there are over 20 members involved in Auckland's M-Circle. Anna Farrera, Communications Manager, is a member of the forum and comments: *"It's a supportive environment that brings together a diverse group of women – in terms of ages, backgrounds and experiences – from around the business to share ideas and challenge each other's thinking about issues related to our careers; it's a great forum that's really starting to gather momentum around AECOM."*

The Global Mobility initiative aims to build a talent pipeline of employees prepared to work in different locations – a great opportunity, especially for our young people.

Looking ahead

Our focus in 2015 has been on successfully integrating AECOM employees, including systems, benefits, and employment terms and conditions. Although there is still work to do in the harmonisation process, we will look at new people initiatives in 2016. This includes an increased focus on career development, technical training, diversity and inclusion and global mobility.

2016 Targets

Realising the Full Potential of Our People

Career development

- Develop and track new career development metrics

Technical training

- Increase involvement in Technical Practice Groups

Diversity and inclusion

- Increase the number of women at Director level
- Unconscious bias training for all people managers

Harmonisation process

- 80% of employees engaged on unified employment contracts

2015 People Awards



RMD Achievement Award

Recognising a standout achiever from this year's RMD Awards

Mike O'Brien

Integrating two different companies' IT infrastructure to create a cohesive and useable IT system across all New Zealand offices is a long and arduous task. Mike helped to deliver this with outstanding results.



Leadership through Client Satisfaction Award

Recognising outstanding client delivery and feedback through the NPS programme

Stephen Garlick

Stephen demonstrated his commitment to client satisfaction throughout 2015 by consistently scoring 9 or 10 out of 10 across all client satisfaction metrics from one of his key clients, Wellington Water Ltd.



Health and Safety Award

Recognising an exceptional performance in keeping our people and projects safe

Alice Chaplin

As Programme Manager for the Genesis Energy Panel, Alice has performed exemplary work in instilling and maintaining an excellent safety culture throughout the project's duration – helping to keep our and our client's people safe.



Project Management Award

Recognising a standout Project Manager

Henry Dustan

Throughout 2015, Henry provided exceptional leadership and client engagement on the Canterbury Earthquake Recovery Authority Programme Office commission. Henry's management skills and dedication to managing a diverse team delivered great results.



Delivering Technical Excellence Award

Recognising exceptional technical skills and leadership

Grant Eccles

Grant's experience and planning expertise is highly regarded and utilised in the Waikato region. It also formed an essential part of our Waitemata Harbour crossing win, an important project that adds significant value to our vision.

Keeping People Safe and Well

Total Recordable Incident Rate

2015 ▶ 0.15

Lost Time Injuries

2015 ▶ 0

Senior Management Observations

2015 ▶ 41

Client satisfaction - H&S awareness

2015 ▶ 7.82 / 10

As Mike Burke, Chairman and CEO says, we all need to *“do our part to ensure a safe workplace, to protect property and to protect and preserve the environment”*. This vision is underpinned by our nine life-preserving principles and realised through our safety goals: no work-related injuries, no damage to property and the environment, and a sustainable workplace.

Monitoring our performance

To allow us to monitor our Safety, Health and Environment (SH&E) performance, we track a number of key metrics, including:

- Total Recordable Incident Rate (TRIR)
- Lost time severity rate
- Near miss events
- Senior management observations
- Office and project audits.

We use a mix of lag metrics (end outcomes) and lead metrics to help us assess how we are tracking towards our goals, with a focus on proactive incident prevention. In 2015, we exceeded all of our set targets, except for near miss reporting. We have put measures in place to correct this trend.

Building a safety culture

Perhaps the strongest force in preventing incidents is a robust safety culture. We use a variety of methods to embed our safety message in our organisational culture under an umbrella programme, Safety for Life. This includes recognition and awards, safety moments at meetings, online SH&E learning modules, and a variety of regularly reviewed procedures – from emergency response to incident reporting.

Senior Management Observations

One of our most important lead indicators is Senior Management Observations (SMO), which demonstrates management commitment to our safety culture and systems. Our leadership team each have a personal target to complete at least one observation per quarter. This could be a field-based project walkover, or a review held in the workplace.

Once completed, the 10-question assessment is loaded into Lifeguard (see below) to allow us to monitor and track our performance. In 2015, we achieved our SMO target of 40.

Employee involvement in safety

The behaviours and vigilance of our people are critical to safety and wellbeing. Our SH&E committee is one way to bring the experience and ideas of the workplace into our safety programmes. The committee includes representatives from offices, plus members of the Leadership team. The committee meets regularly and works alongside the SH&E department.

We want everyone to encourage and recognise safe behaviours and our internal scratch cards, a positive incentive programme, are intended to do just that. They also target behavioural areas that need improvement and allow us to track statistics by sites, projects and offices. The scratch cards recognise people who have been observed proactively taking action on safety. In 2015, we awarded 453 scratch cards.

Office inspections

While we have a strong focus on project safety, we also know that a number of incidents or near misses can occur in the office. That's why we have office SH&E inspections. Usually carried out by the office safety reps, we have a target of one per office per month. In 2015, we carried out 48 office inspections.

Safety in project planning and delivery

Depending on the level of SH&E risk a project poses, there are three different types of risk and hazard assessments our people are expected to perform:

- Step Back Start Card for low risk projects
- Safe Work Method Statement (SWMS) and Step Back Start Card for medium risk projects
- Project Safety Plan (including SWMS or complete hazard assessment) for high risk projects.

The Step Back Start Card encourages employees to step back and think through potential risks. A simple three-step process, it identifies whether to proceed with the task or seek further input.

SWMS is mandatory for all projects with a site visit component. It's an online tool to manage risk by specifically identifying potential hazards, then assessing and controlling risks. The SWMS is taken to site as a hard copy to allow for regular review and use.

A complete Project Safety Plan includes SWMS, and all high risk projects require SH&E Department approval. These safety plans provide our supervisors and employees with specific details of the safety procedures and policies relevant to their projects. They also provide direction regarding employee training, risk mitigation, incident investigation, subcontractor management, and readiness for work. Successful plan development and implementation is key in keeping our people and those we work with safe and well.

We want Safety for Life to be integrated into how we work. LifeGuard, our online SH&E observation reporting software and app, provides centralised, remotely accessed observation tracking for projects. Employees enter observation details directly into LifeGuard. The system triggers notifications to the right people and tracks action and close out. LifeGuard helps us monitor and report on safety practices and issues across the board – a critical part of continuous improvement.

Looking ahead

We are committed to an even stronger project-based focus around safety. In 2016, we will introduce a new lead indicator – a Project Management Self-Assessment Tool, with a focus on field work and safety plan implementation. The self-assessment target will be at least an 80% score.

