

SUSTAINABILITY AT UGL

Sustainability Plan 2025



At UGL, we recognise sustainability is a **long term, dynamic and strategic imperative** for our clients, our business and the communities in which we work.

Sustainability at UGL is guided by our Vision to be recognised as the **“best of the best”** by our clients, shareholders and our people.

We complement and enhance our client’s sustainability objectives through our **leading engineering capability** to decarbonise infrastructure across the whole asset lifecycle.

We look forward to partnering with our customers, employees and stakeholders, towards a better future.

Doug Moss
Managing Director



UGL is a market leader in end-to-end asset solutions. What sets us apart is our diverse sector experience combined with our focus on operational value. Our whole-of-life offer maximises solutions, delivery and performance.

As a member of the CIMIC Group, we offer clients complementary capabilities, scale, and scope – in a cost-effective, high-quality collaboration model.

As a group of companies, our principles are a common bond. You can rely on us for:



Employees 8,000

Internal workforce self performing 85%

Contractors 2,000

Sustainable design capacity >400

Process, Civil, Structural, Mechanical, Piping, LV/HV Electrical, Instrumentation, Controls & Digital Systems Engineers

About UGL

Member of ISC since 2017



Authorised Engineering Organisation & National Engineers Register



ISO Certified 45001; 9001; 14001; AS/NZS 4801



UGL's 4th Reconciliation Action Plan
(Stretch RAP 2022-2025)



sustainability recognition

As a member of CIMIC Group and the global Hochtief group of companies, UGL consistently contributes to sustainability recognition of the Group:



2021 "AA" rated by MSCI ESG Ratings

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

Member of the Dow Jones Sustainability Index (World)

Sustainability Award
Bronze Class 2022
S&P Global

Bronze Class 2021 in S&P Global's Corporate Sustainability Assessment



2021 Sustainalytics "ESG Top-rated" in "Construction & Engineering"



2021 member of FTSE4Good Index

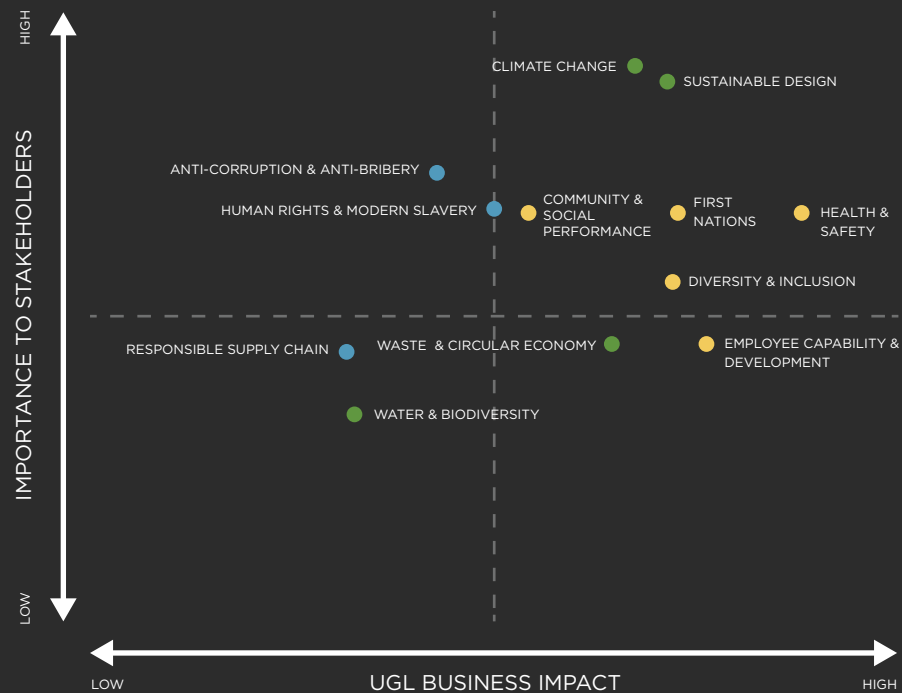
1.

