



2019-2020 Annual Review

People. Process. Performance. ●





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The BMD Group



BMD'S MAJOR INFRASTRUCTURE UNIT OFFERS CIVIL CONSTRUCTION SERVICES WITH EXPERTISE, EXPERIENCE AND RESOURCES APPLIED ACROSS THE INDUSTRY SECTORS OF TRANSPORT, DEFENCE, RAIL, PORT, RESOURCES, AND OIL AND GAS.



AIRPORTS



DEFENCE



ENERGY



MINING AND RESOURCES



OIL AND GAS



PORT AND MARINE



RAIL



REGIONAL AND REMOTE



ROADS AND HIGHWAYS



RENEWABLE ENERGY



TUNNELLING



A DIVISION OF BMD CONSTRUCTIONS, BMD INDUSTRIAL ASSEMBLES MULTI-DISCIPLINARY TEAMS WHO ARE EQUIPPED TO DELIVER DESIGN, CONSTRUCTION, MAINTENANCE, INSTALLATION AND COMMISSIONING ACROSS MECHANICAL, ELECTRICAL, INSTRUMENTATION AND CONTROLS, PIPING, STRUCTURAL, AND CIVIL WORKS.



INDUSTRIAL



MINING AND RESOURCES



REGIONAL AND REMOTE



ENERGY



RENEWABLE ENERGY



WATER AND WASTEWATER



BMD'S URBAN DEVELOPMENT BUSINESS OFFERS SUBDIVISIONAL AND ALLIED SERVICES, WITH BMD RENOWNED AS THE LARGEST URBAN DEVELOPMENT CONTRACTOR IN AUSTRALIA WITH A NATIONAL FOOTPRINT.



BUILDING



COMMUNITY INFRASTRUCTURE



DEFENCE



ENERGY



LAND DEVELOPMENT



MAINTENANCE



REGIONAL AND REMOTE



ROADS AND HIGHWAYS



SPORT AND RECREATION INFRASTRUCTURE



BMD'S DESIGN ARM OFFERS CLIENTS A VARIETY OF OPTIONS REGARDING RISK AND OPPORTUNITY MANAGEMENT, CONTRACTING STYLES, AND TIME AND COST CONTROLS.



AIRPORTS



DEFENCE



ENGINEERING DESIGN



LAND DEVELOPMENT



REGIONAL AND REMOTE



MINING AND RESOURCES



ROADS AND HIGHWAYS



WATER AND WASTEWATER



JMAC CONSTRUCTIONS SPECIALISES IN LANDSCAPE CONSTRUCTION AND BUILDING WORKS INCLUDING RESIDENTIAL, COMMERCIAL, INDUSTRIAL, PUBLIC INFRASTRUCTURE, ENVIRONMENTAL REHABILITATION, AND LONG-TERM CARE AND MAINTENANCE.



BUILDING



COMMUNITY INFRASTRUCTURE



LANDSCAPING



MAINTENANCE



URBEX IS THE BMD GROUP'S PROPERTY DEVELOPMENT ARM, CREATING INNOVATIVE LIVING ENVIRONMENTS THAT SET NEW BENCHMARKS IN URBAN DESIGN AND COMMUNITY CREATION.



PROPERTY DEVELOPMENT



SPORT AND RECREATION INFRASTRUCTURE

National highlights

GROUP REVENUE

2017-18
\$1.38 billion

2018-19
\$1.31 billion



OUR EMPLOYEES
CELEBRATED THEIR
PEERS THROUGH
SUBMITTING A

RECORD
1139

DARE AWARDS
NOMINATIONS

REVENUE BY BUSINESS UNIT

- 59.6% BMD CONSTRUCTIONS
- 29.2% BMD URBAN
- 0.3% EMPOWER ENGINEERS & PROJECT MANAGERS
- 4.1% JMAC CONSTRUCTIONS
- 6.8% URBEX



126
PROJECTS

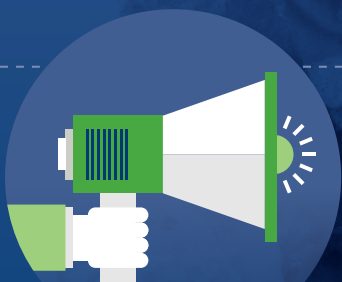


REACHED PRACTICAL
COMPLETION

Submitted **49**
individual, company and
project industry awards



47% of awards
won or received a high
commendation



More than 8 million hours were worked across the Group

ABORIGINAL AND TORRES STRAIT ISLANDER BUSINESS SPEND

YEAR	SPEND
2017-18	\$6.3 million
2018-19	\$8.7 million
2019-20	\$39.5 million

ABORIGINAL AND TORRES STRAIT ISLANDER BUSINESS ENGAGEMENT

NUMBER OF BUSINESSES

YEAR	2017-18	2018-19	2019-20
	51	59	97



18,345 NEW SOCIAL MEDIA FOLLOWERS

\$1 MILLION

invested into the communities in which we operate through corporate partnerships

BMD'S RATE OF WOMEN RETURNING TO WORK FROM PARENTAL LEAVE INCREASED TO ALMOST

86%



Females represented 33%

OF WINNERS IN THE 2020 DARE AWARDS' INDIVIDUAL CATEGORIES



Our values

FAMILY

We are proud of our family company heritage. This heritage means we value each individual, we respect and encourage diversity and we create and promote a sense of belonging.



EMPOWERING

We empower our people to develop the self-belief that will enable them to realise their potential. The resulting flexibility, initiative and responsiveness sustain our business growth and success.



DETERMINED

We persist despite the obstacles. We celebrate effort as well as achievement and we are tenacious in our pursuit of the objective.



COLLABORATIVE

We work as a team in the belief that collaborative achievement results in creative relationships of long term mutual benefit. Our no-blame culture focuses on finding what works best, sharing success and enjoying the experience.



STRIVING TO DO BETTER

We aspire to be the best at what we do through fresh thinking, hard work, continual learning and a shared sense of purpose. We take great pride in our achievements.

Chairman's report



At the beginning of the 2019-20 financial year, nobody could have predicted the uncertainty and unrest that early 2020 would bring. The way in which BMD operates will remain changed for the foreseeable future, with some of our updated processes and procedures becoming business as usual.

As BMD moves into a new decade of operation, and in alignment with our philosophy, 'our business is our people', we undertook a Group wide survey at the end of 2019. The survey assisted in understanding our people's thoughts on how we can shape our business' strategic focus to ensure we remain in a position to provide meaningful opportunities for our employees while continuing to sustainably grow the organisation. The survey reinforced that we are doing a lot of things right across the business, but also highlighted areas which have now become a focus for continuous improvement.

As an essential service, it was important that BMD was able to continue to operate safely during COVID-19, ensuring our people remained supported through employment and our clients were delivered best for project outcomes. It is a testament to BMD's leadership and business strategy that our operations remained largely uninterrupted and our people continued to undertake their pre-pandemic employment.

With a significant amount of communication required during COVID-19, it was important to understand how satisfied our people were with BMD's ongoing management of the situation. The results of a COVID-19 response survey indicated that 87% of participants were satisfied or extremely satisfied with the clarity of information included in COVID-19 updates and 89% satisfied or extremely satisfied with their frequency of distribution.

Providing opportunities for our people to prioritise their mental health and wellbeing became particularly important in 2020.

BMD began offering mental health workshops for our employees in late 2019 through attendance of physical training conducted by our partner, Mental Health Movement. The training assisted our employees to understand the difference in mental health and mental illness, provided tools to help employees seek support and start important conversations, supported them to identify mental health issues within themselves and others, and provided strategies to improve management of mental health. Following travel restrictions and the implementation of social distancing, Mental Health Movement conducted a range of mental health webinars to facilitate attendance of BMD employees across the country.

Supporting the next generation of engineers, and contributing to increasing diversity within the construction industry, remains a priority for BMD. Our relationship with the Queensland University of Technology (QUT) was formalised seven years ago through the launch of an annual engineering scholarship. In 2019, we extended our support through a \$25,000 partnership with QUT's Extreme Science and Engineering Van. Delivering free science, technology, engineering and mathematics (STEM) workshops, the van is driven by QUT ambassadors and ignites a passion for STEM and further education among school students in areas that experience high levels of socio-economic disadvantage.

Our partnership with Power of Engineering continued, and BMD was proud to support two school-based events which were held to inspire young women and new entrants from diverse backgrounds to consider a career in engineering. Ten employees attended events in Townsville and on the Gold Coast, participating in initiatives to familiarise young people with STEM and engineering concepts.

While COVID-19 restrictions impeded BMD's capability to hold our annual Dare Awards events around the country, it was important to continue to acknowledge the hard work and dedication of our people, especially during challenging times. As such, the 2020 Dare Awards nominations proceeded as planned and it was pleasing to see the BMD family embrace the changes to our annual internal recognition program, with a record 1139 nominations received.

Our company values are the pillars on which BMD is built, and that is why our Dare Awards categories are named after them. Along with my fellow Board members, it was a privilege to again acknowledge 17 deserving winners for their exceptional work ethic and commitment to our culture and The BMD Way. I would also like to congratulate and thank BMD's nine new 20 Year Club members and five new 25 Year Club members for striving to instill our unique culture into our 1700 strong employees so that The BMD Way remains at the heart of everything we do. I look forward to catching up with our cohort of long-term employees when circumstances allow.

Operations report



The past 12 months have been unlike anything that I have experienced during my career. Despite the uncertainty of the second half of the 2019-20 financial year, it has been extremely pleasing to see our people and partners seamlessly adapt to changing circumstances and continue to deliver exceptional outcomes for our clients.

As an essential service, BMD has remained operational throughout the pandemic. While there has been some examples of construction contractors restructuring their businesses and seeking support from their staff in terms of salary reductions, BMD's strong risk management strategies and control measures, coupled with our significant volume of work in hand and solid pipeline of future opportunities, has ensured the business has not been required to implement such actions.

What has become clear is that communication between all levels of government, industry bodies and unions has never been greater and a genuine commitment to collaboration is evident to ensure the construction industry is able to thrive in a post COVID-19 economy. As a collaborative contracting business, BMD welcomes this transparency and increased consultation and is well placed to contribute knowledge on how our industry can positively contribute to Australia's economic recovery.

The inclusion of Australian construction contractors in the head contracts of major infrastructure projects is one such way in which government bodies can assist in the viability and growth of local business. As a member of Australian Owned Contractors, we support the inclusion of Australian owned, mid-tier contractors into our nation building projects so that we can continue shaping the country through the delivery of iconic infrastructure well into the future. It was pleasing to see BMD Constructions selected as the preferred proponent for the \$400 million Tonkin Gap project alongside fellow Australian Owned Contractors association member, Georgiou as part of the Tonkin Gap Alliance.

Our senior management team met regularly during the 2019-20 financial year, participating in workshops to define our business strategy and provide clarity on how the business will continue to deliver success. The strategic anchors of people, process and performance encapsulated discussions, with the ultimate goal being to help our people perform at their best. To achieve this goal, we will understand and manage risks and opportunities, continue to implement our diversification strategy, and commit to cash flow transparency at appropriate levels. Consistent performance through a one team approach and by harnessing the capability of our people will ensure we continue to achieve successful client outcomes via BMD's whole-of-life service offering.

In alignment with our commitment to increase transparency and communication across the Group, BMD's leaders of corporate services including Human Resources, Finance, Payments, Treasury, Business Systems, Information Technology, Strategy, Corporate Communications, Legal, Fleet and Procurement attended regular Corporate Services Forums to consider the way in which these services are provided to BMD. With a focus on continuous improvement, the group identified business challenges and are working in agile teams to deliver solutions which support our projects to achieve exceptional outcomes for the Group.