In April 2016, there will be a harmonisation of SH&E legislation in New Zealand and we have been preparing for these changes in 2015. We will need to respond to the requirements of the updated legislation, including more focus on "duty to consult" and on employee-based processes. Peter Stratford, our new Health and Safety Manager will lead this work.

2016 Targets

Keeping People Safe and Well

Zero corporate recordable injuries

- To AECOM employees

Reporting near misses

- Achieve near miss reporting target (1 per 25,000 man-hours)

Senior management observations

- Meet or exceed SMO target



SAFETY IN DESIGN

Working with Genesis Energy

The Engineering Consultancy Services (ECS) agreement is a three-year contract to provide Genesis Energy a full range of integrated services across their hydro, thermal and wind sites. AECOM has differentiated itself through its approach to health and safety planning from the inception of this agreement, managing health and safety on a whole-of-programme basis.

Both parties have prioritised health and safety by incorporating a significant number of requirements into the ECS agreement. Key Performance Indicators (KPIs) encourage and facilitate high performance in both design and delivery. Should we not meet these standards, there are significant financial consequences.

Unequivocal support from our senior management team and our honest approach to reporting has resulted in an internal culture shift. Importantly, we're noticing our team taking site safety, including pre-planning, consideration of potential hazards, and Safety in Design extremely seriously. We also report any safety observations back to Genesis Energy. Our focus on health and safety is not just a means for improvement; we are frequently acknowledging those who are taking the right approach.

AECOM is at the forefront of implementing Safety in Design (SiD) in New Zealand and our work with Genesis Energy is testament to this. On one major project we delivered joint training to AECOM and Genesis Energy project staff to ensure SiD competency. As designers we need to be thinking about the hazards across the whole lifecycle of a project, for all projects whatever their size. With Genesis Energy, we consider the right SiD approach from the inception of every project. By focusing on SiD from the start we also ensure that the correct procurement method is selected, and all relevant parties are part of the SiD discussions.

Technical Excellence

Project awards
2015 ▶ 12

Technical excellence is one of the six work streams within our Delivery Excellence initiative. This work stream has a focus on the development of our Technical Practice Network (TPN), profiling technical leaders through our Thought Leadership programme, supporting innovation and the use of world class technology and the technical training and career paths available to our people.

Technical Practice Groups
2015 ▶ 130+

TPN is AECOM's dedicated community for technical employees worldwide. There are over 130 online Technical Practice Groups, which allow people to collaborate with colleagues around the world. Employees with similar technical interests can share knowledge and expertise, engage in joint discussions and help each other. Over 36% of eligible employees had enrolled in the TPN across Australia New Zealand by the end of 2015. Our target is to grow this number to at least 80%.

Technical papers published
2015 ▶ 16

Client satisfaction – technical team
2015 ▶ 8.41 / 10

Our Thought Leadership programme aims to widen our technical reach through seeking opportunities to share our knowledge at an industry or community level. In 2015 we hosted a number of industry and client events with AECOM technical leaders including Guy Perry, a global leader in designing healthy cities and Michael Nolan, our global Climate and Resilience practice lead. Experts in light rail, seismic risk and health also joined local teams in pursuing business opportunities. We supported Auckland and Christchurch city focussed events and once again promoted and distributed our Sentiment survey results (see page 11).

Showcasing excellence

Industry awards showcase and recognise technical excellence among our peers. In 2014 and 2015 the Pukeahu National War Memorial Park project won a number of awards including the New Zealand Concrete Industry's Premier Concrete Award and the New Zealand Transport Agency's GEM Customer Champion Award. Other notable wins were for the Tui Mine Remediation, Wairau Road GXP Substation and the Devonport Library. A number of our people also achieved individual recognition within their professions and gained external qualifications in their field.

AECOM encourages its employees to be involved in key industry organisations and contribute to the development of their profession. This year 48 of our people held officer positions in 24 industry organisations (see page 27), with a significant number of others involved as members and participants. We also showcased our projects and expertise at conferences and through the publication of technical papers.

Recognising leaders

Ray Brown, Technical Director – Transmission and Distribution, was elected as a Fellow of the Institution of Professional Engineers New Zealand. Ray was recognised for his contribution to developing technology that connects wind farms to the national grid without affecting voltage and frequency stability. Through his work, wind farms can be designed to provide faster frequency response than can conventional generating plant.

Lucy Eng, a Project Manager in our Christchurch team, was awarded the Australian Institute of Quantity Surveyors' Infinite Value *Women in Construction and Lendlease Professional of the Year Awards*. The Women in Construction award celebrates women making a significant impact in a stereotypically male space, and campaigning for the role of women in the construction industry at large.



Ray Brown (right) with IPENZ Past President Derrick Adams at the Fellows recognition event.

Officer positions held with industry organisations in 2015

ASSOCIATION OF CONSULTING ENGINEERS NEW ZEALAND

Graeme Doherty

Representative for ACENZ on the New Zealand Institute of Highway Technology (NZIHT) National Advisory Committee

Mike O'Halloran

Chair of ACENZ Transportation Group

Graham Chapman

Past President

Craig Davidson

Steven Knowles

Past Board Member

AUSTRALASIAN TUNNELLING SOCIETY

John Cooper

Kate Taylor

Committee Member

AUSTRALASIAN LAND AND GROUNDWATER ASSOCIATION

Andrew Walker

Anna Lukey

Natalie Rowe

Stanley Howell

New Zealand Committee Member

CIGRÉ NEW ZEALAND

Matt Shanks

Representative for the Study Committee for HV Cables

Ray Brown

Board Member

Representative for the Study Committee for Distribution Systems and Dispersed Generation

Convenor for the Distributed Generation Interest Group

Jason Li

Jichao Chen

Next Generation Network Group Committee Member

CLEAN AIR SOCIETY OF AUSTRALIA AND NEW ZEALAND

Andrew Curtis

Committee Member

ENGINEERS WITHOUT BORDERS NEW ZEALAND

Roanna Salunga

Wellington Chapter Committee Member

GEOLOGICAL SOCIETY OF LONDON

Debra Fellows

Chartered Geologist Assessor

INSTITUTION OF CIVIL ENGINEERS (UNITED KINGDOM)

Jon Varndell

Certified Professional Reviewer

INSTITUTION OF PROFESSIONAL ENGINEERS NEW ZEALAND (IPENZ)

