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High Capacity Metro Trains Project

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Downer's Reconciliation Action Plan



\$250 million mining services contract



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RPQ is considered an excellent partner for Downer due to its reputation for excellence in relationship building and ability to implement innovative solutions.



RPQ joins Downer's Road Services team

In August, Downer announced the acquisition of RPQ Group, a company that provides a range of quality services in road construction and maintenance. RPQ became part of our Road Services business on 1 October 2016.

RPQ was established in 1984 with just two staff members and one machine. Today it employs over 100 staff, owns a fleet of over 100 road plant and vehicles and operates out of eight locations across Queensland and New South Wales.

Dante Cremasco, Executive General Manager, Downer Road Services, welcomed RPQ to Downer Group: "RPQ was one of the first companies in Australia to introduce road profiling technology and their capability includes the supply of asphalt, bitumen spray sealing, road milling and profiling, road maintenance, foam bitumen stabilisation, mobile asphalt production, mobile crushing and equipment hire.

"RPQ is a recognised and well-respected brand in the geographies they operate in, and will continue to operate under their distinct and unique brand." RPQ is considered an excellent partner for Downer due to its reputation for excellence in relationship building and ability to

implement innovative solutions, which has seen them successfully compete with larger ASX listed companies.

We warmly welcome RPQ to Downer!





Introducing Downer's inaugural **Reconciliation Action Plan**

As part of our commitment to making a difference across the urban, rural and remote communities of Australia, Downer has released its inaugural Reconciliation Action Plan (RAP).

Georgie Millen from our Human Resources team at Downer, said: "RAPs provide a framework for organisations to realise their vision for reconciliation and are practical plans of action, built on relationships, respect and opportunities.

"Most importantly, RAPs create social change and economic opportunities for Aboriginal and Torres Strait Islander Australians." Our "Reflect" RAP provides a framework and plan to help us focus and coordinate our reconciliation efforts over the next 12 months.

Grant Fenn, Downer CEO and Managing Director said: "I am proud to introduce Downer's inaugural 'Reflect' Reconciliation Action Plan (RAP) for 2016-2017. Downer has a history of activities and community partnerships, which demonstrate our commitment to reconciliation." Our RAP details our engagement with Aboriginal people in the Western and Eastern region of Australia, including the long standing relationships with Wintawarri Guruma, Bunaba,Gooniyandi Wakka Wakka Nyiyaparlie Guruma Yani groups and corporations. Examples of specific partnerships with Aboriginal and Torres Strait Islander communities and organisations are provided, including our partnership with Jawun and the Australian Literacy & Numeracy Foundation's (ALNF) Wall of Hands Appeal.

Our full RAP can be found on our website.





Rollout of new Downer brand almost complete

The new Downer brand was launched in March 2015 and the program to roll it out across our offices, work sites, vehicles, plant and equipment is almost complete.

About 315 offices and work sites of various sizes in Australia and New Zealand have been rebranded with new signage and there are only about ten left to go.

We have also updated the decals on most of our vehicles, plant and equipment.

Corporate Head Office has paid for the costs of this rebranding program and this will continue until 31 December 2016.

From 1 January 2017, any costs associated with branding will need to be covered by the relevant business unit.

How to arrange for new branding

Please contact Corporate Affairs at susan.attwood@downergroup.com immediately if you need to arrange for updated branding on work sites etc.



For leased vehicle decals, please note that dealers and vehicle leasing suppliers work directly with our decal supplier and upgrades can be arranged by contacting them.

Thank you for your support!

We would not have been able to roll out the brand so effectively without the cooperation of many people across Downer, so thank you very much for your support. It has been an excellent example of "Relationships creating success".

2016 Downer Sustainability Report

In October, we released our 2016 Sustainability Report.

The report describes the management approach we take in relation to material issues on sustainability, our FY2016 sustainability performance and our focus for FY2017.

The CEO of Downer, Grant Fenn, said: "Our customers are increasingly looking to us to bring forward best practice solutions that will challenge the way they are doing things. This is resulting in some excellent, mutually beneficial outcomes."