The practical completion and opening of Brisbane's new runway marked a significant achievement for not only the Skyway team, of which BMD was a joint venture partner, but also for a substantial number of BMD employees who delivered the runway's early works package in 2012. The project achieved zero lost time injuries over 3.3 million hours worked, an exceptional result for a site spread across over 300 hectares and comprising of a peak daily workforce of 650.

With the global economy experiencing the worst recession since the Great Depression, BMD moves into the new financial year following detailed planning to prepare us for the subsequent challenges, as well as the inevitable opportunities that will be presented. With foundations laid, BMD is well placed for success over the next 12 months, and will continue to stimulate the economy through the numerous and varied ancillary services our business supports.

CFO's report



Despite challenges faced in the last quarter of the 2019-20 financial year, the BMD Group achieved financial performance in line with original budget expectations.

Our operational business units including BMD Constructions, BMD Urban, Empower Engineers & Project Managers, JMac Constructions and Urbex each delivered a profit, and despite COVID-19 based forecasts predicting a delivery of earnings 30% below budget expectations, the Queensland Constructions division and BMD Urban delivered strong results. The business' ability to address COVID-19 related concerns quickly and effectively eliminated potentially negative impacts to profit and cash outcomes.

The Group's strategic program, DigiLead, delivered key initiatives including the implementation of a new asset management system, automation of the docket receipt and docket matching process, online learning, and the use of artificial intelligence in forecasting construction project management.

An automated payments platform that enables better monitoring of compliance under the many state and territory security payment obligations was also rolled out. With BMD processing and paying approximately 17,000 invoices per month, the new system has provided considerable benefits in the timeliness of reporting and significantly reduced the manual workload associated with ensuring compliance against the varied legislative requirements of each state and territory. The platform also automated the monthly reporting requirements to achieve compliance in line with the obligations of the Australian Building and Construction Commission.

During the 2019-20 financial year, a Procurement division was established to drive operational and commercial efficiencies across the business. Working collaboratively with BMD's operational business units and external parties, the team

undertook reviews across wet hire, dry hire, travel and accommodation, personal protective equipment and corporate wear, stationery suppliers, and labour hire. Empirical data tracking demonstrated that these reviews have supported operational efficiency and generated commercial benefits in the form of lower costs. Moving forward, the Procurement division will focus on reviewing materials and supplies, traffic control, small tools, and plant and equipment.

Development of our people remained a priority, with 20 of our emerging leaders undertaking a 12 month training program designed to equip them with the skills necessary to move into leadership roles. The Group also continued to support employees undertaking undergraduate and postgraduate business-related study programs. BMD remains committed to the professional and personal development of our people to ensure they have the skills required to perform their roles and supports them to obtain the career opportunities they are seeking.

Our Graduate Accountant development program continued, with several of our graduates obtaining necessary experience through appointment to site based accounting roles. This program will continue to ensure our finance teams have the necessary industry knowledge and experience to provide the best support possible for the business.

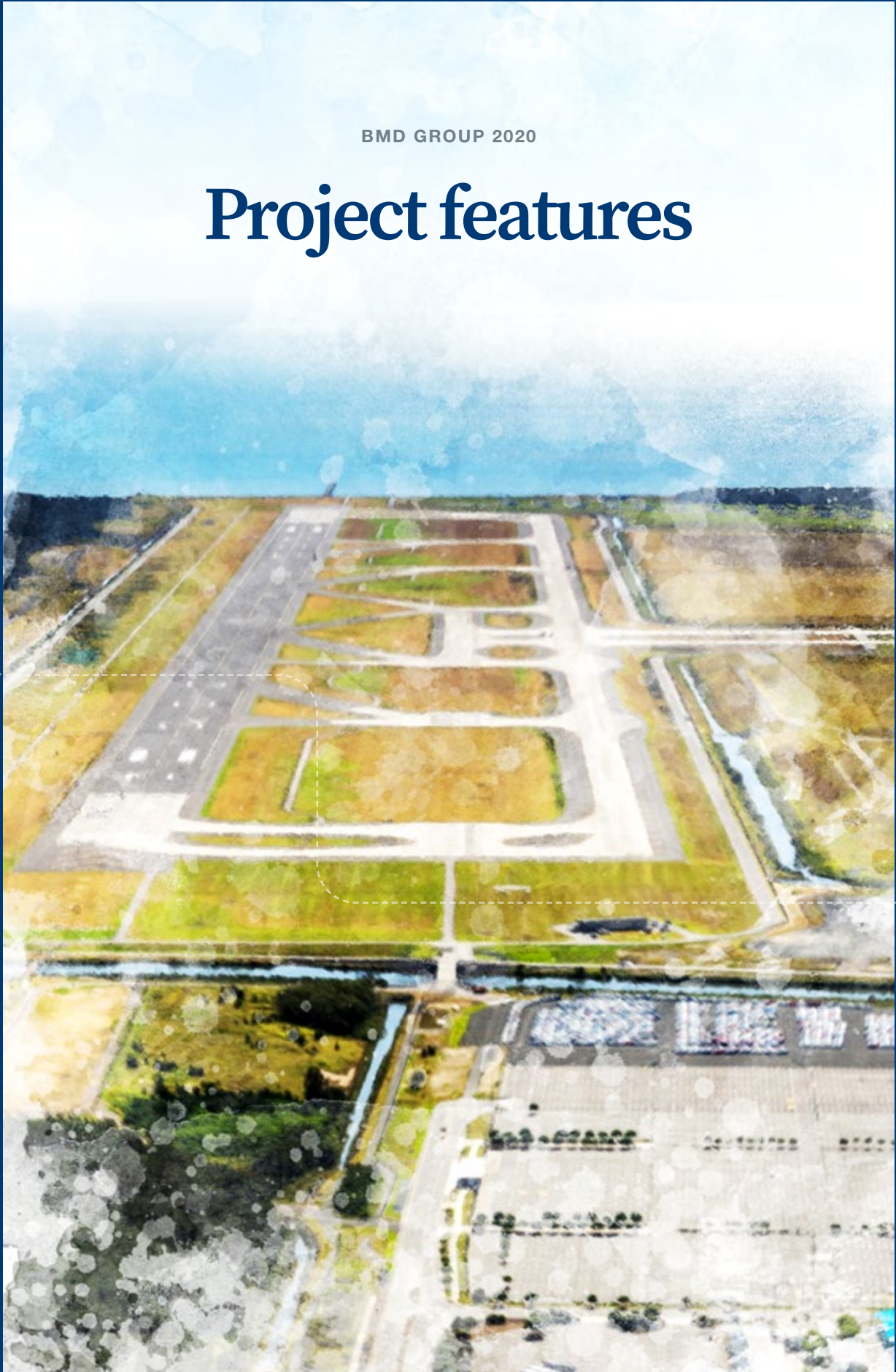
Increasingly, we are identifying the need to develop the data analysis and technology skills of our people. It is through these skills the business is identifying margin improvements and ensuring a better understanding of project challenges earlier than would otherwise have been the case.

The strategy to grow our Urban business through property development arm, Urbex acquiring land to develop and sell is being financed through both traditional bank lending and non-bank finance partners. We continue to benefit from the support of our financiers in this space, with several land opportunities under construction.

The Group is in a strong position to navigate the challenging business environment, with a high level of work in hand and numerous projects that are performing exceptionally well and forecast to deliver outcomes in excess of our tendered margins. We continue to be supported by our stakeholders, including banks and bond providers, which is a testament to the efforts of our people to drive a focus on performance and ensuring we manage our cash and risk within the business.

BMD GROUP 2020

Project features





Kwinana Freeway Northbound Widening

The Kwinana Freeway Northbound Widening project forms part of Main Roads Western Australia's (MRWA) overall plan to transform the Mitchell and Kwinana freeways. As a vital link between Perth's southern suburbs and the CBD, the project involved widening an 8 kilometre section of the Kwinana Freeway through the construction of additional lanes and modification of existing ramps, of which BMD constructed 6.1 kilometres.



In line with BMD's environmental commitment, a number of sustainable work practices and materials were employed during construction including approximately 25,000 tonnes of crushed recycled concrete, with the project being one of the first in Western Australia to use the material as subbase in this road environment, in line with guidelines jointly developed with the Department of Water and Environmental Regulation.

In another first, BMD investigated the option to use ECO-blocks as a replacement for limestone blocks, which were planned to be used to construct the project's retaining walls. Consisting of crushed and screened high quality construction materials and waste concrete, the team utilised a 100% recycled block, ECOGREY, as backing blocks and a 50% recycled block, ECOCREAM, as facing blocks. The Kwinana Freeway Northbound Widening project is the first MRWA project to use the material.

The project exceeded MRWA's Indigenous employment and engagement targets, with 18% of the project's working hours delivered by Aboriginal and Torres Strait Islander peoples, surpassing the client's 10% minimum target. On average, 13 full-time Indigenous employees were engaged on the project including administrators, trainees and site-based staff. Approximately \$1.2 million was spent with Indigenous businesses in areas including site supplies, labour hire, cultural awareness training, waste collection, landscaping, site survey, and sign supply.

The project provides for an additional 1800 vehicles per hour on the Kwinana Freeway, ultimately reducing congestion and improving safety for road users, particularly during morning peak periods.



Brisbane's New Runway

The New Parallel Runway (NPR) at Brisbane Airport is one of the largest aviation projects ever undertaken in Australia. BMD Constructions, as part of the SkyWay joint venture, delivered a 3.3 kilometre long, 60 metre wide flexible pavement runway, a 12 kilometre rigid pavement taxiway system, and associated airfield infrastructure. SkyWay achieved resounding success for client, Brisbane Airport Corporation (BAC) delivering a superior quality runway ahead of time and on budget with no disruption to existing airfield operations.

Testament to the competency of the SkyWay team, the \$430 million airfield works contract is recognised as one of the best delivered major civil infrastructure projects completed in recent years in Australia. Complexities across the 360 hectare site included:

- Bulk earthworks: implemented efficient method to shift 5 million cubic metres of sand using tractor-drawn scoops supported by dozers at fill locations which were subsequently flooded with water and consolidated into a stable runway base.
- Grading: developed a reliable method to place fine crushed rock (FCR) and modified fine crushed rock (MFCR) within tight tolerances to ensure the overall master grading of the airfield could be achieved. Anticipated overall site settlement was also assessed and considered due to the underlying soft marine clays following the removal of sand surcharge.
- Difficult site conditions: detailed planning was undertaken to deliver 175,000m³ of airfield pavement quality concrete in a highly exposed and logistically challenging environment. This involved managing the effects of high winds, adverse weather conditions and windblown sand through close monitoring of weather conditions to ensure the most efficient sequence of work.

The project operated at more than 3.2 million workhours lost time injury free with a total recordable injury frequency rate of 1.53, and achieved enormous local benefits for the industry. More than 3700 people including over 300 subcontractors were engaged on the project, with 95% of those businesses from South East Queensland.

The runway is the most important piece of aviation infrastructure ever built in Queensland and will effectively double airport capacity and provide unlimited opportunities for growth. SkyWay is proud to have delivered this key piece of infrastructure for BAC, which will create a memorable first impression for Queensland visitors for years to come and a lasting legacy for the people of Brisbane.

Project fast facts

360 HECTARE SITE (2.5 TIMES THE SIZE OF BRISBANE'S CBD)

3.3 KILOMETRES OF RUNWAY AND 12 KILOMETRES OF TAXIWAYS

21 KILOMETRES OF AIRSIDE ROADS

5 MILLION CUBIC METRES OF BULK SAND EARTHWORKS

APPROXIMATELY 1.2 MILLION TONNES OF QUARRY PRODUCTS

100,000 TONNES OF AIRCRAFT GRADE ASPHALT



Haughton Pipeline Duplication

BMD's expertise in the delivery of projects to futureproof and secure Townsville's water and wastewater infrastructure continued in the 2019-20 financial year through completion of the Haughton Pipeline Duplication project.