Andrew McMenamin

Chair of Investigating Committee

Matthew Hinton

Chair of Auckland IPENZ Transportation Committee

Sisira Jayanatha

CPEng Practice Area Assessor
Wellington Branch Treasurer

David Burns

Debra Fellows

Don Macfarlane

John Underhill

PEngGeol Practice Area Assessor

Andre Tomecki

Brian Sharman

Cathy Forrest

Graeme Doherty

Martin Evans

Mike Summerhays

Ron Fleming

Sioban Hartwell

CPEng Practice Area Assessor

IPENZ ENGENERATE

Melissa Kleyburg

Committee Member

IPENZ TRANSPORTATION GROUP

Norm Robins

Waikato/Bay of Plenty Branch Deputy Chair

IPENZ NZ MODELLING USER GROUP

Nathan Harper

Vice Chair

INTERNATIONAL ASSOCIATION FOR ENGINEERING GEOLOGY AND THE ENVIRONMENT

David Burns

New Zealand Liaison

INTERNATIONAL ASSOCIATION OF HYDROGEOLOGISTS

Anthony Kirk

New Zealand Treasurer

NEW ZEALAND GEOTECHNICAL SOCIETY

Kevin Anderson

Committee Member

NEW ZEALAND PLANNING INSTITUTE

Katie Treadaway

Waikato Branch Committee Member

NEW ZEALAND REGISTERED ARCHITECTS BOARD

Peter Wootton

Registration Assessor

PETROLEUM EXPLORATION AND PRODUCTION ASSOCIATION OF NEW ZEALAND

Kevin Tearney

Health, Safety and Environment Committee Member

RAILWAY TECHNICAL SOCIETY OF AUSTRALASIA

Simon Wood

Past Executive Chair

Wellington Chapter Committee Member

RESOURCE MANAGEMENT LAW ASSOCIATION

Darran Humpheson

Canterbury Branch Committee Member

Helen Anderson

Wellington Branch Committee Member

ROYAL INSTITUTION OF CHARTERED SURVEYORS

Trevor Hipkins

New Zealand Committee Member

SUSTAINABLE BUSINESS COUNCIL

Kerry Griffiths

Liaison Delegate

Mark Drury

Advisory Board Member

WASTEMINZ

Emma Trembath

Contaminated Land Steering Group Committee Member

Kevin Tearney

Suitably Qualified and Experienced Practitioner Working Group Member

WELLINGTON PROPERTY COUNCIL

Craig Mills

Executive Committee Member

Project awards



Pukeahu National War Memorial Park (Memorial Park Alliance)

Winner – Infrastructure Award
New Zealand Concrete Industry

Winner – Landscaping Award
New Zealand Concrete Industry

Winner – Premier Concrete Award
New Zealand Concrete Industry

Winner – Urban Design and Architectural Merit Award
Property Council New Zealand Wellington Property People Awards

Winner – Indigenous Timber Award
NZ Wood Timber Design Awards

Winner – GEM Customer Champion Award
NZ Transport Agency

Finalist – GEM Teaming Up Award
NZ Transport Agency

Finalist – GEM Customer Care Award
NZ Transport Agency



Te Pātaka Kōrero o Te Hau Kapua – Devonport Library

**Highly Commended – Commercial Architectural
Excellence and Interior Innovation**
NZ Wood Timber Design Awards

Merit – Resene Green Building Property Award
Property Council New Zealand Property Industry Awards

**Excellence – Coffey Education and Arts Property
Award**
Property Council New Zealand Property Industry Awards



Wairau Road GXP Substation

Winner – Engineering Excellence Award
Electricity Engineers Association



Christchurch Airport Airfield Pavement Maintenance Works

Winner – Airport Project of the Year 2015
NZ Airports Association



Christchurch Airport Gilsonite Works

**Finalist – Project and Product Awards Transportation
Infrastructure**
New Zealand Engineering Excellence Awards



Tui Mine Remediation

**Merit – Arthur Mead Award for the Environment and
Sustainability**
Institution of Professional Engineers New Zealand

External qualifications gained

External qualifications provide additional recognition of our people's knowledge and skills, and demonstrate their commitment to professional and technical development. Those who gained new qualifications in 2015 were:

Damian Smith

*Masters in Construction Management
(Dean Award for Excellence)
Auckland University of Technology*

Grant Eccles

Helen Hamilton
*Certified (with Excellence) as a Hearings
Commissioner
Ministry for the Environment*

Trevor Hipkins

*Fellow
Royal Institution of Chartered Surveyors*

James Hughes

Kerry Griffiths
Marta Karlik-Neale
*Infrastructure Sustainability Accredited
Professional
Infrastructure Sustainability Council of
Australia*

Yifei Tang

*AS 2214 Welding Supervisor
Heavy Engineering Research Association*

Maurice Marquardt

*Sustainable Transportation Professional
Greenroads Foundation*

Zavien Teh

*Masters in Engineering Studies,
Earthquake Engineering
University of Canterbury*

Gayathri Sankar

Kumar Ramaswamy
Liam Edwards
Vivian Lee
*Chartered Professional Engineer
Institution of Professional Engineers
New Zealand*

Dawie Maritz

*NZTA Accredited Tender Evaluator
NZ Transport Agency*

Papers published

Safety 360 Conference 2015

Emma Trembath

*"Creating effective plans for environmental protection and
remediation"*

Water New Zealand Asia Pacific Stormwater Conference 2015

James Hughes and Brian Sharman

"Flood resilient communities: A framework and case studies"

Electricity Engineers' Association of New Zealand Conference 2015

Ray Brown and Guillaume Prudent-Richard

*"New practices emerging around the globe for electricity sector
resilience"*

Bevan Welch

*"3D laser scanning – Minimise risk exposure, reduce time and
save money on the assessment of your asset"*

Danie Snyman, Joep Vassen and Ray Brown

"Hybrid wind and solar power: What a powerful combination"

New Zealand Infrastructure Contracting Summit 2015

Brian Sharman

"Emerging integrated asset management"

NAMS 2014 Conference

James Hughes and Brian Sharman

*"A review of key terminology in the fields of risk management,
asset management, sustainability and resilience"*

Institute of Public Works Engineering Australasia / International
Federation of Municipal Engineering Conference 2015

Colin Gerrard

*"Strengthening decision-making and asset management with
good cost data"*

James Hughes and Brian Sharman

*"A tangled web: Unravelling key terminology in the fields of risk
management, asset management, sustainability and resilience"*

Kerry Griffiths

*"Infrastructure sustainability rating tools - how they have
developed and what we might expect to see in the future"*

New Zealand Institute of Quantity Surveyors Annual Conference
2015

Keeley Pomeroy

"BIM for quantity surveying"

43rd International Congress and Exposition on Noise Control
Engineering (Internoise 2014)

Michael Smith

"Web-based calculators for transportation noise and vibration"

22nd Biennial Conference of the Acoustical Society of
New Zealand 2014

John Bull and Michael Smith

"Determining tonal audibility in large data sets"

Water New Zealand Modelling Symposium

Stepanka Vajlikova

"Hamilton City detailed wastewater model calibration issues"

TRAFINZ (New Zealand Local Authority Traffic Institute) Older
Persons Mobility Workshop

Natasha Ryan, Brett Welch and John Kinghorn

"Designing for mobility scooters"

12th Australia New Zealand Conference on Geomechanics

Melissa Kleyburg

*"Paleoliquefaction in Late Pleistocene alluvial sediments in
Hauraki and Hamilton basins, and implications for paleoseismicity"*

2016 Targets

Technical Excellence

Strong client rating for technical excellence

- Technical team rating (average score ≥9)

Demonstrate technical leadership

- Strong AECOM representation as officers in professional and industry organisations

Industry recognition

- At least three award winning projects

Strong Business Performance

Our financial performance and management are critical to our ability to invest, contribute and grow. As a fully integrated firm, we connect knowledge and experience across our global network of experts to help clients solve their most complex challenges. We also want to deliver value to our shareholders on a sustainable basis.