Sustainability at UGL

UGL's Principles guide us to do the right thing. Being a trusted sustainability solutions partner for our clients, starts with demonstrating sustainability capability when running our own operations.

Our Sustainability Plan 2025 exists to maximise the value created from our efforts, by focusing on what matters most for UGL and our stakeholders. This is informed by a sustainability materiality assessment, which identified the following as key material areas to our business:

UGL Sustainability Materiality Matrix

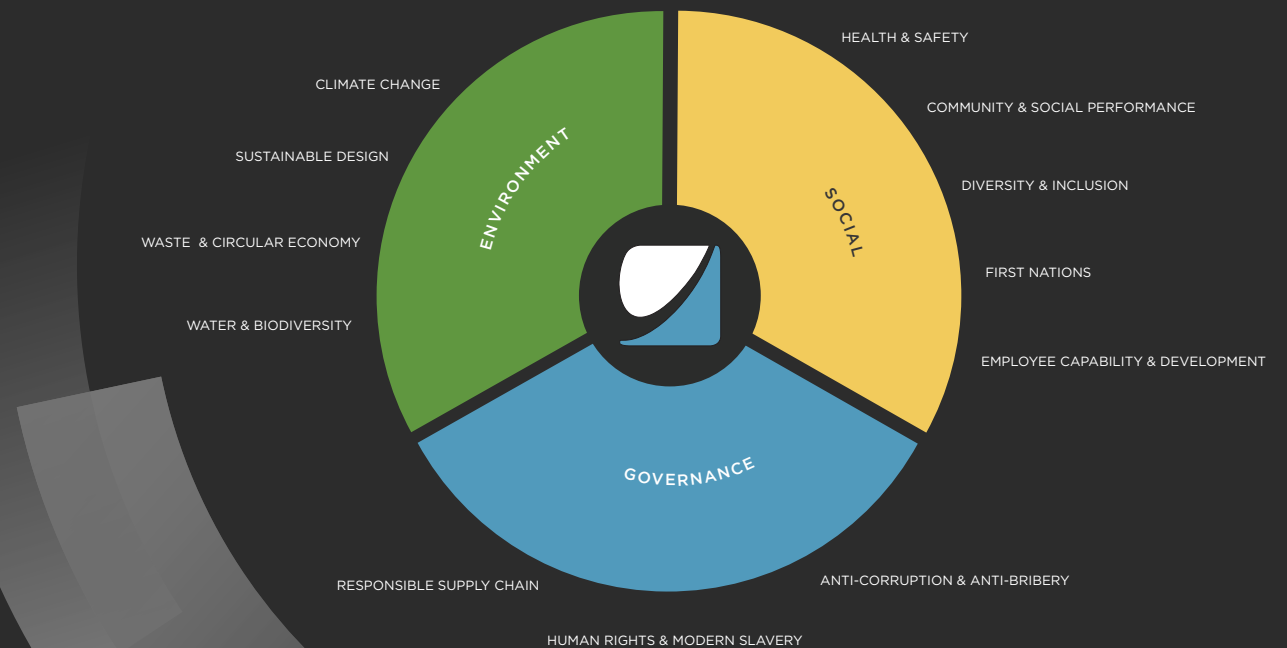




Creating value

Our Sustainability Plan 2025 is organised into three pillars: Environmental, Social and Governance.

Within each pillar, we have defined the most material areas and respective KPIs that will guide our daily work at UGL, and how we partner with customers to complement their objectives.