The project involved the duplication of a section of pipeline from the Haughton Pump Station to the Ross River Dam. As a backup to the Ross River Dam, the pipeline provides a bulk water supply link to the Burdekin Haughton Water Supply Scheme.

BMD's scope of works involved installation of the 15.1 kilometres of the pipeline, and the construction of river crossings at Major's Creek South.

The project's construction began on the back of a large flood event in 2019, with the project team successfully overcoming challenging ground conditions and managing interfaces with other construction contractors working along the alignment at the same time.

The project was driven by a team committed to local subcontractor and supplier participation. As a local business committed to collaborative contracting, BMD maximised local resources while achieving value for money and best for project outcomes.

As part of the project, BMD engaged over 90 businesses, equating to approximately \$28 million spent locally. During construction 90 full time jobs were created, and 92% of the total inducted workers were local to the Townsville region.

BMD's philosophy of supporting the local communities in which we operate was epitomised when fires broke out along Woodstock Giru Road in September 2019, threatening two properties. Along with the local fire brigade and other construction contractors, BMD provided equipment and personnel to help contain the fires.

Ultimately the key infrastructure project was successfully delivered with BMD presenting innovative solutions which provided significant value to Townsville City Council.



Solaire North Hotel and Casino

In joint venture with one of the Philippines oldest and largest General Contractors, DM Consunji Inc (DMCI), Prime BMD is delivering the AUD\$580 million Solaire North Hotel and Casino in Quezon City. The project is set to provide 4000 full time jobs in one of the most densely populated areas of metropolitan Manila.

The resort and casino will be a 34 level luxury Solaire brand hotel which includes five podium levels for casino, retail, and amenities. The scope of works includes the excavation of 320,000m³ to create five levels of basement parking, ground protection works including soil nailing and anchoring, and all structural works associated with the base build to create the 224,000m² of gross floor area. Following completion of the base build, the scope will move into mechanical, electrical, plumbing, fireproofing and fit out works where the joint venture will manage nominated subcontractors, owner direct contractors for specialist finishing trades, and the coordination of owner supplied materials.

The joint venture was initially engaged under an early contractor involvement (ECI) scheme in November 2018, and were tasked with undertaking construction methodology and logistics management input into the design to ensure the most efficient solution could be adopted for this highly challenging site. The project was then awarded following an open market bid process and site works commenced in September 2019.

The project footprint is highly restrained with existing developments on all sides of the 1.5 hectare site, including a highway on the south-west and the metro rail on the north-west. To safely manage construction, two offsite locations are being used for staging, fabrication, and workers barracks.

The project is being fast tracked with a target completion date of February 2023. Prior to the onset of COVID-19, the joint venture achieved their first significant milestone ahead of schedule, pouring the first raft foundation in early March 2020.



King William Road



Tim Bishop, BMD Construction Manager and David Pisoni MP, Member for Unley remove the project's last construction sign

The transformation of one of Adelaide's most iconic and best loved streets, King William Road, saw BMD preserve the precinct's unique village identity while delivering a more flexible and functional streetscape.

The project provided open public spaces, increased usability through improved access to retailers, and an enhanced aesthetic feel by introducing spaces designed for outdoor dining while preserving the street's heritage.

The project was constructed in four key stages, with the methodology considering feedback received from stakeholders during the consultation process. BMD's works involved complex service relocations, intersection upgrade works, new segment paver traffic lanes with deep lift asphalt base courses, new roll kerbs and segmental paver shared use areas, landscaping, street furniture, electrical works and smart street lighting.

By working collaboratively with the King William Road Traders Association, a four-week construction 'blitz' was undertaken, coinciding with pre-organised road closures as part of the Public Transport Project Alliance's upgrade to King William South Terrace. BMD worked 24 hours, seven days a week during the 'blitz', profiling and reconstructing approximately 5000m² of asphalt and concrete pavers.

During construction, the project hosted students from the Clontarf Foundation and Playford International College, increasing their knowledge and understanding of the construction industry and the employment pathways available to school leavers. More than 45 students and mentors across the two organisations undertook a site visit before visiting the Civil Contractors Federation to have a turn on the machinery simulators. These events align with BMD's commitment to achieving reconciliation through the engagement of Aboriginal and Torres Strait Islander peoples.

This iconic community infrastructure project was ultimately delivered 10 weeks ahead of schedule and in time for the 2019 Christmas trading period.



RAAF Base East Sale Work Package 2



As the largest Royal Australian Air Force (RAAF) base in Victoria, East Sale plays a key role in training the next generation of Air Force personnel under the Air Training Wing.

The Department of Defence required aircraft pavement and aeronautical ground lighting maintenance, including installation of visual navigation aids, to ensure the ongoing safe operation of the base.

BMD's scope includes earthworks, construction of rigid and flexible aircraft and road pavements, the management and stockpiling of contaminated material, installation of lighting infrastructure and navigational aids, construction of stormwater drainage systems, and associated landscaping works.

The project team worked closely with base stakeholders to develop program staging and construction methodology that minimised disruption to operations. Originally, the project was staged with approximately 50% of the works occurring outside of normal working hours, however this program did not allow for the full 40 weeks of night flying required by the base's students. BMD developed an alternate staging plan which allowed works to be undertaken during the day, eliminating disruption to night flying.

Between January and March 2020, the presence of bushfires led to a State of Disaster being declared in six Victorian Local Government Areas, including Wellington Shire, where the RAAF East Sale base is located. During this period, the base was required to provide significant support and resources to assist with the disaster efforts. BMD adjusted work methodologies and construction areas to ensure the project was not hindering the recovery efforts, and provided additional delineation for pedestrian access and expediated work areas to ensure the availability of parking for visiting aircraft.

With local industry participation a project priority, BMD joined the GROW (Growing Regional Opportunities for Work) Gippsland program to strengthen job opportunities through employment and procurement. Through this initiative, and in conjunction with other key subcontractors, BMD sourced 28 Aboriginal and Torres Strait Islander workers while also engaging five Indigenous owned businesses.

Upon completion in late 2020, the project is expected to achieve 20% of project spend within the local region, with a further 75% expected to be sourced within Victoria, an exceptional achievement given the technical complexity of the works.



Mount Crosby East Bank Water Treatment Plant Filter Upgrade

The Mount Crosby East Bank Water Treatment Plant provides drinking water for the Brisbane and South East Queensland areas by treating raw water. Due for completion in 2022, BMD Industrial is upgrading the water treatment plant's filtration infrastructure and control systems to meet demand and compliance over the next 25 years.

As part of BMD's scope of works, the plant's 20 filter cells are being refurbished, including installation of a new underdrain system and filter media. Concrete remediation works on the filter water cells and filters is also occurring, and the existing filter control system, dosing control system, and backwash main are being upgraded. More than 100 valves and actuators are being replaced and upgraded and a new air scour system, including blowers and air headers, is also being installed as part of the underdrain system.

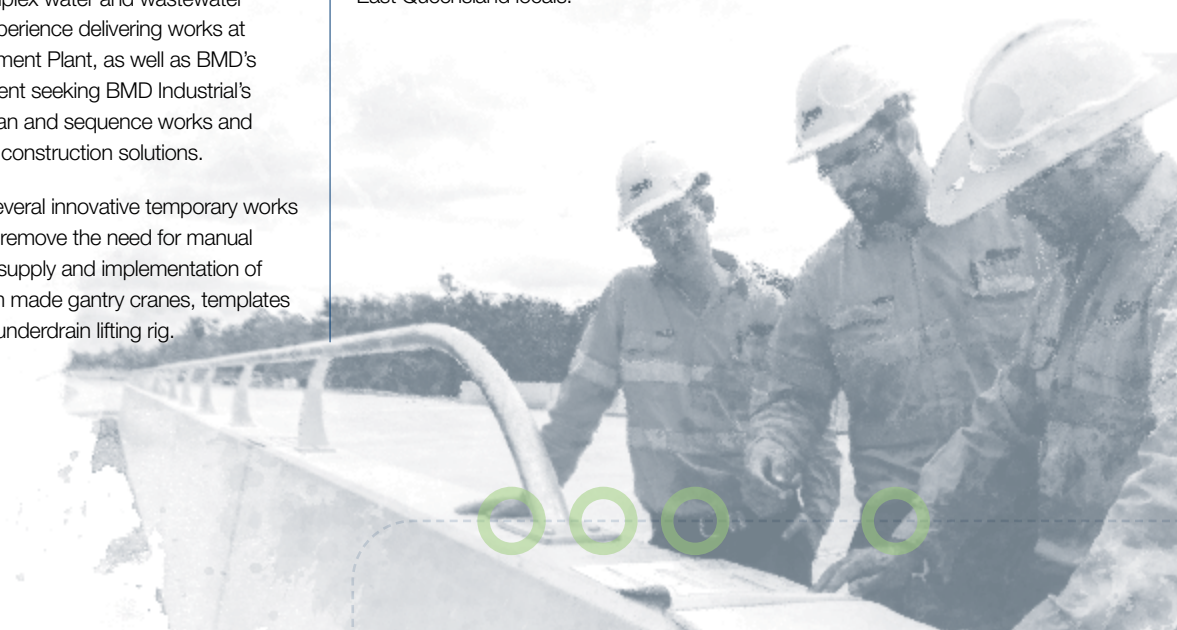
Our expertise in delivering complex water and wastewater projects, coupled with prior experience delivering works at the Mount Crosby Water Treatment Plant, as well as BMD's competitive price, led to the client seeking BMD Industrial's assistance to collaboratively plan and sequence works and deliver exceptional design and construction solutions.

The project team developed several innovative temporary works designs to improve safety and remove the need for manual handling including the design, supply and implementation of bespoke access stairs, custom made gantry cranes, templates for core drilling works, and an underdrain lifting rig.

The project's complexity has involved high-risk activities including working in confined spaces, working at heights, people/plant interaction and crane operations. Construction is occurring on a brownfield site, with the plant needing to remain operational, adding further complexity with respect to close interaction between the BMD project team and operations and maintenance staff. Project team members have undertaken a significant amount of training to ensure the ongoing safety of workers within the limited operational footprint.

Environmental excellence has also been a priority with construction water contained within the work front and incorporated into a temporary water treatment plant prior to its discharge.

With more than 95% of the workforce sourced locally and a high representation of apprentices engaged, the project is providing a long-term reliable potable water solution for Seqwater and their customers, while delivering employment opportunities for South East Queensland locals.





Hercules Park

Opened in December 2019, Hercules Park forms part of Queensland's largest waterfront urban renewal project, Northshore Hamilton. Over 20 years, the 304 hectare space is being transformed from an industrial area into a vibrant riverside precinct, stretching 2.5 kilometres along the Brisbane river.

Hercules Park provides an open space and activity area for the many high-rise residential buildings throughout Hamilton, essentially becoming a communal backyard for those without one. The highly urbanised area was a catalyst for the design and its heavily vegetated and natural theme.

As part of the project, JMac Constructions delivered a playground and waterplay facility for irrigation purposes, including a system to collect and recycle water, constructed a mixed use court and exercise area, a dog off-leash park, an amenities building, a range of shade structures and planted over 16,000 plants specifically chosen to suit Brisbane's environment.