AECOM New Zealand financial performance 2015

AECOM New Zealand results for 2015 reflect the integration of the legacy AECOM and URS businesses. AECOM New Zealand consists of three trading entities: AECOM New Zealand Limited, AECOM Consulting Services New Zealand Limited and Davis Langdon New Zealand Limited. Our enhanced ability to respond to clients' needs, the strength of the New Zealand economy and our continued success in the transportation, power and water sectors in particular contributed to a positive financial position. The combined revenue of the AECOM New Zealand companies for the 2015 fiscal year was in the order of NZ\$150 million.

We maintained a strong balance sheet and cash position throughout the year, meeting our cash targets for the end of the year.

AECOM Corporation financial performance 2015

AECOM New Zealand Ltd is a wholly owned subsidiary of AECOM, a US-based NYSE listed and a *Fortune 500* company, and our success is linked to theirs.

Fiscal year 2015 was a remarkable year for AECOM with the largest combination in our industry's history. Despite the attention to integration and uneven global economic trends, our results and outlook reflect the benefits of our diversification.

The AECOM companies had revenues of approximately US\$18 billion during the year ended 30 September, 2015.

Further information on AECOM Corporation's financial performance can be found at aecom.com.

Financial systems integration

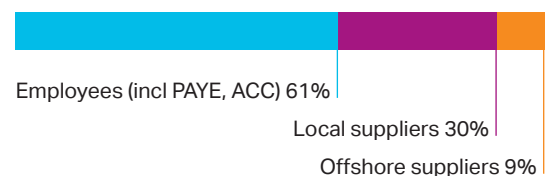
2015 was a year of change and adaptation. We have come out on the other side as a stronger organisation with a powerful market presence in New Zealand.

The new AECOM is in a unique position of being able to select best practice from both legacy organisations, which already had strong reputations in the market. In 2015 we integrated URS project and financial information into AECOM's financial systems to allow us to work and report as one organisation.

Economic impact

Our business relies on us delivering value to our parent company and its shareholders. Our business also has an economic impact in the local community, with a significant part of our cash generated distributed in New Zealand, as illustrated below.

In 2015 this is how we spent our pre-tax dollars earned:



Looking ahead

We will continue to pursue large project opportunities and new growth areas throughout New Zealand, strengthen our profile and market position and attract talented people. We have identified our priorities for the short and the longer term. Our short term Horizon One priorities focus on strengthening our position in key areas.

2016 Targets

Strong Business Performance

Achieve financial plan

- Achieve plan KPIs for revenue, cash and surplus

Strategic business growth

- Achieve individual milestones for our Horizon One initiatives



SH16 Causeway Upgrade

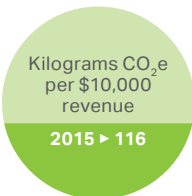
Environmental Stewardship



Putting environmental considerations at the forefront of our actions is an integral part of being a sustainable business. The natural environment touches all aspects of our operations – how we work, how our projects operate, and how we interact with our clients.



Environmental stewardship is a focus both internally and externally, from project assessment procedures to our Green Office programme and our flagship Auckland office. As a 5 Green Star-rated building, it's a testament to our environmental commitment.



Yet there's always a need for continual improvement. Although we monitor and report on our progress, we want to improve the way we do this and how we share our findings with the wider community and our stakeholders.



Environmental stewardship in action at AECOM

AECOM operates a global Safety, Health and Environmental Policy. The policy outlines our commitment to providing exceptional levels of performance in protecting the environment. Our overall Integrated Management System covers our approach to health, safety, environment, quality and risk, with an integral component of this being the Environmental Management System (EMS).

Our EMS undergoes regular external audits and in 2015 we successfully maintained our ISO 14001 certification. We have been certified since 2009 and our certification is now valid until 2018.

Our EMS is designed to help limit our impact on the environment by focusing on reducing both direct and indirect impacts. This includes reducing our offices' environmental footprint, and supporting clients with environmentally responsible solutions. It covers both:

- **Project activities** – identifying and minimising negative environmental impacts from our activities on a project, and
- **Office operations** – managed by the Green Office Programme.

The EMS is undergoing a restructuring to ensure it brings together both legacy URS and AECOM frameworks and adequately reflects the priorities of the new AECOM.

Monitoring our project activities

To ensure our projects have limited environmental impact and that we integrate our environmental focus into our project work, we have established an Environment and Sustainability Project Assessment Procedure.

This procedure guides the consideration of environmental and sustainability risks, impacts and opportunities on projects. It is integrated across the Project Delivery System (PDS) steps: proposal, planning, execution and closure. It is designed to help our people identify environmental risks and opportunities, and put in place appropriate management practices.

We aim to undertake this procedure with every project, and compliance with it is part of our commitment to enhancing sustainability outcomes. Further training of employees to enhance their understanding of sustainability risks and opportunities will help us better realise this commitment.

Environmental incidents are tracked as part of our Safety, Health and Environment near miss and incident reporting. In 2015, we had no recordable environmental incidents.

As a 5 Green Star-rated building, our flagship Auckland office is a testament to our environmental commitment.

In 2016, a new baseline for monitoring our environmental impact against our targets will be established. This is to reflect the reality of the new AECOM.

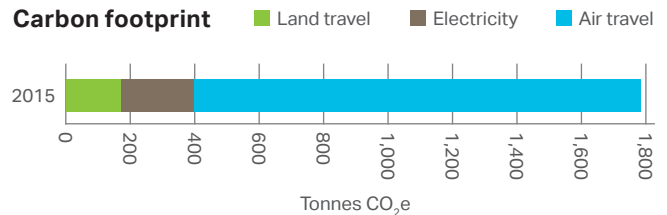
Managing our office operations

Our Green Office (GO!) Programme drives sustainability within our offices and reduces our environmental footprint. The GO! Strategy, first published in 2013, was revised in 2015. It aims to demonstrate sustainable business practices in the areas of:

- **Travel** – all modes of transport including flights, taxis, pool vehicles, public transport and cycling, and supporting our employees to take sustainable transport options to and from work.
- **Energy** – our electricity consumption and the design of our buildings, including fit out, to reduce our footprint.
- **Procurement** – sustainable purchasing choices of recycled paper and other office consumables.
- **Recycling** – our waste stream management with an emphasis on reduction of waste, reuse, and recycling.