A special thanks to all our employees for your continued support. We should all look forward to building a safer, more sustainable future for Downer. You can view the full 2016 Sustainability Report in the Sustainability section of our website.





PROJECT WINS



Downer's scope of work on the project includes: project management services for the HCMT construction: design, construction and commissioning of the train maintenance facility, stabling yards and light service facility; and maintenance and overhaul of the HCMT fleet, train maintenance facility, light service facility and simulators for 30 years.

Preferred respondent for High Capacity Metro Trains Project

In September, we announced that the Evolution Rail consortium, comprising Downer, CRRC Changchun Railway Vehicles and Plenary Group, had been selected as the preferred respondent to deliver the High Capacity Metro Trains (HCMT) contract.

This is the largest investment in new rolling stock in Victorian history, with a total of 65 new high capacity metro trains to be delivered for the Melbourne Metro network from 2019.

The Chief Executive Officer of Downer, Grant Fenn, said he was delighted with the contract win. "Downer has over 100 years' experience delivering rail solutions for its customers across Australia and we look forward to working closely with Public Transport Victoria to deliver this critical project for the people of Victoria."

The consortium is responsible for the design, manufacture and commissioning of 65 trains for use on the Cranbourne, Pakenham and Sunbury lines in Melbourne. It will also design and build two training simulators, a maintenance facility and stabling yard at Pakenham East, and a light service facility at Calder Park.

The contract also comes with a 30-year maintenance deal for the fleet, facilities and simulators.

The contract will create 1,100 full time Victorian jobs in high-skill, high-value sustainable fields and Downer will invest \$16 million into its Newport Centre of Excellence for Rolling Stock, where 60% of the trains' construction will take place. Victoria's Minister for Public Transport Jacinta Allan, said the contract would cover every train needed to boost services in Melbourne's south east, along with the 'turnup-and-go' service planned for the future Metro Tunnel.

"These new high capacity trains will do the heavy lifting on the Cranbourne-Pakenham lines, ahead of the opening of the Metro Tunnel, enabling more passengers to travel during the busiest parts of the day."

The first of the new trains are expected to come into service in 2019.



CONTRACT WIN



Pictured is Luke Rowlands (left) being awarded the Telstra Wideband Services Agreement, together with members of Telstra's Contract Management and Downer's NC&M teams.

Downer to deliver **Telstra Wideband**

In October, Downer's Network Construction and Maintenance (NC&M) team announced it had secured a contract with Telstra to deliver its Wideband Services nationally as part of its dual supplier model, following a highly competitive tender process.

The contract is in addition to the Asset Relocation and Commercial Works contract that Downer has been successfully delivering over the past five years.

The three year contract, with a further two year option, will see Downer providing design, construction and integration work that supports Telstra's voice, data and IP (internet protocol) products and services for its Wholesale, Retail, Enterprise and Government customers.

"This contract win is a key step towards our aspiration to grow the NC&M business in the telecommunications sector where Telstra is a significant player," said Luke Rowlands, General Manager – Network Construction & Maintenance.

Downer and Eliquo to collaborate on water industry projects

Downer and Eliquo will jointly pursue and deliver key strategic projects in the water industry.

Our agreement with Eliquo was signed on the UNESCO worldheritage-listed Cockatoo Island in Sydney Harbour, witnessed by His Majesty Willem-Alexander King of The Netherlands and Her Majesty Máxima Queen of The Netherlands. The State visit celebrates the 400 year anniversary of bilateral trade between Australia and The Netherlands, dating back to explorer Dirk Hartog's landing at the coast of Western Australia in 1616.

"We're very pleased to partner with Eliquo to bring their industry leading European technologies and innovations into the Australian market," said Trevor Cohen, Executive Director, Downer Utilities.

"Our partnership with Eliquo is another way we can demonstrate market leadership by continuing to add proven innovation and value to the complete water lifecycle solutions we provide to our customers."

"The Australian and New Zealand markets show receptiveness to proven innovative solutions from The Netherlands. Our cooperation with Downer will facilitate the export of Dutch knowledge and experience in a sustainable way," said Rick Langereis, Managing Director, Eliquo.