Construction involved 10,000m³ of earthworks, 5600m² of concrete footpaths, 1.3 kilometres of subsoil drainage, installation of 8200m² of fully irrigated turf, 84 new pieces of furniture and a lighting system through a 1.5 kilometre conduit network.

Sustainable construction methods were utilised with existing topsoil remediated and reused within the project. Water was captured onsite in excavations around field gullies and reused where possible. In instances where the water was unable to be reused, it was treated and safely dewatered to the drainage network. Three heritage listed trees were successfully transplanted to new locations within the park, and several more maintained and expertly pruned to maximise their vitality.

With the project located 100 metres from Brisbane's Cruise Terminal at Portside Wharf, the project team programmed works two weeks in advance to manage deliveries and construction works which had the potential to impact the thousands of cruise ship patrons that would disembark every two to three days.

Using shipping containers as part of the children's playground paid homage to the history of the old wharf site and assisted in achieving client, Economic Development Queensland's desired budget. Further value management opportunities were negotiated with the client, with cost savings able to be reinvested into the project to deliver increased scope.

Our commitment to providing development opportunities through upskilling and training project employees led to JMac Constructions exceeding the required training policy hours by almost 350%.

The project was completed on time and on budget despite scope growth and significant periods of wet weather experienced during construction. JMac Constructions is proud to have assisted in the delivery of the iconic revitalisation project.

Our people are our biggest asset

THEY'RE WHAT GET US THROUGH THE CHALLENGING TIMES

The tenacity and expertise of BMD's people was highlighted during the 2019-20 financial year, with our teams taking the challenges associated with COVID-19 in their stride, seamlessly adapting to changing work environments and continuing to deliver exceptional outcomes for our clients.

In late 2019, we performed a Group wide survey as part of work our senior leadership team has been undertaking to ensure the business has a clear path to success over the short to medium term. BMD's family culture was reinforced, with extremely positive results across questions including *"I am a proud member of my team"*, *"I would recommend BMD as a great employer if I was asked"* and *"I am happy working with BMD"*.

The survey also reiterated our need to communicate effectively and ensure our internal systems and processes support our people in the delivery and management of our projects. The feedback provided has assisted management to establish clear areas of focus which will ensure we continue to support our people to perform at their best.

Celebrating success

In the 2019-20 financial year, BMD acknowledged our people through submission of 49 individual, company, and project industry awards. The excellence of our people and project teams was demonstrated through the 47% of award submissions which won or received a high commendation.



47% of industry awards won or received a high commendation

Our 20 Year Club continues to grow, following the induction of nine new members in 2020. Five of the now 92 member strong group also achieved a milestone 25 years within the business this year. The knowledge and culture which is ingrained in, and lived by, BMD's many long serving employees continues to play an integral role in ensuring our unique philosophy of collaborative contracting and 'doing things differently' is embraced by the entire BMD family.

While BMD was unable to celebrate the exceptional efforts of our employees through celebratory events in 2020, we ensured our people were recognised through our annual peer nominated Dare Awards. The 17 winners were announced via live stream, following a record number of nominations received in alignment with BMD's values of family, empowering, determined, collaborative, and striving to do better.

Investing in our people

Formalising our commitment to employee development, BMD launched a professional development policy to further promote a training culture that supports and encourages employees to increase their knowledge and skills. The policy recognises the significance of opportunities that offer continuous improvement and outlines our commitment to supporting employees through the provision of financial assistance, the support of senior staff and mentors, and opportunities on and off project sites.

Professional development opportunities include traineeships, apprenticeships, tertiary education programs, formal qualifications such as chartered engineering status and our undergraduate, graduate and emerging leader programs.

In the 2019-20 financial year, 28 employees completed a traineeship, with a further 134 signing up or continuing to work towards completion of their formal training over the past 12 months. Supporting our engineers to achieve chartered status through the provision of financial and mentoring support continued, with five employees achieving chartered status and 12 commencing their qualification application.

Company sponsored tertiary qualification courses remain a key means by which BMD supports the continuous development of employees' skills in line with BMD's business strategy and objectives. Currently, eight employees are participating in BMD's higher education scheme, with 75% of the 2019-20 financial year intake female, aligning with the priority BMD places on contributing to reducing the gender gap within the Australian construction industry.



BMD employees are congratulated by their peers following completion of their Success Strategies for Team Leaders and Supervisors course

Commencing in July 2019, BMD's third cohort of emerging leaders undertaking our Fortitude program was due to complete their final module in November 2020. With COVID-19 triggering travel restrictions across the country, the program was modified to include a 'Fortitude at home' module to ensure the 22 participants stayed connected and continued to build meaningful relationships with colleagues. Following a return to 'business as usual', modules will recommence in Brisbane with the group now due to complete the program in April 2021.

With the Fortitude program targeted at engineering staff, BMD implemented a further emerging leaders program for our people working in corporate services and non-engineering roles. Introduced in August 2019, the program consisted of four group modules as well as quarterly one-on-one training with external facilitators. Around 20 employees took part in training focused on resilience, communication, negotiations and stakeholder management, and emotional intelligence and strategic planning. The modules were identified in line with key skills and traits required of exceptional leaders.

BMD continues to foster the next generation of construction professionals through a paid undergraduate program that allows students to undertake flexible, ongoing employment that corresponds with study commitments throughout their degree. Fifty-one undergraduates worked with BMD over the past 12 months, with some transitioning to our 12 month graduate program which includes a structured competency framework across three modules focused on unlocking their full potential. Increasing diversity of our employee base remains a priority and this year, 17% of female graduates were hired in non-traditional female roles.

BMD was proudly awarded three training category awards at the 2019 Civil Contractors Federation Queensland Excellence Awards, including Employer of the Year for the fourth time in the last six years. These awards demonstrate BMD's outstanding commitment to training and skill development, and recognises our employees for their determination and dedication to progression through formal qualifications.





Balance and belonging



BMD supported two Power of Engineering school-based events in the 2019-20 financial year

With construction identified as Australia's most male dominated industry, BMD recognises the requirement for businesses to actively work towards increasing female representation through practical, forward-thinking initiatives that attract and retain women and ultimately increase gender equality.

Through our partnership with Power of Engineering, BMD supported two school-based events in the 2019-20 financial year which aimed to inspire young women and new entrants from diverse backgrounds to consider a career in engineering. Ten employees attended events in Townsville and on the Gold Coast, engaging with students by sharing insight into their own career journeys in the construction industry, assisting to expand students' construction knowledge through project presentations, and leading engineering style workshops to increase familiarisation of engineering concepts.

BMD continued to provide National Association of Women in Construction (NAWIC) memberships to female employees to sponsor their involvement in mentoring programs, industry events and the association's Awards for Excellence. A corporate level membership was also retained to support the not-for-profit organisation in their empowerment of women in the construction industry. As well as acknowledging our exceptional female employees through NAWIC award nominations, BMD recognised outstanding work through

associations including the Civil Contractors Federation and the Master Builders Association. In the 2019-20 financial year, 25% of BMD's individual industry award nominations were female.

While BMD's female employee representation continues to sit marginally above industry standards at 15%, our annual Dare Awards demonstrated the exceptional contribution women make to the construction industry and validates the positive impact diversity has on our business. Females represented 20% of finalists and 33% of winners in the 2020 Dare Awards' individual categories.

International Women's Day (IWD) was again acknowledged and celebrated through facilitation of event attendance for male and female employees. Seven events were attended by more than 70 employees across the country, with our people hearing from inspirational guest speakers, panellists and debaters, all of which focused on the 2020 IWD theme, each for equal.

Our industry leading Parental Leave Policy continues to assist our employees who become new parents by financially supporting them while they are on leave and providing access to flexible work arrangements to assist them in returning to work. Over the past 12 months, BMD's rate of women who have returned from parental leave has increased to almost 86%. A Keep in Touch program was also implemented in conjunction with the Parental Leave Policy to ensure employees on leave are kept updated with the business through regular touch points that integrate to suit their needs.

In this together

National Reconciliation Week's 2020 theme, *In This Together* strongly aligns with BMD's approach to Aboriginal and Torres Strait Islander engagement.

While COVID-19 delayed the finalisation of some of the deliverables outlined in our Innovate Reconciliation Action Plan (RAP), BMD continued to focus on achieving positive outcomes within our sphere of influence. Internal systems and processes were updated to facilitate engagement of an increased number of Indigenous businesses, and human resources policies were reviewed to identify opportunities for Aboriginal and Torres Strait Islander employees to celebrate days of cultural significance.

BMD's commitment to establishing genuine relationships with Aboriginal and Torres Strait Islander owned businesses was demonstrated through our engagement with Parakeelya Architecture and Construction Management (PACM) which began in 2016. Following the identification of partnership opportunities, BMD and PACM cemented our working relationship through a project, awarded in 2020, to deliver civil upgrade works at the RAAF Base Woomera in South Australia. BMD has provided PACM with a civil construction solution that aligns with the Department of Defence's model, and is the first time BMD has been engaged as a subcontractor to an Aboriginal and Torres Strait Islander owned business.

The relationship is based on transparency, shared systems and processes, and the embedment of personnel to generate a truly 'one team' environment. BMD and PACM management have committed to regular catchups which are used as a platform to identify future working opportunities. BMD is genuinely committed to upskilling PACM in the civil construction capability and is proud to be able to share our experience to assist in generating future opportunities for the Indigenous business.

In August 2019, BMD's RAP Working Group visited the Inland Rail Parkes to Narromine project and the Newell Highway Program Alliance. The two-day trip provided invaluable insight into the benefits of early engagement with local Traditional Custodians and Indigenous businesses, as well as strategies and initiatives implemented to provide the local community with a lasting legacy post project completion.

ABORIGINAL AND TORRES STRAIT ISLANDER BUSINESS SPEND:

YEAR	SPEND
2017-18	\$6.3 million
2018-19	\$8.7 million
2019-20	\$39.5 million



ABORIGINAL AND TORRES STRAIT ISLANDER BUSINESS ENGAGEMENT:

YEAR	NUMBER OF BUSINESSES		
	51	59	97
2017-18	2018-19	2019-20	



BMD continued to mark significant projects' construction commencement through blessings by local Traditional Custodians and cultural events such as Smoking Ceremonies



BMD supported the West Arnhem Regional Council's Maningrida Girls Dance Troupe to compete at the 2020 national finals of the Evolution Dance Competition on the Gold Coast



A Welcome to Country is performed on the Mitchell Freeway Northbound Widening – Russell Road to Roe Highway project in Western Australia

Case study: contributing to reconciliation in the West

Since formally establishing BMD's presence in Western Australia more than five years ago, we have remained committed to achieving reconciliation, demonstrated through the launch of our ongoing partnership with the Clontarf Foundation which coincided with our Perth office opening in 2015.

In the 2019-20 financial year, BMD worked to deliver five projects for client, Main Roads Western Australia (MRWA), totalling more than \$183 million in value, including:

- Kwinana Freeway Northbound Widening – Russell Road to Roe Highway
- Mitchell Freeway Southbound Widening
- Smart Freeway – Kwinana Northbound
- Kwinana Freeway Southbound on-ramp from Manning Road
- Mitchell Freeway Northbound Widening.

In line with MRWA's commitment to increasing Aboriginal employment, each project requires a minimum of 10% of the workforce to be comprised of Aboriginal peoples and 2% of engaged businesses to be Aboriginal owned and registered on the Aboriginal Business or Supply Nation directories.

BMD is currently exceeding the 10% employment target, averaging an Aboriginal and Torres Strait Islander employment rate of 14.5% across the five projects. Each of the projects is also exceeding the nominated Aboriginal business spend, with some projects forecasting a spend of more than 200% over the project's target.