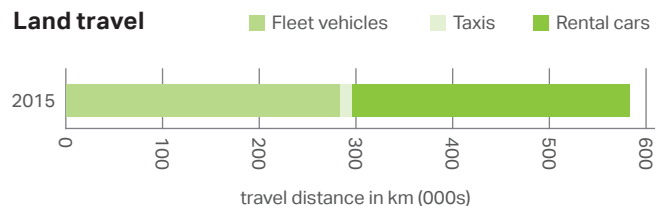


Carbon footprint



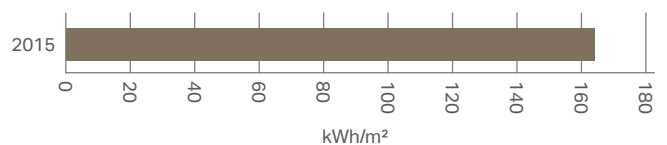
NOTE: Our carbon footprint is estimated in accordance with the Greenhouse Gas Protocol, WRI/WBCSD (2004).

Land travel



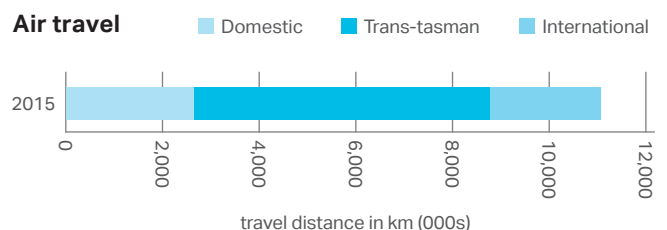
NOTE: Land travel figures do not include private vehicle mileage.

Direct electricity use

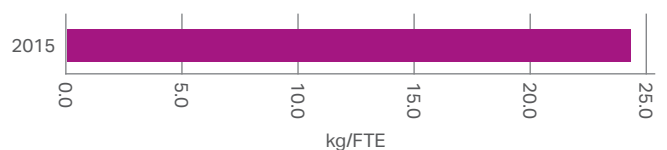


NOTE: Electricity use figures do not include common areas.

Air travel



Paper use



The graphs above illustrate key environmental metrics for our operations. We have not shown trend information this year, as it was difficult to reliably compare to previous AECOM and URS data.



Agropolis Urban Farm

Our GO! progress in 2015

Since its inception in 2009, the GO! programme has helped us identify and quantify the impact of our operations on the environment, and allowed us to focus on reducing our environmental impact. The success of the programme relies both on commitment from management (to provide encouragement, sponsorship and resources) and passionate team members. The GO! Programme includes internal activities that aim to embed sustainability and environmental management into employees' day-to-day actions.

At least once a year, a member of the AECOM Project Systems Team and/or a Green Office Committee Representative undertakes an audit to monitor performance against the set benchmarks, objectives and targets. We also track and report on our progress against our targets quarterly. In 2015, we:

- Hosted a GO! Travel Expo for URS employees integrating into the AECOM Auckland office, with 60 attendees.
- Offered a three-month public transport subsidy to Auckland employees which was taken up by 28% of those relocating offices.
- Supported the Go by Bike Day in February 2015 by providing breakfast for cyclists in all offices, including Auckland Transport and Christchurch City Council-hosted breakfasts.
- Ensured all integrated employees had 'follow-me' printing enabled in all offices.
- Provided all AECOM employees with a recyclable paper bin for their desk.
- Introduced composting bins to our Wellington office.

Tracking our performance and minimising our impact

Our total footprint for New Zealand in 2015 was 1,785 tonnes carbon dioxide equivalent (CO₂e), which translates to 116 kg CO₂e per \$10,000 revenue. Air travel makes up 78% of our carbon footprint. Our goal for the Australia New Zealand business was to reduce the carbon intensity by 30% over six years from 2009–2015, which was achieved through a combination of reduction and off-setting.

In 2015 we implemented a number of data management initiatives to help us track and monitor our environmental data more proactively. We now collect our electricity use on a real-time basis, have access to an online portal for real-time fuel use, and receive quarterly data reporting from our travel and paper suppliers.

Environmental initiatives in the community

It's important to look beyond our own operations and use our capabilities to support the communities that we work with to be more sustainable. In 2015, we undertook a range of environmental initiatives in the community, including our work with Christchurch's urban farm, Agropolis.

Agropolis

In 2013, as part of the Festival of Transitional Architecture (FESTA) in Christchurch, AECOM supported a team developing an urban farm pilot, known as Agropolis. The team involved had a vision for long-term improvement to food connectivity and resilience as well as best use of red zone land and other central transitional land. The pilot project proved successful, sparking the imagination of Christchurch locals and visitors, and has since become a feature of central Christchurch.

Over the past year Agropolis has installed a tunnel house and irrigation system to extend the growing season and allow seedlings to be grown for use on the farm and for sale to the public. The team has also developed a composting service using the popular Bokashi system, which provides an alternative green waste collection service to central cafes and restaurants.

Initially we undertook pro-bono design work, helping Agropolis set up their first urban farm space. Now we're helping to develop a second urban farm site through the provision of financial support and pro-bono services. This includes project management assistance, attending stakeholder meetings, and professional services such as architectural input, engineering, structural design, environmental advice, urban and transport planning services.

John Bull, Acoustics Engineer in our Christchurch office, says: *"As well as AECOM's desire to give back to the community and be a good corporate citizen, the project has a number of strategic business benefits. AECOM was interested in what makes a city liveable and resilient, how to green urban spaces and the design of social housing. The project also gives AECOM staff an opportunity to be involved in the community and learn about urban farming by attending one of the fortnightly volunteer days."*

Looking ahead

In 2016, we will work to maintain zero recordable environmental incidents, to increase understanding of our project Environment and Sustainability Procedure and to increase use of our environmental incident reporting. These initiatives are all part of continuous improvement under our ISO14001 management system.

In late 2015, our Green Office Strategy FY16-FY20 was developed which outlines high level goals and objectives as well as proposed actions. We expect to maintain momentum on our waste minimisation and recycling actions and drive further improvements related to resource use and travel impacts. We want our regular SH&E office inspections to include an increased environmental focus.

In 2016, a new baseline for monitoring our environmental impact against our targets will be established. This is to reflect the reality of the new AECOM.