Pictured from left to right: Mike Basterfield (General Manager Water Projects Downer Utilities), Luc Kox (Australia & New Zealand Representative Eliquo Water & Energy/ Director Blue Horizon Solutions), Henk Kamp (Minister for Economic Affairs for The Netherlands), Her Majesty Máxima Queen of The Netherlands, His Majesty Willem-Alexander King of The Netherlands, Trevor Cohen (Executive Director Downer Utilities) and Anthony Johnston (Executive General Manager Strategy and Development Downer Utilities)

Downer awarded \$250 Million of Mining Services Contracts

Downer Blasting Services (DBS) has recently been awarded the following three contracts for the supply, manufacture and delivery of explosives and down the hole blasting services:

- a three year contract, plus an option for an additional two years, with Newmont Asia Pacific at its Boddington Gold mine. This is a new opportunity for DBS and includes the customisation and then ongoing management of an onsite emulsion manufacturing facility;
- a three and a half year contract, plus options for an additional two, two-year extensions, with Karara Mining Limited at its Karara mine site; and
- a five year extension of the existing contract with Grange Resources (Tasmania) Pty Ltd at its Savage River mine site.



In September Downer announced that it has won five contracts valued at over \$250 million through our mining services businesses.

Downer has also been awarded an underground mining contract at Newmarket Gold Inc.'s Fosterville Gold, which includes providing ground support services and related mining services.

In addition, Waanyi ReGen (WRJV), a 50:50 joint venture between the Waanyi Prescribed Body Corporate (Waanyi PBC) and Downer's ReGen business, has been awarded a three year contract covering water and land management and erosion prevention activities at the Century mine site.

The Chief Executive Officer of Downer, Grant Fenn, said: **"These new and extended contracts are a clear endorsement of Downer's broad value proposition for mining services customers which includes enhancing safety, increasing productivity and engaging the local community."**



Mineral Technologies wins top engineering award in Brazil

Downer's Mineral Technologies business has been recognised at the ninth Annual Engineering Awards in Brazil, winning an award for Mining in the Process Separation and Process Engineering category.

Mineral Technologies is part of EC&M's Engineering and Technology group and primarily works with customers in the mineral and silica sands, iron ore and chrome sectors. In operation for over 75 years, Mineral Technologies has offices across Australia and major mining regions worldwide.

The Top Engineers Awards recognise the best suppliers of engineering services to industry including construction, mining and metals, telecommunications, health, energy agriculture and automotive sectors.

Mineral Technologies came out a clear winner for its expertise in process separation and process engineering.

Engineering and Technology Executive General Manager, Andrew Foster, said: "Being awarded a prize that is a direct result of customer satisfaction is testimony to our team in Brazil's expertise and their commitment to creating success for customers in this region. I congratulate the team on this great achievement."



Leopoldo Bigarella, Mineral Technologies General Manager in Brazil accepted the award on behalf of his team. Pictured with Leopoldo is Bernardo Abraão Lopes, Presidente AEAEE – UFMG.

Road Services take four out of five **Australian Asphalt Pavement Association Awards**

Our New South Wales (NSW) and Australian Capital Territory (ACT) Road Services team won four out of five State Australian Asphalt Pavement Association



(AAPA) awards, taking our AAPA state award grand total to 10.

Our 10 AAPA State awards and two National awards were:

New South Wales

- Outstanding Project Award
 Majura Parkway, ACT
- Safety Initiatives Award Jim Appleby, Back to Blue Program
- Emerging Leader Award – Scott Hourigan, Asphalt Paving Supervisor ACT
- Innovation Award Eco Street Project, Concord West NSW

Victoria

- Outstanding Project Award – Avalon Airport
- Innovation Award Tonerseal

Queensland

- Emerging Leader Award
 Ian Clarke, Technical
 Manager
- Innovation Award TonerPave

South Australia

- Industry Leadership Award

 Steve Ainscow, Surfacing
 Manager
- Emerging Leader Award
 James Lemon, Asphalt
 Operations Manager

National Awards

- James Lemon, Asphalt Operations Manager was recognised by our peers for outstanding leadership and contribution to the industry and the association, and took out the National Emerging Leader Award.
- The Eco Street Project in Concord West (NSW) was recognised with a National Innovation Award for demonstrating innovation in technological change, cost reduction or performance improvements in design, process, system or product in flexible pavements within Australia.