A commitment to Indigenous engagement and respecting culture was evident from the outset, with each project undertaking a Smoking Ceremony and Welcome to Country performed by Traditional Custodians of the land on which the project was being constructed.

Each project implemented a range of tailored strategies and initiatives to ensure Indigenous engagement was viewed as a priority on the projects, and was actioned as such. Key initiatives included the addition of Aboriginal Participation Managers in a project's management team, implementation of Aboriginal trainee programs on the projects, ensuring the projects' major subcontractors committed to meeting the head contracts' Indigenous engagement targets, making targeted procurement packages available to Aboriginal businesses, and undertaking cultural awareness training.

Leaving a lasting legacy through employment and training has also been a priority, with BMD supporting Indigenous labourers to undertake certificates in civil construction and providing a skills legacy through facilitating the completion of roller operator, quick cut saw and traffic management tickets. Additional support was also provided to Aboriginal owned subcontractors who had not previously worked with government to ensure they were well placed to undertake similar work for public clients in the future.

The achievements in BMD's Western Australian operations demonstrates what can be accomplished when a genuine commitment to Indigenous engagement and reconciliation is embedded into a project's culture. The strategies and lessons learnt in the west are being shared within BMD's operations across the country so that we can achieve further positive outcomes within our sphere of influence.

Safety, environment and quality



Mates in Construction visited our Western Australian project sites during COVID-19 reinforcing important messaging around checking in on your work mates

Safety is at the heart of The BMD Way

Safety underpins everything we do. In the 2019-20 financial year, BMD focused on embedding safety into the BMD Way of doing things differently, shifting the conversation from statistics and data to take a holistic approach which empowers our people to put safety first.

Over 8 million hours were worked in the last 12 months, an increase of more than 1 million compared to the previous year. BMD Group's total recordable injury frequency rate increased from 6.0 to 6.2 and lost time injury frequency rate from 0.4 to 1.1, culminating in a safety reset in quarter four of the 2019-20 financial year.

The reset focused on imploring our people to make good safety decisions and acting when observing something unsafe or that could be undertaken in a better way. Following the safety reset, BMD's leadership teams have been working with business units and regions to reinforce safety measures and practices to ensure commercial and program pressures do not detract from our priority of delivering works without harming our people or the communities in which we operate.

Safety training days were again held around the country, and for the first time in the Philippines, with Prime BMD adopting the

event. These events provide an opportunity for employees from multiple project sites and locations to get together and share lessons learned and innovations to reduce manual handling, and remain up to date with industry best practice and key compliance updates in the areas of safety, environment and quality.

BMD's approach to traffic management was revised over the past year following the introduction of a dedicated working group who updated traffic management documentation, provided further clarity on the roles required, and rolled out new training modules to ensure the continued competence of those performing traffic roles.

Exercising due diligence was also a focus of the last 12 months, with a dedicated training and awareness package developed and delivered in conjunction with industry subject matter experts. The training ensured BMD employees understand their due diligence obligations and remain compliant with our work health and safety responsibilities in accordance with health and safety legislation.

BMD's Active Leadership program was launched in the 2019-20 financial year with the aim to provide project leadership teams training in five modules including legislation and systems compliance, risk management, incident management, continuous improvement, and communication and influence. Originally delivered face-to-face, BMD is pivoting to provide opportunities for employees to complete the modules online to ensure they can continue to upskill while considering COVID-19 travel restrictions and social distancing requirements.

As part of our ongoing commitment to employees' mental health and wellbeing, BMD partnered with Mental Health Movement to offer face-to-face training (prior to COVID-19) and a series of webinars focused on mental education and support. Encompassing resilience, self-awareness and available support strategies, Mental Health Movement engaged employees using the power of personal story and lived experience to break down the stigma that stops people seeking help. Moving forward, BMD will continue to partner with Mental Health Movement to deliver important training and resources to support our people's mental health and wellbeing.

Empowering our people to deliver positive environmental outcomes

We care about our responsibility to contribute to positive environmental and sustainable outcomes. In the 2019-20 financial year we empowered our people to strive towards ensuring the environments in which we work are not harmed during construction and recognised the innovation and expertise our people contribute to reinforcing sustainable practices.

While BMD again reported nil Class 1 environmental incidents, the business saw an increase in our Class 2 environmental incident frequency rate from 0.3 to 1.5, which is above our target of 0.5. While the Group's overall result was disappointing, several business units achieved positive outcomes, improving their environmental reporting results.

As part of BMD's annual Environment Month initiative, a group survey was undertaken in March 2020 to better understand our people's thoughts and opinions around environmental culture and whether the systems and process we have in place provide appropriate support for project teams. The survey results delivered key data around how environmental information is accessed and offered insight into barriers that exist in the implementation of environmental controls. The survey outcomes assisted in determining updates required to our environmental management systems and processes to ensure we continue to support our health, safety, environment and quality (HSEQ) staff as well as project personnel to deliver exceptional environmental outcomes on our projects.

Having joined the Infrastructure Sustainability Council of Australia (ISCA) as a member in 2017, BMD is proud of our continued commitment to the IS rating scheme which evaluates the planning, design, construction and operation of infrastructure asset classes in all sectors linking industry, communities and commerce beyond regulatory standards. In the 2019-20 financial year, BMD achieved an Excellent As Built rating under the ISCA rating scheme for the Melton Highway Level Crossing Removal Project. The project achieved a saving of 16% in materials and 48% in energy use along with diverting over 90% of inert waste and over 60% of office waste from landfill.

Award winning sustainable thinking delivers environmental innovation

Awarded an internal Golden Boot award for HSEQ excellence in BMD Constructions' New South Wales business, the implementation of a Basin Siphon Dewatering initiative on BMD's works as part of the Woolgoolga to Ballina – Pacific Highway Upgrade delivered positive HSEQ outcomes through the introduction of a low cost, easy to set up system that reduced labour, fuel and pump costs, and pump maintenance requirements.

Started with a bucket or small suction pump, the system can be left running until works finish at the end of the day. Using this method, a sediment basin can be emptied in a single visit, removing the need for ongoing refuelling, heavy lifting and the need to carry equipment through uneven terrain.

The initiative can be duplicated on any construction project and offers positive environmental outcomes by reducing the risk of sediment suction and discharge, reducing the risk of fuel spills around waterways, and decreasing fuel costs and generation of associated emissions.



The award winning Basin Siphon Dewatering initiative



The solar panel initiative on a BMD Urban project in South East Queensland

Leading sustainable stewardship reduces fuel emissions and eliminates environmental nuisance

The introduction of solar power to multiple BMD Urban project sites in South East Queensland has reduced environmental impacts to project stakeholders by removing noise pollution produced by generators and providing innovative and sustainable power sources.

Partnering with a local electrical contractor, the team overcame initial challenges such as placement of solar panels and potential theft, to provide a solution where the ultimate solar panel model involved the installation of panels on a trailer to reduce working at heights risks associated with the installation of equipment on building roofs. The system includes an automatic generator backup to ensure the project site was able to continue operating in instances where the solar system was unable to provide enough power. When the batteries were low, the generator would start, automatically shutting down again when the system had reached the required power level to run itself.

The initiative's implementation provides added flexibility to project teams' working hours due to the removal of restrictions associated with the operation of a noisy generator and delivers significant cost savings to projects due to reduced fuel use which also offsets a project's CO² generation. The setup also provides an easy to transport power source, with the trailer able to move between BMD Urban project sites.

Improving quality processes to enhance quality performance

In the 2019-20 financial year it was pleasing to see a marked improvement in the quality of information and evidence provided by employees to facilitate the close out of non-conformances across the BMD Group.

In early 2020, a Quality Dashboard initiative was launched with clear objectives for continuous improvement within the business. Developed by the BMD Constructions team in New South Wales, the initiative:

- expanded measures encompassing a balanced approach to performance criteria
- positively altered employees' attitude and culture towards quality
- placed a greater emphasis on client satisfaction
- facilitated learning of trends through a project's life cycle
- communicated performance with transparency.

The Quality Dashboard's assessment criteria is supported by senior management and includes uniform measures across projects and regions in five areas including lot, >42 day lot, hold/witness point, non-conformance report and request for information closures.

The use of the Quality Dashboard was adopted by BMD Constructions in Victoria in the 2019-20 financial year and it is anticipated that the reporting tool will be embedded nationally in 2021.

The adoption of Microsoft Teams across both projects and corporate business units has assisted in increasing teamwork and collaboration across the business, with the application assisting employees to communicate seamlessly during COVID-19 when travel and face-to-face meetings were unfeasible, and the business was adapting to a period of remote working.

Updating BMD's Learning Management System and Contractor Management System to ensure content is accurate, relevant and compliant was a focus for the first half of 2020. The systems are being migrated to new platforms which improve user experience and content engagement.

Dynamics 365 has been implemented to provide one point of

Adoption of a Quality Dashboard initiative has improved regions' quality performance ratings:



BMD CONSTRUCTIONS
NSW/ACT

improved by **24%**

BMD CONSTRUCTIONS
VICTORIA

improved by **22%**

truth for BMD's personnel and training records. The application will also be integral to the introduction of comprehensive competency frameworks to better define employee roles and responsibilities, with a gap analysis and agreed action plan to form the basis of ongoing performance reviews.

BMD continue to examine remote access to it systems, with a trial of a defects app beginning in the 2019-20 financial year to ensure we continue to provide our people with tools that deliver efficiency and accuracy to their roles. Learnings from the trial have been used to improve and set direction for future application to ensure compatibility with the tablets which have previously been issued to project site staff.

A further initiative to gain efficiency for our project teams included the adoption of I-Deal Docs which is now being utilised to generate project management plans with the software assisting in the automation of document creation to minimise data entry, proofreading requirements and reduce the probability of human error.

We continue to ensure our systems and processes meet the needs of our people, stakeholders and clients by focusing on ease of use, consistency and accuracy throughout the investigation and implementation of new and upgraded applications.



Tablets have been issued to project staff to reduce the number of hours required in the office



DigiLead: advancing BMD

DigiLead aligns with BMD's commitment to providing systems and processes that support our people to perform at their best by facilitating changes to the business that enable quicker, more effective decision making.

As BMD's lead delivery forum for information and technology advancement, DigiLead focuses on structuring business advancement beyond our current position within the digital space. Under an agreed charter, the DigiLead Committee enforces principals, determining project or product advancement and viability.

The DigiLead principals will assist our business units and staff to identify boundaries when scoping new or alternative software application platforms for use and engagement by the BMD Group. Ultimately, all projects will slot into one of four focus areas including finance, estimating and project management, document and record management, and analytics and reporting.

Currently, DigiLead encompasses more than 20 major projects on behalf of the BMD Group. The aim is to position our businesses at the forefront of the technology bubble encapsulating the construction industry. While the systems and processes implemented at BMD are industry leading, there is a need to better communicate the robustness of programs to project teams and improve efficiency in gathering and distributing data. This will enable better decision making and ultimately provide the correct tools to facilitate delivery of projects safely and successfully.



In the 2019-20 financial year, DigiLead delivered several technological improvements including a self-service portal for contractor management, the framework for a new learning management system, an invoice management system, an updated incident and accident management system and the advancement of artificial intelligence software for financial modelling.

Over the next 12 months, DigiLead will focus on staged releases of several projects including asset management and field tracking of plant and equipment; deploying current systems, including SharePoint, into cloud platforms to enhance workflow; and improving external accessibility and providing stakeholders single point access to BMD's health, safety, environment and quality documents and correspondence.

Community support



At BMD, we are proud of our long-standing relationships with the communities in which we operate, engaging local suppliers and subcontractors, and supporting both national and grass-roots initiatives and organisations.