2016 Targets

Environmental Stewardship

Zero environmental incidents

- Zero incidents involving regulatory non-conformance

Lower our carbon footprint

- Reduce carbon intensity compared to 2015



IMPROVING NEW ZEALAND'S CYCLING INFRASTRUCTURE

AECOM and the Sustainable Business Network (SBN) collaborated to set up Bike 2050 in May 2015 with the aim of accelerating the uptake of urban cycling in New Zealand. Currently the NZ Transport Agency is the primary partner, with more to be confirmed in 2016. This cycling focus forms part of the Smart Transport initiative of reducing fossil fuel-reliance, which feeds into the SBN goal of making New Zealand 100% energy renewable by 2050. AECOM seed-funded the project through financial and pro-bono contributions.

Public sector support for urban cycling was consolidated in 2015 with \$400 million of funding over three years. Cycling is one of the NZ Transport Agency's six priorities within their Statement of Intent. While the public sector's support for more people cycling in New Zealand can be felt widely, the private sector could be a lot more aware of how this transport modal shift can influence and impact on their employees, culture and business.

Through Bike 2050, AECOM has taken a leadership role in guiding the conversation about how cycling will fit into our cities, what this modal shift would look like, how that will impact businesses, and initiating market-led projects based on specific cycling knowledge gaps or innovations.

AECOM's lead is Jack Jiang, Urban Designer in our Christchurch office and cycling infrastructure specialist. Jack believes that the benefits of increased cycle usage are good for business, as well as the environment: *"Improving cycling infrastructure leads to a healthier and happier community. Global research repeatedly proves that healthier and happier people are more productive in their jobs, more interactive and more willing to spend money. Therefore, cycle spaces have the potential to offer a wide range of business opportunities."*

Contributing to Community Wellbeing

Futureintech
ambassadors

2015 ▶ 16

Employee
community
fundraising

2015 ▶ \$15,000

Awards and
scholarships
sponsored

2015 ▶ 6

The very nature of our business activities means that our work impacts upon communities – both local and global – and it's critical for us to ensure that our impact is positive.

Beyond our client project work we believe in the collective energy and effort of our people to benefit society and the environment through financial support, pro-bono work, participation in events and more. Our global Corporate Social Responsibility (CSR) programme is our way of harnessing that energy. We support a variety of philanthropic and charitable activities that make positive differences to local and global communities.

In 2015, our collective impact has increased as colleagues from legacy URS joined AECOM offices throughout the country. In total our employees raised over \$15,000 to support a range of activities and causes, including the annual Poppy Day Appeal and the Oxfam Fairtrade Morning Tea. In a number of cases we matched employee donations to maximise their efforts.

AECOM's approach to CSR

Our CSR strategy focuses our CSR efforts into five areas:

- Community outreach
- Philanthropy
- Governance
- Environmental sustainability
- Employee wellbeing.

Each year, we make a commitment to a range of New Zealand-wide programmes, partnerships, projects and events through the development of a CSR implementation plan. Activities should meet our selection criteria, which include:

- Encouraging careers in our areas of professional services
- Disaster relief support
- Urban disadvantaged support
- Encouraging healthy lifestyles
- Enhancing environmental sustainability
- Opportunities for volunteering and involvement.

Additionally, employees are encouraged to submit CSR activity request forms for support for activities that aren't in the plan. Pending financial approval and ensuring they meet the above criteria, we try to accommodate these.



Futureintech
school visit



Raising money for CanTeen at Les Mills Crank event; Peter North scholarship presentation; ACENZ Best Practical Work Report Award winners; Tauranga Oxfam Morning Tea bake off winners.

We support a variety of philanthropic and charitable activities that make positive differences to local and global communities.

Making a difference in 2015

Futureintech

Futureintech aims to increase the number of young New Zealanders choosing careers in technology, engineering and science. With New Zealand facing a critical skills shortage in those areas, Futureintech encourages young people into our profession through bringing ambassadors from industry into schools. Ambassadors' visits cover a range of ages and types of interaction. We are proud to support Futureintech with 16 employees around the country currently volunteering to be ambassadors.

Additionally, we provide facilities for ambassador training sessions, as well as hosting ad-hoc events in partnership with Futureintech.

New volunteer leave initiative

Implemented in late 2015, our new volunteer leave scheme encourages employees to volunteer their time for a charitable cause of their choice. The scheme allows every employee to volunteer one day a year for a charity or NGO.

Volunteer leave is our way of supporting the great work our employees do in the community and providing a chance for teams to contribute together – we're looking forward to seeing its uptake in 2016 and beyond.

Cyclone Pam Vanuatu 2015 appeal

When it struck in March 2015, Cyclone Pam caused widespread damage and loss of life in Vanuatu. In response to this, collectively Australia New Zealand employees donated more than \$5,000 to relief efforts through our Workplace Giving Programme. Donations were matched up to a total of \$15,000.

UNICEF Immunisation Programme

During April and May, we offered flu vaccines to AECOM employees across our multiple offices. In return for these free flu vaccines, we encouraged people to donate to UNICEF's Immunisation Programme, which we then matched. We raised over \$250 to support this global vaccine programme.

Growing and recognising talent

Scholarships and awards are another way we encourage and foster young people within our industry. In 2015 we supported:

- Rebecca Forgesson who was awarded the Civil and Natural Resources Scholarship at Canterbury University
- Ella Matuschka who was awarded the Peter North Scholarship for Structural Engineering
- Dr Brendon Bradley who won the New Zealand Engineering Excellence Young Engineer of the Year Award
- Luke Boyle, Sarah Novis and Robyn Findlay who won the ACENZ Best Practical Work Report Awards.

In total our employees raised over \$15,000 to support a huge range of activities and causes.



Oxfam Trailwalker Wellington team; KidsCan Santa Fun Run; Round the Bays Fun Run.

Other fundraising events:

- Oxfam Fairtrade Morning Tea – almost \$1,500 raised
- New Zealand Breast Cancer Foundation Pink Ribbon Breakfast – \$1,800 raised
- Appeal to support earthquake relief in Nepal – over \$2,000 raised
- KidScan – \$5 donated for each AECOM engagement survey completed – over \$3,000 raised
- SPCA Cupcake Day – almost \$500 raised
- The Crank for CanTeen Day – over \$1,800 raised
- Wrap for a Cause! – 80 people and 300 Christmas food items and gifts wrapped.

Employee wellbeing activities

As well as supporting the community through outreach and fundraising we encourage our people to participate in events which promote a healthy lifestyle – local marathons, regular team sports, and team challenge events.

In Tauranga, we took part in the Sport Bay of Plenty *Explore Some More Workplace Challenge*. Teams of three people recorded their weekly exercise and submitted their kilometres aiming to reach the goal of virtually exploring 160 km of the eight walkways in the Bay of Plenty.