"We are excited about these awards as they are clear endorsement by our peers as well as our peak body of the great work we deliver as a Road Services team,"

said Dante Cremasco, Executive General Manager, Downer Road Services. Well done team.

INNOVATION



Downer at the **4th annual NT Defence Summit**

Downer was the gold sponsor of the 4th annual Northern Australia Defence Summit, hosted by the Northern Territory Government, in Darwin.

The Summit was a high level policy-driven conference, which featured Federal and Territory keynote sessions outlining future plans for the safeguard of Northern Australia.

Downer Executive General Manager Defence, Brett Sangster, represented Downer at the Summit and spoke about how Downer is putting innovation into practice through our diverse capabilities, as well as our partnerships with small to medium sized enterprises. The conference also heard from Ministers, Defence officials, military commanders, industry leaders, prime contractors, defence SMEs, strategic analysts, academics and consultants.

This is the first Defence summit Downer has sponsored and it provided a great opportunity to showcase our capabilities and growing expertise in the Defence sector. It also provided the opportunity for Downer Defence and its existing network of contacts, including senior leaders and business development teams, to network and meet with key Defence personnel.



Connected Vehicle Technology

The world's intelligent transport systems industry came to Melbourne in October for the latest on connected vehicle technology.

After five days of technical tours, demonstrations, exhibitions, plenary sessions and executive forums, the 23rd World Congress on Intelligent Transport Systems (ITS) became the second largest international association conference ever to be held in Melbourne.

With a theme of *enhancing liveable cities and communities*, the event played host to over 11,000 attendees from around 73 countries, including all Australian and New Zealand road authorities.

Downer was able to showcase its capabilities and expertise in ITS across all modes of smart transportation. In partnership with Keolis Downer and Cisco, our exhibition stand was one of the most attended sites for the duration of the congress. We successfully demonstrated advanced telemetry, facial recognition, passenger tracking and journey times, fibre optic monitoring for the detection of road and rail incidents, and a custom built E-Class tram simulator for a completely unique user experience.

Intelligent transport systems and smart mobility research are receiving increasing recognition across the globe, as the benefits of the use of advanced and connected transport systems for people and goods are being realised.







(pictured left to right) Kevin Edgerton, Ross Duffy, Peter Lewis, Alan Henderson.

Supply Services celebrates combined 90 years of experience!

Downer Mining recently celebrated the work anniversary of four Supply Services team members: Kevin Edgerton (30 years); Ross Duffy (15 years); Peter Lewis (15 years); and Alan Henderson (30 years). A total of 90 years' experience!

Kevin commenced work at Downer Mining on 25 September 1986 as a Chainman with the Survey Department on a temporary two day job and never left! Kevin's current job title is Supply Projects Officer.

Ross commenced work at Downer Mining on 8 March 2001 as a Site Support Officer, progressing through different roles and is currently the Supply Manager across East and West regions.

Peter commenced work at Downer Mining on 21 September 2001 as an Inventory Control Site Support Officer. Peter is currently on secondment with the JDE Global Solution Project.

Alan commenced work at Downer Mining on 28 November 1986 as a workshop cleaner/yardman and is currently leading the Downer Mining Purchasing Team.

Jon Wilson, Group Manager Supply Services said "The fact that Alan, Kevin, Peter and Ross have managed to reach 90 years combined service for Downer Mining is a fabulous achievement. Congratulations gentlemen and here's to another few decades!"



Downer partners with Australia Zoo to lay sustainable TonerPave

More than 250 tonnes of our TonerPave sustainable asphalt containing more than 15% recycled content including toner from recycled printer cartridges, was recently laid in Australia Zoo.

"Partnering with like-minded sustainability focused organisations like Australia Zoo helps us lead our industry and continue to push the envelope towards increasing the levels of accepted recycled content we currently have in Queensland Roads," said Evan Boone, General Manager – Queensland Surfacing, Downer Road Services.