Our history with the Brisbane Lions spans decades, and our collaborative relationship continues to this day. In September 2019, the Lions team participated in an episode of BMD TV, our internal video series which explores topics related to workplace health, safety, environment and quality initiatives. Released on World Suicide Prevention Day, the eleventh episode of BMD TV focused on mental health and wellbeing. The Brisbane Lions' health team spoke about the importance of keeping fit and making time for yourself, and how this positively impacts your mental health. They also provided examples of how the Lions team promote a mentally healthy workplace, and how we can all work together to make a positive impact on the health and productivity of our workplaces.

BMD reciprocated our support at our annual family day at a Brisbane Lions' home game, which was held in late 2019 – the Lions' last home game of the season. A 'top of the table clash' against the Geelong Cats, the game was very popular amongst the BMD family, with our largest ever crowd to date in attendance to cheer on the Lions.

Most recently, BMD and the Brisbane Lions joined forces to deliver the first stage of construction for the Brisbane Lions' new training and administration facility, The Reserve Community Arena, located in Springfield. The Reserve will ultimately become a boutique arena which will accommodate 10,000 supporters, and will be the home ground for the Lions' AFL Women's team. BMD Urban was proud to deliver this project under budget and on time, ready for the commencement of the next stage of works.

BMD's collaboration with the Queensland University of Technology's (QUT) Science and Engineering Faculty also extends a number of years, first beginning over seven years ago, when we started our annual engineering scholarship.

“

"Research shows that moving students experiencing socio-economic disadvantage from uninterested in tertiary study to being actively interested is a journey and not a single revelatory experience.

Building aspiration is arguably the most challenging aspect as it involves individuals going through a personal change process, and the support of BMD enables QUT to keep this vital program on the road, changing lives every day of the school year."

PROFESSOR TROY FARRELL
QUT SCIENCE AND ENGINEERING FACULTY EXECUTIVE DEAN

”



As part of QUT's 2019 Giving Day, BMD launched a formal partnership with QUT's Extreme Science and Engineering Van with a \$25,000 Challenge Donation.

Each year QUT student ambassadors drive the Extreme Science and Engineering Van to primary and high schools all around Queensland to deliver free hands-on science, technology, engineering and mathematics (STEM) workshops to students, igniting a passion for STEM and further education among school students in regional and disadvantaged areas.

The three-year partnership with QUT will help to drive the van further to regional and remote communities in Queensland, including to schools in the Kingaroy region, an area experiencing high levels of socio-economic disadvantage and a location that makes it difficult to access university engagement programs.

We are proud to continue our relationship with QUT through this new sponsorship and to further our support of an initiative which encourages and inspires students to consider a future career in STEM related fields.

Inclusive and local procurement

BMD works closely with our clients and partners to create opportunities that deliver genuine benefits for communities and individuals through measured and responsive procurement practices.

As a national business, we recognise that the procurement decisions we make can help build a local organisation's capabilities, provide employment for disadvantaged individuals, and upskill workers that are both new and established within the industry. We recognise that while the delivery of infrastructure is our core business, it is our ability to create opportunities for local, social, and Aboriginal and Torres Strait Islander businesses that will unlock the greatest social and economic benefits for the communities where we work.

Procurement decisions start early, and active communication with partner networks and intermediaries assists in supply chain identification, as well as direct engagement through relationships we've built.

Recent outcomes are outlined below:

Commitment to Indigenous businesses



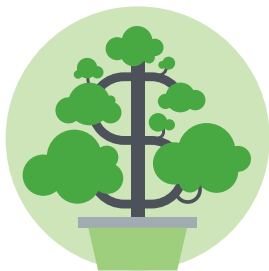
340

INDIGENOUS BUSINESSES REGISTERED IN BMD'S DATABASE



100

SUPPLY NATION BUSINESSES ENGAGED SINCE 2017



\$53 million

TOTAL INDIGENOUS SUPPLIER SPEND 2017-2020



\$2.8 million

MONTHLY AVERAGE SPEND 2019-20 FINANCIAL YEAR



143%

INDIGENOUS SUPPLIER INCREASE SINCE 2017 RECONCILIATION ACTION PLAN LAUNCH



Notable Aboriginal and Torres Strait Islander suppliers

Indigico

CIVIL RAIL AND CONSTRUCTION

Biodiversity Australia

ENVIRONMENTAL MANAGEMENT

Workcontrol

TRAFFIC MANAGEMENT AND CONTROL

Local content success

*90 businesses engaged
\$28 million spent locally*

HAUGHTON PIPELINE DUPLICATION

*94% Victorian spend
\$90 million Melbourne metro spend*

THOMPSONS ROAD UPGRADE STAGE 2

22% Aboriginal and Torres Strait Islander workforce

BMD SOUTH AUSTRALIA

\$100.7 million total spend with local businesses

INLAND RAIL PARKES TO NARROMINE

Exceeded Indigenous employment target by 390%

MT ISA INTERSECTION UPGRADES

BMD Constructions Northern Region

Diversification of market sector and geographical location have once again underpinned an exceptionally successful year for BMD Constructions Northern Region. A total of six projects were awarded across Queensland and Western Australia, 80% of which are being delivered for repeat clients.

Our workload in Western Australia has been dominated by projects in and around metropolitan Perth, while on the contrary, Queensland has experienced an increase in regional projects that have underpinned the continued growth of the business unit.

Both states have experienced a continuation of subdued construction activity within our historically dominant market sector, transport infrastructure. However, pleasingly the 2019-20 financial year concluded with a noticeable surge in new road and highway projects coming to market, with the business experiencing numerous successful expression of interests resulting in significant tender opportunities.

The completion of the iconic New Parallel Runway at Brisbane Airport firmly establishes BMD Constructions as a leader in the aviation infrastructure sector. The project was delivered on budget, ahead of schedule and with an exceptional safety record, marking a milestone eight years in the making with BMD Constructions originally delivering the runway's early works in 2012.

With work commencing in late 2018, INLink, a joint venture with Fulton Hogan, have now completed the Parkes to Narromine section of the Inland Rail project. The project has delivered enormous regional benefits through engagement of local Aboriginal and Torres Strait Islander owned businesses and workers, local subcontractors and suppliers and a predominantly local workforce. With rail infrastructure a dominant feature of the future industry pipeline, this project ensures we are well established to secure further opportunities in this sector.

One such opportunity was realised during the past 12 months through the award of a \$350 million contract to deliver civil construction works for the Carmichael

Rail Network in the Galilee Basin. The project will deliver approximately 114 kilometres of new rail formation including significant drainage and bridge structures, building on our proud history of delivering civil infrastructure in North Queensland. The contract award recognises the capability and capacity of BMD to deliver complex rail infrastructure, including in remote and regional areas, and under rigorous environmental controls, provides a boost for the economy, our supply chain, our employees and the communities in which we operate.

Continuing our long track record of delivering work in the defence sector, the 2019-20 financial year saw us complete works at Royal Australian Air Force (RAAF) Amberley and commence a new project at the Oakey Army Aviation Centre as part of the P0007 National Airfields Maintenance Works project. Works on the new and replacement military apron facilities have been staged to accommodate the Army's helicopter operations, with construction more than 50% complete.

The Haughton River Upgrade project for client Department of Transport and Main Roads continues our long history of delivering major road and bridge infrastructure projects in collaborative design and construct delivery models. Located south of Townsville, the project will ultimately see 14 kilometres of highway and seven new bridges constructed to improve flood immunity for this vital transport link.

In Western Australia, the 2019-20 financial year has been dominated by the delivery of three freeway projects in Perth, including the Smart Freeway – Kwinana Northbound, the Mitchell Freeway Southbound Widening and the Kwinana Freeway Northbound Widening projects. During the financial year, two additional Main Roads Western Australia projects were awarded including the Mitchell Freeway Northbound Widening and Kwinana Freeway Southbound on-ramp from Manning Road projects. Totalling more than \$183 million in value, the project teams have committed to contributing to reconciliation, with BMD exceeding the projects' 10% Indigenous employment target, averaging an Aboriginal employment rate of 14.5% across the five projects.



A 'super-structure' being lifted into place over Scarborough Beach Road as part of the Mitchell Freeway Southbound Widening project

Our first Western Australian defence project was successfully completed during the financial year, with BMD Constructions delivering an upgrade of approximately 29 kilometres of sealed road network at Australia's largest navy base, HMAS Stirling. Cycle lanes were also incorporated across part of the network, improving safety for road users.

Also completed in the last 12 months was the Port Hedland International Airport upgrade which involved the construction of new aircraft strength pavements and pavement improvement works to a section of the existing apron and asphalt overlay works on the main runway. Completed in October 2019, the project team worked 24 hours a day, in 12 hour shifts, with each shift laying over 1000 tonnes of asphalt on the runway. At project completion, over 25,000m² of new high strength aircraft pavement was constructed, including the new taxiways and apron upgrades.

Rounding out the 2019-20 financial year was the award of the \$450 million Tonkin Gap project as part of the Tonkin Gap Alliance. BMD, together with our alliance partners, will upgrade a major bottleneck on Tonkin Highway and complete rail enabling works for the METRONET Morley-Ellenbrook Line. Creating approximately 3000 jobs during construction, the alliance will improve travel and increase safety on one of Perth's most congested roads.

The diversity of our project portfolio is reflective of our highly skilled tendering and project delivery teams who have been willing to adapt to the regional nature of our work. While some projects have required travel, they offer enormous opportunity for our people to upskill through involvement in diverse projects that have varied delivery requirements. Providing development and training opportunities was a priority in the past financial year and will continue to underpin our operations moving forward.

With recent success securing large infrastructure projects in both Queensland and Western Australia, the outlook for BMD Constructions Northern Region is increasingly positive. The current workload ensures we can continue to deliver sustainable growth for the business. Our pipeline of tender opportunities provides confidence that business growth can be sustained, and that our strategy of diversification across the road, rail, aviation, defence, resources and port sectors can be achieved.



The newly opened intersection of Thompsons Road and Frankston-Dandenong Road in Melbourne

BMD Constructions

Southern Region

A reduced number of tenders in the third and fourth quarters of the 2019-20 financial year, coupled with fewer transport opportunities and a competitive market, has led to a focus on geographic and market sector diversification in our key operational states of Victoria and New South Wales (NSW).

With more than 10 years' experience working in land development and minor infrastructure in the South Australian (SA) market, BMD Constructions is focused on expanding our capacity through the identification of suitable opportunities in the transport and major infrastructure sector, in line with Infrastructure SAs project pipeline.

Following the award of the Royal Australian Air Force Base East Sale Work Package 2 project, BMD continues to focus on further expansion into the defence and airport sectors, while selectively competing for transport infrastructure opportunities in NSW, Australian Capital Territory, Victoria and SA.

BMD Constructions Southern Region further built on BMD's capability in the renewable energy sector, delivering works related to the Kiamal Solar Farm, located near Ouyen in north-west Victoria. BMD was contracted by Consolidated Power Projects (CPP) to undertake works associated with the solar farm's substation, with an emphasis placed on sourcing materials from nearby Ouyen and Mildura. Continuing our relationships with CPP, BMD was also awarded a package of civil works for the Buronga Substation. The successful delivery of the two projects expands on our past collaboration with CPP following completion of the Crookwell 2 Wind Farm project in 2018.

In Victoria, BMD again delivered for key client, Major Road Projects Victoria (MRPV) through the completion of the Thompsons Road Upgrade Stage 1 project, and the Yan Yean Road Stage 1 project which has transformed a section of the arterial from a two to four lane road, including the upgrade of six signalised intersections. During the 2019-20 financial year, BMD was awarded a major variation to the Thompsons Road Stage 2 project, the upgrade of the Frankston-Dandenong Road roundabout to a signalised intersection. The project involved undertaking a five-week construction 'blitz', highlighting BMD's commitment to innovation and reducing stakeholders' exposure to construction impacts by assisting MRPV to deliver the intersection upgrade four months ahead of schedule.