Five teams entered and the challenge was won by the *Horse Riding is Not a Sport* team. They walked, biked, ran and exercised 392.5 km over four weeks – winning by only 2.5 km. The challenge united the newly integrated office and helped to develop healthy habits for our people.

Looking ahead

In 2016 we will continue to support a number of successful, ongoing community initiatives. We will also look at how we resource and support our CSR programme locally, now that we are a larger organisation.

There are new opportunities to explore such as payroll giving which has been implemented successfully in Australia and locally within URS, and the promotion and tracking of volunteer leave to ensure valuable participation.

2016 Targets

Contributing to Community Wellbeing

Support young people in the engineering and environmental professions

- Maintain Futureintech involvement and awards and scholarships for young people

Support employees to participate in the community

- Track and report volunteer leave



RONGOMAI PRIMARY SCHOOL CYCLE PROGRAMME

In partnership with Auckland Transport, once a month four AECOM Auckland employees volunteer at the lower decile Rongomai School to deliver cycling skills training to year 5 and 6 pupils. The programme aims to provide ongoing cycling opportunities for students who may not otherwise have the opportunity to learn to cycle.

Our people undergo Level 1 Cycle Instructor training and First Aid training and develop lesson plans that progress students through core cycling skills. Additionally, AECOM donated \$10,000 for the purchase of 30 bikes.

Renee Lubbe, Project System Advisor, commented: *"I've been part of the Rongomai programme since it started in 2014. It really aligns with my values because it's getting children outdoors, getting them active and building confidence. It's amazing seeing these kids develop in a very short period of time ... it's just absolutely awesome seeing their big smiles."*



ON THE GROUND SUPPORT FOR NEPAL

In 2015 we supported Rick Ehler, Associate Director – Buildings and Places, who volunteered his time and services to help Nepal rebuild following the recent earthquakes.

Hundreds of thousands of people were made homeless by the quakes in April and many more were living and working in buildings that were potentially unsafe. Rick, in association with Namlo International (and through affiliation with Engineers Without Borders), provided hands-on support to assess the damage to water facilities, buildings and infrastructure across the region northeast of Kathmandu.

His first task was to work with the Nepal Engineers Association to determine the protocols for rapid and detailed assessments on structures. He also worked with a number of other organisations to erect temporary shelters to help alleviate the immediate needs of the local citizens.

Rick commented: *"There are a lot of needs and demands right now in Nepal. Response time after a disaster is a crazy time, but it all has to start somewhere."*

In this way, we were able to support and assist communities thousands of kilometres away from New Zealand.



HOUSING NEW ZEALAND NORTHLAND HOUSING UPGRADES

The Ministry of Business Innovation and Employment jointly with He Korowai Trust are running a pilot to improve substandard housing in rural Northland. It's aiming to develop solutions to reduce the number of low-quality homes in Northland.

AECOM was invited to participate in the pilot as a housing assessor and is contributing \$4,000 of pro-bono hours in support of the Government's initiative to improve housing in our communities.

STAKEHOLDER ASSURANCE

The objective of our assurance process is to evaluate whether AECOM New Zealand's Sustainability Report is accurate and appropriately covers areas of interest to our stakeholders.

To achieve this we have:

- Reviewed the wider sustainability context for AECOM in the 2014/15 financial year as part of this report.
- Completed internal data quality checks and provided proof of accuracy to our stakeholders.
- Selected stakeholder representatives from our clients (Liz Root, City Rail Link, Auckland Transport), our suppliers (Anthony Bodle, FCM Travel), our parent company (Lauren Allen, Manager Business Integration), our employees (Colin Gerrard, Associate Director – Strategic Asset Management, AECOM New Zealand), and a sustainability specialist (Peter Elliott, Technical Director – Environment, AECOM Australia).
- Discussed the report's adherence to the principles of materiality, inclusivity and responsiveness with the stakeholders, and summarised their comments in this Statement.
- Reviewed this Statement with the stakeholders.

Our assurance process combines an internal accuracy audit with external review of adherence to AA1000 reporting principles. An AECOM New Zealand sustainability specialist with no other involvement in the development of this report facilitated the assurance process.

Responding to stakeholder feedback

Every year the assurance process provides us with valuable feedback from our stakeholders. This year the report has been redeveloped in the context of integrating two legacy businesses and setting a way forward for development of a new robust sustainability strategy for New Zealand. As such, the reporting team decided to continue with the report format consistent with previous years.

Report accuracy

All quantitative data in the report is collected in line with data protocols that are confirmed annually.

The environmental data is collected by office representatives and financial staff throughout the year and collated and peer reviewed by our Green Office team. Our environmental management system is certified to ISO 14001. Client satisfaction results were sourced from our Client Satisfaction Survey results. Project related data was collated and reviewed by our Finance team. Our quality system is certified to ISO 9001. The health and safety data was sourced from various elements of our health and safety system by our Australia New Zealand Health and Safety Manager. Our health and safety system is certified to ASNZ4801 and OHSAS 18001. Human resources data was collected by our Human Resources Manager and Advisors, who sourced the information from the human resources management system and the payroll. Financial data was extracted from the audited financial statements of the AECOM Corporation and AECOM New Statutory Accounts and reviewed by our Financial Controller.

An AECOM staff member checks reported data against the protocols, modifying the protocols where required to reflect any changes. Stakeholders were provided with updated protocols and offered an opportunity to question any of the information contained in the report. The qualitative data is thoroughly reviewed by a number of report contributors including the Managing Director, AECOM New Zealand.



Stakeholder feedback

As always the feedback from our stakeholders helped us to identify improvement areas and was greatly appreciated.

Materiality

The stakeholders had mixed views on the materiality of our report. Some rated it as high quality and found that both the coverage and focus were appropriate. Others felt that there were gaps in some areas of interest to them. Areas highlighted were: processes and performance metrics for the management of sustainability in our projects including safety in design, our sustainability strategy and governance, our relationship with indigenous communities and the management of health and safety with subcontractors.

Many of the stakeholders appreciated the technical excellence section.

Overall the report was found to be well balanced in presenting information, but the stakeholders wanted to see more context for the performance metrics, e.g. trends and targets, to better understand their significance. Some felt that the report should celebrate the success of the integrated business more.

Inclusivity

The majority of the stakeholders felt that the principle of inclusivity was applied in the report to a high level. More discussion on our stakeholder management would have been appreciated and it was suggested that the stakeholder map could be moved to earlier in the report. It was suggested that more qualitative rather than quantitative stakeholder engagement could improve our understanding of stakeholder concerns and enable a better response.

