

# Our heritage: our future

2010 was the 125th anniversary of Parsons Brinckerhoff (PB). We are proud of our heritage and have a strong belief in our future. This is reflected in the title of this report. We believe being a business that operates according to our values has been the basis for our strong growth over the past 125 years and is the key to our continued success.

'Our heritage: our future' is PB Australia-Pacific's (PB A-P's) third annual sustainability report. It discusses the company's operations in Australia and New Zealand<sup>1</sup> for financial year 2010, which ran from 1 January to 31 December 2010. This is a change in reporting period from previous years when PB's financial year ran from 1 November to 31 October. It is a result of being acquired by Balfour Beatty and subsequently aligning with their reporting year.

Our people and our clients are our greatest stakeholders and it is important that this document is representative of PB. Therefore, we have continued to use our vision and values as a framework for the report.

We continue to use the Global Reporting Initiatives (GRI) Sustainability Reporting Guidelines to guide our content. These guidelines cover economic, social and environmental performance, and have been used by thousands of organisations worldwide as the basis for their sustainability reporting.

Our report has been independently verified by NetBalance. Their verification statement is included on page 86 of this report.



**On the cover**  
*Banksia speciosa*

This report acknowledges 2010 as the United Nations Year of Biodiversity. The botanical image on the cover of this report reflects PB's recognition of the importance of biodiversity to the health of the planet, people and business.



**Comments  
are welcome**

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1. Not all New Zealand data is available.  
We will note when it is not included.

## Our heritage

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*The engineer of today, and more especially of the future, will be concerned not only with calculations, but will also have to study men and their needs, questions of industrial demand, the law of finance, and much in regard to legislation. ”*

~ William Barclay Parsons, 1905



The year 2010 marks 125 years of operation for Parsons Brinckerhoff (PB). Given this, our third sustainability report is framed in the context of where we have been and where we are going. We believe our corporate heritage aligns with the principles of sustainability: continuously striving to meet the needs of present communities without compromising the needs of future communities.

In October 2009 PB was acquired by Balfour Beatty. This has brought minor changes to the structure of PB and has not altered the commitment to uphold our values and our focus on delivering to our clients through trusted relationships, world-class resources and industry leadership.

During 2010, PB restructured our operating companies to align closer to our markets and geographies and provide more efficiency across the business. As a result, on 1 January 2011, PB Australia–Pacific (A–P) became part of the larger Asia and southern Africa region (AAPSA). This sustainability report outlines the impact of our operations in the A–P region.

This year, a significant development in the organisation was the decision to formalise our support for women in the business. We established a Women’s Network for the purpose of assisting PB to create an inclusive culture that values and promotes women in the workplace. PB proudly became a signatory to the United Nations Women’s Empowerment Principles, honouring our ongoing commitment to the United Nations Global Compact. We are one of only four companies in Australia, and the first global engineering consultancy, to become a signatory. Engineering and infrastructure are traditionally male-dominated. We believe empowering and supporting women in the workforce helps business performance and provides us with greater opportunity to respond to resource shortages and a competitive labour market.



Another milestone we reached in support of diversity was the launch of our Reconciliation Action Plan. The plan sets the direction for our engagement with Aboriginal and Torres Strait Islanders. We believe this commitment adds value to PB, provides a framework to assist clients and is one small step in contributing to the wellbeing of all Australians.

As part of our commitment to reduce our carbon footprint, we introduced 'Fly-free Week', a week where staff generally did not travel by plane and used other mechanisms such as video conferencing to service clients. The initiative reduced our carbon footprint and challenged us to think about alternatives to travel, without compromising our projects and commitments. We also hope the initiative can contribute to a better quality of life for our people. Despite this initiative and other measures, we only reduced our carbon emissions by 5% from the 2009 level, versus our target of 20%.

We did not meet our knowledge management goals of connecting people with people, people with information and fostering collaboration. We exceeded our 90% completion rate for Realising Your Potential (RYP): a performance management and objective-setting tool.