"Australia Zoo is in a unique position as a nature-based attraction promoting conservation values, and we are very pleased to have Downer partner with us to lay asphalt with high recycled content and reduced carbon footprint in our main zoo entryway and adjacent car park entrance," said Brian Dore, Operations Manager at Australia Zoo.

Great work Bill Sheedy and the North Coast Road Surfacing team on working closely with Australia Zoo on delivering a sustainable solution that helps them continue with their environmental legacy.



Our Gorgon Team raise funds for **Cancer Awareness Month**

Our Incident Injury Free (IIF) Action Team successfully raised \$7,550 by selling t-shirts that were designed and embroidered specifically for the month of Cancer Awareness, in October. The Gorgon team's support was an outstanding success and all proceeds will be donated to the Cancer Council on behalf of Downer and the Gorgon Miscellaneous LNG Plant Team.



Downer Gold Sponsor for WaterAid

Downer's Operations, Maintenance and Services business in NSW was a Gold Sponsor at this year's WaterAid Ball.

The event was themed as "a night at the Oscars" and raised in excess of \$250,000 with contributions from major sponsors including Sydney Water, Downer and other organisations.

About WaterAid

One in ten of the world's population do not have access to safe water. A child will die every 21 seconds from an easily preventable water-related disease.

Since 1981, WaterAid has reached more than 15 million people providing them with safe water and provided 11 million people with sanitation since 2004.

WaterAid provides local communities with local skills and practical, sustainable technologies to achieve lasting improvements in water, sanitation and hygiene education.

For more information visit www.wateraidaustralia.org/au







Downer, Oxfam and Trail Walkers at Oxfam's Port Villa HQ

Vanuatu's Mt Yasur erupting

Downer lends a hand in Vanuatu for **Oxfam's Water Challenge**

On June 30, four representatives from Downer's New Zealand Water business, along with representatives from Oxfam NZ, boarded a flight headed to Port Villa in Vanuatu.

This trip was the culmination of a major fundraising effort by our people within the Downer Water business, as part of the Oxfam Water Challenge, which aims to provide drinking water to communities across Melanesia.

Every year corporate teams representing the water industry in NZ aim to raise money through volunteer work, donations and other fundraising initiatives for the Oxfam Water Challenge. Downer raised the most money with an impressive sum of \$8,000!

Rodger Dawson, South Island Operations Manager, Water, said: "Upon arriving in Port Villa it became very apparent just how devastating 2015's Cyclone Pam has been to the environment and the people of Vanuatu. Visually, we were reminded every day of the destruction it caused, with many public structures and roads still requiring repair."

Despite the hardships suffered, our Downer representatives were greeted warmly by the friendly locals on the islands. "One taxi driver we met even welcomed us into his village to see first-hand where he lived and how they were trying to rebuild their lives," said Dawson.

The Downer team was also lucky enough to have their own personal guide in Downer's Craig Smart, who lives and works in Vanuatu for our Projects team.

Whilst on Tanna, the team took a tour of the island's active volcano Mt Yasur. **"It is quite apparent from the outset when you reach Vanuatu that H&S regulations have not reached many parts of local communities and this was especially apparent on Tanna,"** Rodger said.

"On our 5th day we were blessed by the village chief before trekking to the top of the volcano. Now this has to be one of the craziest experiences you can ever have... With no steps, handrails or barriers at all, we stood right on the edge of an active volcano." Perhaps the best part of the experience for the team was the fact that they were able to lend a hand on the spot in assessing damage to a village's water pump. "When some of the people from a local village on Tanna discovered we were water experts they asked us to help fix a broken pump, which supplies water to their whole village.

"We also trekked to a remote water source deep in the jungle, which services several villagers and offered up our expertise to help fix that problem...The dam they had built showed first-hand how resourceful the people of Vanuatu are. The build involved ten tonnes of concrete carried into the site on foot by the young men of the village. Although, looking at the chief and his machete, I don't think they would have argued too much!"

Everyone who went on the trip came away with a new appreciation for the services we provide and the depth of knowledge we hold in the water business.

Have you got a story idea? Know how we can make Downer News better? Send your suggestions to: Corporate.Affairs@downergroup.com



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