Exceptional outcomes for state government clients were also demonstrated in NSW through BMD's continued involvement in the Newell Highway Program Alliance in partnership with the NSW Government and AECOM. Fifteen overtaking lanes have been completed so far, enabling a more efficient and safer journey along the Newell Highway. Indigenous engagement is a priority for the Alliance, with 100% of the traffic control undertaken on the overtaking lane projects performed by Indigenous owned businesses.

Also in NSW, BMD was awarded the Eunony Bridge Upgrade which kicked off with a traditional Smoking Ceremony by Wiradjuri Elders including Uncle Wilfred Williams, Uncle Pat Connelly and Uncle James Ingram to bless the site and project team for a safe working environment. During tender phase, BMD proposed an alternate bridge design which involved removing the entire bridge deck and constructing a new deck utilising precast plank girders post-tensioned together with an insitu concrete deck. The alternate design provided the client cost and time savings and removed the requirement for construction to occur in a narrow road corridor adjacent to live traffic. The project builds on BMD's long-term history of constructing key infrastructure in Wagga Wagga, having previously delivered the Olympic Highway Realignment – Kapooka Bridge and Bomen Enabling Roads projects.

Our commitment to supporting the communities in which we operate was highlighted through recognition of the significant support BMD provided to Transport for NSW and the Rural Fire Service during the Myall Creek bushfire that impacted the Pacific Highway in early 2020. The supply of watercarts, access to a water tank, and the expertise of BMD personnel during the incident led to the protection of homes and community assets, and reduced the number of road closures required. BMD continues to undertake an upgrade to 14.9 kilometres of the Pacific Highway to dual carriageway between Iluka Road and Devils Pulpit as part of the Woolgoolga to Ballina Pacific Highway upgrade.

Strong business relationships remain key to our success and as we move into a new financial year, we are committed to delivering exceptional project outcomes to illustrate the 'difference' BMD can make. With the competitiveness of the recruitment market easing, we are focused on retaining and upskilling our loyal employees while continuing to complement our skill base, recruiting new construction experts that are well aligned with our culture and values.

BMD Industrial

With the market remaining competitive, BMD Industrial continues to provide a diversification opportunity for the Group, targeting prospects within the water, resources and solar industries.

The water and wastewater sector accounts for the majority of BMD Industrial's project portfolio and it was pleasing to secure work for two new clients in the 2019-20 financial year including Abbot Point Bulkcoal Pty Ltd and Cloncurry Shire Council.

Located 25 kilometres north of Bowen, the Port of Abbot Point is Australia's most northern coal export port and incorporates Abbot Point Terminal. BMD Industrial was contracted to upgrade the current stormwater system at Abbot Point Terminal. This involved the upgrade of an onsite water management system, which is used to ensure the quality of the onsite and discharge water from the terminal meets operational licence conditions. Due for completion in late 2020, construction is combining self-performed and subcontracted works to deliver the project.

Cloncurry Shire Council's Sewage Treatment Plant Augmentation project involves upgrading the plant, originally constructed in 1969, to improve the quality and capacity of the recycled water system and improve safety, reliability and operability. Due for completion in late 2020, the project is BMD Industrial's first design and construct recycled water treatment project and cements our ability to provide smart engineering solutions to local governments, large water authorities and resource and energy clients.

In 2017, BMD Industrial completed an upgrade to the chemical storage facilities at the Mount Crosby Water Treatment Plant south-west of Brisbane, completing the project with 35,000 hours lost time injury free, no environmental incidents, on time and on budget. In the 2019-20 financial year, we were awarded further works at the water treatment plant for repeat client Seqwater. Staged over approximately three years, BMD Industrial is upgrading the existing filtration system, first constructed in 1945, to enable the plant to meet ongoing demand for the region, which currently accounts for 50% of Seqwater's water supply for South East Queensland.

In joint venture with Mitchell Water, BMD Industrial was selected by Sunwater as a delivery partner on a program of works to design and construct water infrastructure under a three year collaborative partnering framework. The program will deliver essential infrastructure throughout Queensland's regional communities and demonstrates our expertise in the delivery of exceptional solutions for repeat clients.

BMD Industrial continue to target renewable energy opportunities in the majority of mainland Australia, onboarding a renewable energy project manager to increase our prospects in this space. A renewed emphasis has been placed on the design component of our tenders and projects, with one of the team's long-term employees moving into an Engineering Manager role to facilitate this priority work.

In the 2020-21 financial year, BMD Industrial will work to increase the Group's wider business development team's focus on industrial opportunities, foster relationships with current and potential clients and further streamline our tender process to ensure we are targeting sustainable opportunities to continue to contribute to the wider business' success.



BMD Urban

In the 2019-20 financial year, BMD Urban experienced stability in the award of residential land development projects, with \$204 million in work attained, an increase of 16% in comparison to last financial year. A focus on diversification into the water and wastewater sector has achieved an increase in value of works won by 255%, with \$46 million awarded.

With operations in every mainland state and territory, the past financial year delivered similar volumes of work awarded within each region, with the exception of South Australia which realised an increase of 25%, and Western Australia which observed an increase in projects awarded towards the end of the financial year.

BMD Urban was awarded more than \$340 million of work across 96 projects in Queensland, New South Wales, the Australian Capital Territory, Victoria, South Australia, Western Australia, and the Northern Territory. Our project teams continue to deliver innovative solutions for private and government clients in industries including residential, industrial and commercial land development, energy infrastructure, building, pipeworks, sporting facilities, and community infrastructure.

The second half of the 2019-20 financial year proved challenging due to the impacts of bushfires in a range of our operational regions, and working restrictions implemented during the COVID-19 pandemic. Despite the challenges, our people responded with tenacity and determination, continuing to deliver the collaborative style of contracting our business has embraced for more than 40 years.

A range of geographic regions have worked together to resource our vital bushfire recovery work in New South Wales. The project team employed a philosophy of supporting the communities in which we operate to drive positive outcomes through the creation of opportunities for local workers, businesses and residents. Demonstrating an impressive ability to adapt to changing circumstances, our people continue to support our business and projects by complying with border closures and our 'new normal' including numerous changes in safety, operational, and hygiene practices and processes.

A focus on leveraging our strengths and ensuring operational regions are sharing knowledge and lessons learned occurred in the 2019-20 year and will form an important part of our business strategy as we move into the new financial year. We aim to ensure that personnel transferring between regions experience comparable systems, processes and skillsets, regardless of the area in which they are located.

In South Australia, BMD Urban continued their winning streak following award of the 2019 CCF Earth Award for the fourth consecutive year in the project valued \$5 million to \$10 million category. The Kangaroo Island (Kingscote) Airport upgrade was delivered with a 77% spend of the contract value within South Australia and 16.2% directly on the island. Demonstrating our South Australian team's diversity, multiple projects within the water and wastewater, road and highway, and community infrastructure sectors were awarded and completed, with the region also responsible for BMD Urban's \$8 million of building works in hand.

Public clients dominated our project portfolio in Western Australia, with BMD Urban delivering works associated with the Cape Burney subdivision for the City of Greater Geraldton. A major road upgrade on the Brand Highway, approximately 80 kilometres north of Perth, was awarded by Main Roads Western Australia with the project providing new overtaking lanes, road widening, and intersection improvements.

After more than a decade, BMD Urban again has a presence on the Tiwi Islands following the award of a civil earthworks and services project as part of a 23 lot subdivision in Pirlangimpi, one of two Indigenous communities on Melville Island. Local employment, procurement, and in-kind support is a priority for the project team and we continue to provide support to local Territory communities as we have done for more than 20 years.

In Queensland, BMD Urban was provided an opportunity to work closely with some of BMD's long-term community partners including the Brisbane Lions and BMD Wynnum Manly Seagulls. The Brisbane Lions engaged BMD Urban to deliver the first stage of construction for their new training and administration facility, The Reserve Community Arena in Springfield. Upgrades were also made to the home of the BMD Wynnum Manly Seagulls, BMD Kougari Oval as part of the leagues club's expansion plans. As part of our works, the football field was moved approximately 8 metres and upgraded to meet Queensland Rugby League standards.

Balmoral Park Stormwater Harvesting project, Victoria

96

PROJECTS AWARDED

1360

LOTS CONSTRUCTED

93

PROJECTS REACHED PRACTICAL COMPLETION

85%

OF PROJECTS FOR NEW CLIENTS

\$424

MILLION IN WORKS COMPLETED

2019-20 financial year delivered works at two residential subdivisions. Whitlam Estate Stage 1A involved the construction of 243 single residential lots and two multi-unit blocks, and the Taylor 3 project included the construction of 122 single residential lots and associated works.

While urban development and minor infrastructure projects dominated our project portfolio in Victoria, the region also contributed to the business' growth in the water and wastewater sector through the construction of a stormwater harvesting system at Balmoral Park Reserve. The completed project will result in the reuse of 15 million litres of stormwater for irrigation each year.

Improvements in our safety outcomes was a cause for celebration in the 2019-20 financial year with the team achieving a reduction of over 50% in our total recordable injury frequency rate (TRIFR) in the past 12 months. Having worked more than 2.5 million hours, our 12 month TRIFR is 4.3, surpassing our target of less than 5.0.

BMD Urban is well placed to tackle the challenges and effects of COVID-19 over the next 12 months, with our strengths lying in the quality and expertise of our people. Focusing on winning and delivering work in the residential and minor infrastructure space will remain a priority in our operational regions.

Empower Engineers & Project Managers

Capitalising on diversification was a focus for the 2019-20 year, with BMD's expert planning and design division seamlessly navigating between markets by ensuring the improvement and maintenance of capabilities across a wide range of sectors.

In the past 12 months, land development accounted for approximately 50% of Empower Engineers & Project Managers' (Empower) workload. Projects within this sector decreased at the beginning of the COVID-19 pandemic, however an acceleration of prospects was then realised as clients sought to capitalise on market opportunities. Empower's ability to fluctuate to meet clients' shifting demands was tested but continued to deliver.

Focusing on continuing our growth in the road transport sector delivered a solid stream of projects for government and private clients. Transport remains a priority for Empower in the 2020-21 financial year, as it moves with the market – this will be key to successfully offsetting the potential unpredictability of the land development sector.

Operations in Central Queensland were dominated by work associated with Carmichael Rail Network, including undertaking detailed design and documentation for a range of existing roads that cross the proposed rail alignment. Empower is focussed on gaining regulatory approval from state and local government authorities to allow commencement of construction. A period of familiarisation with technical disciplines and stakeholder requirements was essential to ensure integration of their needs into each package of work.

In South East Queensland, state and local government approvals were successfully obtained to allow commencement of construction of the Cannon Hill Golf Course. This concluded many years of pursuing approvals to meet the satisfaction of regulatory authorities and clients by ensuring that commercially satisfactory outcomes could be achieved. Upon completion in 2022, the project will deliver Brisbane's first public golf course in 70 years and the only one of its kind south of the Brisbane River.

The completion of the 12 hectare Capestone Lake in north Brisbane was a major achievement for the Empower team. Technically complex in terms of stormwater quality, acid sulphate soil management, earthworks management, revetment treatments and ultimately acceptance by regulatory authorities, the completion of this environmentally challenging piece of infrastructure instilled a sense of pride in the Empower team.