Building the world of tomorrow

Net zero emissions (Scope 1,2,3) by 2045

Net zero operational Scope 1 and 2 emissions by 2038 (2019 base)

Reduce Scope 1 and 2 emissions by 20% by 2025 compared to 2019 levels

Establish and implement long term initiatives to preserve ecosystems and **increase biodiversity**

Develop a market leadership position via business development in the delivery of 'green rated' and **sustainable technology project offers**

Increase the budget for donation and sponsorships by **3%** annually until 2025 (2022 base)

Increase Aboriginal & Torres Strait Islander procurement spend to a minimum of **4%** by June 2023, **4.5%** by 2024 with the goal of reaching **5%** by June 2025

Increase Aboriginal & Torres Strait Islander employment to a minimum of **3%** in March 2023, **3.5%** in 2024 and **4%** in July 2025

Safety Leadership Score **>85%**

17% representation of women in the UGL workforce in 2025

20% representation of women in UGL management and senior positions in 2025

Include **ESG criteria** in 50% of significant suppliers selection process by 2025

Zero breaches of anti-corruption & competition laws each year



We support the goal of the Paris Climate Agreement and are committed to enabling our customers to meet their climate goals.

We recognise that biodiversity is the basis for functioning and stable ecosystems. We are committed to protecting what we are responsible for, and are continually adapting to find innovative solutions to the most pressing environmental challenges.

Our aim is to achieve long standing positive environmental outcomes by being leading provider of sustainable solutions for all our clients.

Environment

2025 commitments

Key metrics

Climate change

- Reduce Scope 1 and 2 emissions by 20% by 2025 compared to 2019 levels
- Net zero operational Scope 1 and 2 emissions by 2038 (2019 base)
- Net zero emissions (Scope 1,2,3) by 2045

- Gross Scope 1 emissions (operational)
- Gross Scope 2 emissions (operational)
- Gross Scope 3 emissions
- Emissions intensity

Waste & circular economy

- Promote lifecycle/circularity analysis on client tenders

- Total waste to landfill
- Annual recycling rate

Water & biodiversity

- Zero environmental incidents with severe environmental damage
- Implement water protection plans in 100% of projects in water stressed areas by 2025
- Implement biodiversity plans in 100% of projects in environmentally sensitive areas by 2025
- Establish and implement long term initiatives to preserve ecosystems and increase biodiversity

- # of environmental incidents
- Environment Incident Frequency Rate
- Total annual water consumption
- % of projects in water stressed areas
- % of projects in environmentally sensitive areas

Sustainable design

- Develop sustainable design capability to deliver decarbonisation solutions to clients
- Develop a market leadership position via business development in the delivery of 'green rated' and sustainable technology project offer

- # UGL projects with dedicated sustainability rating
- % revenue from new energy projects
- Assess climate risk and adapting projects where feasible to respond to potential and actual climate impacts
- # of employees trained as IS accredited professionals

SOCIAL

UGL's most valuable assets are our employees.

We aim to encourage a culture where everyone is safe, supported, treated fairly and with respect. The health and safety of our employees is paramount to everything we do.

Our host communities are the enablers of our work.

UGL believes that true reconciliation with Aboriginal and Torres Strait Islander peoples will only be achieved through ensuring equity, opportunity and respect. Together, we can achieve lasting positive social impact in communities through the infrastructure we deliver and the local partnerships we are proud to invest in.



Social

2025 commitments

Key metrics

Community & social performance

- Improve monitoring of volunteering; implement a method to allow community impact tracking by 2025
- Increase the budget for donation and sponsorships by 3% annually until 2025 (2022 base)
- 100% projects (>\$100m) to have a stakeholder/social inclusion management plan/strategy by 2025

- Total employee hours spent volunteering
- Total \$AUD spent on sponsorships & donations
- % of projects with stakeholder/social inclusion management plan/strategy in place

First Nations

- Increase Aboriginal & Torres Strait Islander procurement spend to a minimum of 4% by June 2023, 4.5% by 2024 with the goal of reaching 5% by June 2025.
- Increase Aboriginal & Torres Strait Islander employment to a minimum of 3% in March 2023, 3.5% in 2024 and 4% in July 2025