Responsiveness

The responsiveness aspect of our report was rated highest this year. The stakeholders felt that the report was well structured following the eight sustainability goals. They found the language easy to engage with and enjoyed the story telling and direct quotes. Stakeholders would like to see more infographics in future reports. The thought leadership section, while interesting, impacted the clear structure of the report and it was suggested that it could be moved or weaved into the performance sections as relevant.

Closing statement

The accuracy review and the stakeholder feedback are provided in full to *The Things We Value* reporting team. In a number of cases changes were made to the 2015 report prior to publication to reflect the feedback. The feedback will be reviewed again as part of the preparation and planning for next year's report.



For further information contact:
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GRI CONTENT INDEX

In completing this report AECOM New Zealand referred to the G4 Reporting Guidelines produced by the Global Reporting Initiative (GRI). These guidelines reflect good practice in sustainability reporting, particularly those issues considered important to stakeholders. We applied the G4 principles in developing the report and referenced the G4 indicators when determining content. We aim to report in accordance with the core G4 requirements.

This Content Index identifies where in our report you will find the G4 disclosures and indicators.

GENERAL STANDARD DISCLOSURES			STATUS	PAGE	GENERAL STANDARD DISCLOSURES			STATUS	PAGE
Strategy and Analysis					Stakeholder Engagement				
G4-1	Statement from the CEO		●	3	G4-24	List of stakeholder groups engaged by the organisation		●	5, 40–41
Organisational Profile					G4-25	Basis for identification and selection of stakeholders with whom to engage		●	5, 40–41
G4-3	Name of the organisation		●	4	G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group		●	14–39, 40–41
G4-4	Primary brands, products and services		●	4; throughout report	G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns		●	14–39, 40–41
G4-5	Location of the organisation's headquarters		●	4	Report Profiles				
G4-6	Number of countries where the organisation operates		●	4	G4-28	Reporting period for information provided		●	4
G4-7	Nature of ownership and legal form		●	30	G4-29	Date of most recent previous report		●	4
G4-8	Markets served		●	Throughout report	G4-30	Reporting cycle		●	4
G4-9	Scale of the reporting organisation		●	4, 6, 30	G4-31	Contact point for questions regarding the report or its content		●	44
G4-10	Employee numbers and type		●	4, 6, 20–23	G4-32	GRI Table		●	42–43
G4-11	Percentage of total employees covered by collective bargaining agreements		○	Not applicable	G4-33	Policy and current practice with regard to seeking external assurance for the report		●	4, 40
G4-12	Organisation's supply chain		●	5	Governance				
G4-13	Significant changes during the reporting period		●	4, 30	G4-34	Governance structure of the organisation		●	14–17
G4-14	Whether and how the precautionary approach or principle is addressed		●	1, 4	Ethics and Integrity				
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives subscribed to or endorsed		●	5, 14, 32	G4-56	Organisation's values, principles, standards and norms of behaviour		●	1, 14
G4-16	Memberships in associations (such as industry associations) and/or national/international advocacy organisations		●	5, 26–29	DISCLOSURES ON MANAGEMENT APPROACH				
Identified Material Aspects and Boundaries					The management approaches, goals, policies, performance areas and systems AECOM New Zealand uses to address its various sustainability impacts are covered throughout the report; particularly in Our Sustainability Goals sections (14–39).				
G4-17	Entities within the organisation's consolidated financial statements		●	30					
G4-18	Process for defining report content		●	4					
G4-19	Material Aspects identified in the process for defining report content		●	1, 4					
G4-20	Report whether the Aspect is material within the organisation and any limitations		●	1, 5, 14–39, 41					
G4-21	Report whether the Aspect is material outside the organisation and any limitations		●	1, 5, 14–39, 41					
G4-22	Effect and reasons of any restatements of information provided in previous reports		●	4					
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries		●	4					

Key

● Reported

○ Partially reported

○ Not applicable

SPECIFIC STANDARD DISCLOSURES		STATUS	PAGE
Economic			
G4-EC1	Direct economic value generated and distributed	●	30
G4-EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	◐	12, 32–35
G4-EC3	Coverage of the organisation's defined benefit plan obligations	◐	21–23
G4-EC7	Development and impact of infrastructure investments and services supported	●	3, 9–13, 25, 32–35
G4-EC8	Significant indirect economic impacts, including the extent of impacts	●	30
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	●	30
Environmental			
G4-EN1	Materials used by weight or volume	●	32–35
G4-EN2	Percentage of materials used that are recycled input materials	◐	32–35
G4-EN3	Energy consumption within the organisation	●	32–35
G4-EN4	Energy consumption outside of the organisation	●	32–35
G4-EN5	Energy intensity	●	32–35
G4-EN6	Reduction of energy consumption	●	32–35
G4-EN7	Reductions in energy requirements of products and services	●	32–35
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	◐	12–13, 32–35
G4-EN13	Habitats protected or restored	●	32–35, 36–39
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	●	32–35
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	●	32–35
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	●	32–35
G4-EN18	Greenhouse gas (GHG) emissions intensity	●	32–35
G4-EN19	Reduction of greenhouse gas (GHG) emissions	●	32–35
G4-EN23	Total weight of waste by type and disposal method	◐	33
G4-EN24	Total number and volume of significant spills	●	32–35
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	●	16, 32–35
G4-EN30	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	●	32–35

Key

● Reported

◐ Partially reported

○ Not applicable

SPECIFIC STANDARD DISCLOSURES		STATUS	PAGE
Social: Labour Practices and Decent Work			
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	●	20–23
G4-LA3	Return to work and retention rates after parental leave, by gender	◐	20
G4-LA5	Percentage of total workforce represented in formal joint management- worker health and safety committees that help monitor and advise on occupational health and safety programmes	●	24–25
G4-LA6	Type of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	●	24–26
G4-LA9	Average hours of training per year per employee by gender, and by employee category	◐	24–25
G4-LA10	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	●	20–23
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	●	20–23
G4-LA12	Composition of governance bodies and breakdown of employees according to gender, age group, minority group membership, and other indicators of diversity	●	14–15, 20–23
Social: Human Rights			
G4-HR2	Total hours of employee training on human rights policies or procedures concerning relevant aspects of human rights, including the percentage of employees trained	◐	14
Social: Society			
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programmes	●	36–39
G4-SO4	Communication and training on anti-corruption policies and procedures	●	14
Social: Product Responsibility			
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	◐	14, 24–25
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services	●	14, 24–25
G4-PR3	Type of product and service information required by procedures for information and labelling, and percentage of significant product and service categories subject to such information requirements	●	14, 24–25, 32
G4-PR5	Results of surveys measuring customer satisfaction	●	18–19

FEEDBACK AND CONTACTS

This report has been prepared by AECOM New Zealand employees with input from our clients and other stakeholders. We acknowledge the report team and all those who have provided information and advice in the production of this report.

We welcome your feedback.



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