Our portfolio of projects for local councils was strengthened with numerous packages of work delivered for Redland City Council including sewerage catchment scheme planning, detailed design of trunk mains, and a sewer pump station. Empower also delivered multiple road upgrades, a stormwater catchment analysis and road/drainage design on Coochiemudlo Island.

Empower worked with BMD and Flinders Ports (South Australia's private port operator) to deliver upgraded pavement designs for Flinders Port in a design and construct framework for the Department of Planning, Transport and Infrastructure. On the back of the project award, Empower established a permanent presence in Adelaide to capitalise on the steady pipeline of project opportunities in the region.

The impacts of COVID-19 drove innovation in how Empower undertakes project delivery to ensure we continued to achieve successful project outcomes for our clients. The resilience of our people was demonstrated through their ability to commence and deliver on our clients' expectations while adjusting to flexible and remote working arrangements which ensured business continuity.

Technology innovation was a focus of the 2019-20 financial year and will continue to be developed moving forward. Virtual and augmented reality technology is being created to support better decision making by all stakeholders, improve temporary traffic schemes, create land sales immersion experiences, and streamline Registered Professional Engineer of Queensland (RPEQ) construction certification activities.

The completed Capestone Lake in Mango Hill, Brisbane



JMac Constructions

Unprecedented levels of enquiries received across all operational regions, coupled with large projects coming to market, made the 2019-20 financial year one like no other experienced by JMac Constructions (JMac).

A record turnover of \$60.5 million was achieved, eclipsing the \$60 million turnover barrier for the first time in the business' 40+ year history. South East Queensland remains our strongest operational region, contributing 64% of turnover, and North Queensland and Victoria delivering comparable revenue to past financial years.

The quantity of projects within our delivery portfolio remained stable, with 42 projects achieving practical completion and 39 new projects awarded, 86% of which are being delivered for repeat clients. Following diversification into the building sector in recent years, JMac's works portfolio strengthened through the award of depot and clubhouse building projects for Logan City Council.

As a core capability, public infrastructure continued to dominate our project portfolio, cementing JMac as an industry leader through the award of a number of significant projects during the past 12 months.

Economic Development Queensland remained a key client, with JMac delivering two projects for the Queensland Government's specialist land use planning and property development unit. The Carseldine Urban Village is a new residential community on the site of a former Queensland University of Technology campus which consists of mixed use, diverse and affordable residential, small commercial and retail, along with bushland and recreational open space areas. JMac delivered works associated with a sport and recreation precinct including concrete walls and pavements, installation of fitness and park amenities, turfed sports field works and soft landscaping.

Also delivered for Economic Development Queensland was the highly anticipated Hercules Park which forms part of the transformation of Brisbane's Northshore. The project included the installation of 16,000 new plants, along with the relocation of several original trees to enhance the green space. The playground features a smart water system where water used as part of the children's play area is captured and reticulated into the park's gardens.

Demonstrating JMac's capability to deliver best for project outcomes while successfully managing elements of cultural significance, was the completion of 200 metres of boardwalk

and seating elements through the heart of the Brisbane City Botanic Gardens. The project was constructed under a heritage listed fig canopy and involved the installation of 22 metre deep driven piers without disturbing the canopy or root structure of the significant trees. The success of the project was celebrated through an Award of Excellence for Cultural Heritage at the 2020 Australian Institute of Landscape Architects Queensland awards.

Due for completion in late 2020, JMac is delivering a state-of-the-art water play and recreational park at Petrie Mill for new client, Moreton Bay Regional Council. The \$9 million project involves installation of an asphalt car park, six buildings, a waterplay park and construction of a sporting oval, utilising JMac's diverse breadth of expertise to deliver the iconic project.

In North Queensland our longstanding relationship with Stockland continued, with JMac having been consistently awarded works associated with the North Shore residential development since 2008. Townsville City Council also remained a key client in the 2019-20 financial year, with public infrastructure projects delivered including the construction of a 440 metre boardwalk to create a vital link between Townsville's new stadium and the CBD.

Meticulous planning and innovative construction methods led to the successful completion of a 3 kilometre walking track up Mount Louisa, Townsville. Working on the side of a mountain, which involved constructing a section of track into a rockface demonstrated ingenuity in work practices and delivered a successful outcome for Townsville City Council while contributing to the local community.

JMac's robust relationship with Stockland was also evident in Victoria, with the diversified real estate group awarding approximately \$5 million of work as part of their Cloverton residential estate in Melbourne's north. Demonstrating our relationship based approach and ability to deliver exceptional outcomes was the award of work at two more Stockland estates including Orion in Melbourne's west and Edgebrook in the city's south-east.

The Victorian team also strengthened their relationship with local regional councils including Hume and Hobsons Bay. Works included delivery of local parks and reserves as well as forming part of Hume City Council's landscape construction panel.

A focus on securing additional building works will continue in the new financial year, following the success of our foray into the sector in recent years. Our traditional capabilities of hard and soft landscaping, public infrastructure and sporting facilities will remain our core offering and the backbone of the business as we continue to explore new markets and opportunities.



JMac Constructions delivered 200 metres of boardwalk and seating elements through the heart of the Brisbane City Botanic Gardens



Urbex



Despite a turbulent year within our property markets, Urbex's residential portfolio remains resilient to significant market corrections inclusive of the weakened economic conditions and varied consumer sentiment associated with the COVID-19 pandemic.

Urbex's team of property specialists have significant experience in navigating property developments through cyclical shifts that occur within both regional and capital city markets. The calibre of Urbex's development portfolio drives strong buyer demand for its product, resulting in sustained sales volumes and values within all our operational regions.

In South East Queensland, Urbex reached milestones within infrastructure works for Capestone, with new playgrounds and the 12.8 hectare lake finalising construction works. BMD Urban, Empower Engineers & Project Managers and JMac Constructions continue to demonstrate BMD's unique vertically aligned business structure throughout the project.

The finalisation of the lake, and announcement of the shopping village, has promoted unprecedented buyer demand with the estate's premium lakefront stock sold. Capestone and the Moreton Bay Region continue to shine in uncertain times, with 152 lots sold in the 2019-20 financial year.

Just north of Mango Hill, Urbex's Sunshine Coast hinterland project in the Mooloolah Valley has sold out of stage one, with stage two planning well underway to meet buyer demand. The community now has over 30 families who will soon call Hillside home, with local builders already constructing new family houses on large, spacious blocks, depicting the 'green change' migration trend, post COVID-19.

Further down the east coast, Urbex celebrated two major achievements, with both the highly sought-after land in Harriet Lane (Upper Coomera), and Elevation (Lennox Head) projects selling out.

The boutique Harriet Lane community has 49 families enjoying their unique Maudsland enclave, showcasing high quality, stunning custom homes on the gently undulating land.

Zuccoli Village also announced a new stage release in the tail end of the 2019-20 financial year, with 46 allotments released to the market early. This followed unprecedented demand in the May period with the prior two releases selling out. Zuccoli Village now has over 438 homes, with approximately 1500 people living in the tight-knit community. The new Zuccoli Primary School was also delivered, as a result of the population growth in the community.

Urbex Realty brokerage offerings in the Northern Territory successfully secured new leasing opportunities for local businesses within the Zuccoli Plaza, the heart of Zuccoli Village.

South of the country, Mandalay in Victoria continues to mature into a true masterplanned golf course and residential community, with the first stage of a new Primary School opening in the beginning of 2020. The subdued residential market continued to improve, with titled stock now being reduced to such a level that stage 41 has been approved to commence. The first townhouse product has commenced settlements, with new families about to move in and enjoy the resort lifestyle that Mandalay offers.

In the next year, Urbex hope to expand their already growing portfolio, and will be branching into apartments and town homes with two projects on the horizon in South East Queensland.

In new developments, Dunes Harbour Beach, Urbex's Mackay project started civil construction in March 2020, and will be ready for market launch in the first half of the 2020-21 financial year. The project will be a tourism mixed residential project on Harbour Beach, in a unique geographical location. Working closely with industry experts in both property and tourism, this project will set a new benchmark for waterfront living in Mackay and change the face of the current Mackay Marina precinct.

Prime BMD

Prime BMD has concentrated on growing our brand extensively in the civil construction market through involvement in high profile projects and the ongoing success of our project delivery.

In the 2019-20 financial year, AUD\$14 million in plant and equipment was added to the business, including the purchase of a 3000m³ split hopper barge to further underpin our dredging business. The purchase of the barge will underpin the sustainability and future growth of the dredging business as we continue to undertake maintenance dredging in Manila Bay and pursue other opportunities throughout the Philippines.

COVID-19 resulted in a shutdown of the Philippines construction industry between March and June 2020, significantly impacting turnover during this period. While projects were unable to progress, Prime BMD was proud to be able to support the Philippine Government in their efforts to provide healthcare to the Filipino people through our involvement in the construction of six COVID-19 treatment and testing facilities. Each facility was rapidly constructed, with project teams working 24/7 to increase bed and testing capacity. These projects involved the conversion of existing stadiums and conference facilities into temporary hospitals via the construction of dry wall partitions.

A number of projects were awarded in the 2019-20 financial year, demonstrating Prime BMD's ability to deliver across diverse capabilities including building, water and hydro, port and marine and road infrastructure. In joint venture with DM Consunji Inc (DMCI), Prime BMD was awarded the delivery of the AUD\$580 million Solaire North Hotel and Casino in Quezon City. The project involves basement excavation and anchoring, basebuild of the structure, management of nominated subcontractors for the façade, and internal fit out.

Prime BMD's first project in the bulk water and hydro sector will see the delivery of the initial phase of the Upper WaWa Dam Multi-Basin System. The project involves the construction of access roads, and a roller compacted concrete dam and pump systems to deliver 80 million litres per day to the water concessionaire.

Private client, Robinsons Land Corporation (RLC) awarded Prime BMD our inaugural road and bridge project, namely the Montclair Interchange at Porac which involves the construction of a freeway interchange with the Subic-Clark-Tarlac Expressway. As our first private contract in the land development sector, we look forward to cementing a long-term relationship with RLC.

A contract to rehabilitate berths 1 to 5 at the Manila International Container Terminal was awarded in joint venture with specialised civil engineering company, Freyssinet International Manila Inc. The highly complex project involves restoration of piles for the existing quay structure as well as undertaking repairs for corroded and spalled concrete beams. The project will also deliver new wharf furniture.

Rounding out project news, Prime BMD's largest project to date, the Manila International Container Terminal Berth 7 project achieved an important milestone, completing the bulkhead wall and commencing pavement works for the 21,500m² reclamation.

With 160 employees and more than 600 workers on our projects, the business now has a core group of staff who live by the Prime BMD values and are relied on to lead by example and impart our culture to new employees. It is this culture which has assisted in the achievement of 5 million hours lost time injury free, with the business also maintaining a total recordable injury frequency rate of zero.

Strong governance over project delivery and tendering has increased confidence, allowing the successful diversification of the business into revenue streams in which Prime BMD had no previous experience. By building project teams around key experienced personnel, and providing ongoing training and development opportunities, Prime BMD has delivered sustainable operations in new sectors.

Coupling our international expertise with local ingenuity and know how continues to differentiate Prime BMD from our competitors and we remain focused on expanding operations geographically, as well as building our private client base. Providing an innovative alternative via the adaption of technologically advanced construction techniques such as GPS on all equipment, the use of paver technology, enhancing project controls and the way in which we plan to integrate quality assurance and documentation in the workplace via the adaptation of tablets and other hardware, is also a priority.

As we move into the new financial year, Prime BMD will continue to strengthen our capability to self-perform works through training and developing our workforce and increasing investment in plant and equipment.

COMPLETED



COVID-19 facility at Ninoy Aquino Stadium





Mick Power AM

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