- % of total procurement spend with Aboriginal & Torres Strait Islander peoples businesses
- % representation of Aboriginal & Torres Strait Islander peoples in UGL workforce

Health & safety

- Zero fatalities
- LTIFR of 1.04 by 2025; 0.9 by 2030
- Safety leadership Score >85% year on year
- 100% of new hires trained on health and safety by 2023
- Increase training and awareness of contractors on health and safety by 2025

- # of fatalities
- LTIFR
- Safety leadership score
- % of new starters trained in health & safety
- # contractors trained/awareness of health & safety project induction training

Diversity and inclusion

- 17% representation of women in the UGL workforce in 2025
- 20% representation of women in UGL management and senior positions in 2025
- At least 35% of annual graduate intake identify as female by 2025

- Workforce breakdown % by professional category
- Turnover rate by division, age, gender
- % of trainees as female

2025 commitments

Employee Capability & Development

- Annual training hours of at least 20 hours per employee by 2025
- Increase awareness and knowledge regarding relevant environmental topics through training to at least 50% of employees by 2025
- Increase training and awareness of contractors on health and safety by 2025
- Increase annually employee training on sustainability-related topics
- Increase training of front-line leaders in One HSE Culture principles

Key metrics

- Total training hours; Average training hours per employee
- # of training hours of employees with respect to environment topics
- # of training hours of employees with respect to sustainability topics
- % of training focused on skill progression



Partnering with Aboriginal businesses

UGL's Aboriginal and Torres Strait Islander partner organisations are part of our journey towards reconciliation through opportunity.

We seek to encourage economic empowerment in our organisation and our clients' organisations by facilitating education, training, employment and subcontracting opportunities for Aboriginal and Torres Strait Islander people and businesses.

UGL maintains a range of key partnerships to achieve lasting outcomes by leveraging the strengths, resources and knowledge from both UGL employees and our partners to broaden our inclusive and diverse team culture.



Case Study: ARRA Group

ARRA Group and UGL forged a collaborative partnership in 2018. ARRA Group is a majority Indigenous owned company that is committed to the enhancement of employment opportunities for Aboriginal peoples, as well as non-Indigenous people.

Leveraging UGL's scale and the ARRA Group workforce network, UGL has facilitated opportunities for Aboriginal and Torres Strait Islander peoples to join the permanent and semi-permanent work forces on Chevron project sites in Western Australia. UGL's strong partnership network has increased workforce diversity on client sites, and opened up ongoing employment opportunities for Aboriginal and Torres Strait Islander people.



Supply Nation

Supply Nation is a key partner organisation of UGL. Supply Nation is Australia's largest national directory of Aboriginal and Torres Strait Islander businesses. We are proud to enable opportunities by creating a connection between the Supply Nation network and our client networks.

KEY PARTNERS



GOVERNANCE

We know that good governance is the foundation of a sustainable business.

We take a firm stand against corruption, bribery and human rights abuses and are committed to a responsible supply chain. We aim to operate and communicate honestly and transparently so as to maintain the confidence and trust of stakeholders in the course of our business.

Sustainability will be an integral part of our supplier management as we integrate environmental, social and governance variables into our procurement processes.



Governance

2025 commitments

Responsible supply chain

- Include ESG criteria in 50% of significant suppliers selection process by 2025

Human rights & modern slavery

- Train 100% of employees in human rights risks by 2025
- >85% of operations evaluated for modern slavery risks by 2030

Anti-corruption & anti-bribery

- Zero breaches of anti-corruption & competition laws each year
- Zero facilitation payments
- Maintain 100% of employees trained in Code of Conduct compliance

Key metrics

- Breakdown of suppliers; % supplier assessed for ESG criteria
- Total expenditure on local suppliers; Aboriginal & Torres Strait Islander peoples businesses

- # employees trained in humanrights risks
- % of operations evaluated for modern slavery risk

- # of substantiated breaches of anti-corruption & competition laws
- \$AUD on direct or indirect political donations
- Compliance training per employee





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