A-P has a strong safety culture which emphasises the importance of continuous improvement. In 2010, we reduced our all-injury frequency rate by 6.3% from the previous year, not quite achieving our target reduction of 15%; this was a challenging target given our already low injury frequency rate. In 2010 we embraced the 'Zero Harm' approach of our parent company Balfour Beatty, providing us with an opportunity to renew our efforts. The Zero Harm Framework has challenged us to focus on our most significant hazards and develop strategies to mitigate their risk.

Change has been a constant theme across the last 125 years of PB's existence and every change has created opportunities, even if at first these there were not apparent. Becoming part of Asia, Australia-Pacific, southern Africa (AAPSA) is one small part of a history of changes and a huge opportunity. The history of PB is filled with individuals who have dared to make a difference, whether our founders William Parsons and Henry Brinckerhoff or locally Patrick Pay-Poy and Doug Kneebone. They were leaders within PB, providing vision and foresight. In 1898-1899, Parsons charted the course of a 900-mile railway from Hankow (Wuhan) to Canton (Guangzhou), and from this experience predicted the development of China as a world-leading economy. We continue his legacy today and strive to be at the forefront of innovative and significant projects. Our heritage continues to set us in good stead for our future.

**Dr Jim Mantle**  
Managing Director  
Parsons Brinckerhoff  
Australia-Pacific

## Backcasting to the future



'Backcasting' is a strategic approach to solving complex problems. It begins with defining the intended outcome and follows by breaking the challenge down into a series of concrete steps. A road map is then created to achieve the original vision. It is a method that can facilitate truly innovative and valuable outcomes.

'Backcasting' is the approach that we used when I came on board as the Director of Sustainability. The vision was that sustainability would be integrated into the organisation to such an extent that the position of Director of Sustainability would no longer be necessary. As unusual as it is to be in a job that you hope to make redundant, that is what I undertook to achieve. It was a complex problem that needed an innovative approach and a point of assessment.

Over the past three years, programs and initiatives have been set up that weave sustainability into the systems and procedures PB uses on day-to-day business. Some of the initiatives include the ongoing commitment for PB to be carbon neutral, and creating the PB-CUSP Alliance. This Alliance makes research available for application to projects, but with a sustainability focus, and always relevant to the business. We have also created a corporate responsibility program that aligns with PB's values, skills and clients, became a signatory to the UN Global Compact, and report and reflect on our activities using the GRI. Importantly, we also developed an education program to increase the sustainability capability within the organisation.

Accordingly, while I am still a conduit to raise sustainability issues at the highest level in the organisation, other Directors have also taken on this role. This aligns with the vision I had for embedding sustainability into PB.

While there is still work to be done, much of what I set out to do is now complete and PB-AP is in good shape. Our people and our clients are growing in the value that sustainability brings to the organisation, projects and society generally.

This is a period of transition for sustainability in PB, as we move from a traditional structural approach to a more systemic one. This is what is needed to create a sustainable PB and an organisation that creates sustainable outcomes for all. As part of Asia, Australia-Pacific, and Southern Africa (AAPSA), PB-AP has the opportunity to influence the development of sustainability in PB in a new region. It is an exciting opportunity that will be approached with the success of PB-AP's sustainability efforts in mind.

**Darren Bilsborough**  
Director of Sustainability  
Parsons Brinckerhoff  
Australia-Pacific



## Our future

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*Every act we commit, no matter how trifling, and every word we speak has some effect for good or evil, and what we do or say is done or said for all time.*”

~ William Barclay Parsons, June 1921  
Speech to the graduating class of Trinity College, Connecticut



In 2011, PB A-P will operate as part of the AAPSA operating company. PB A-P is a significant player in this greater region.

As a leader in sustainability and sustainability reporting, PB A-P is in a position to effectively guide sustainability in AAPSA, sharing the philosophy and applying the principles internally to the organisation and externally to clients and on projects. PB A-P has developed an understanding of sustainability and the potential to positively contribute to the sustainable evolution of the wider business. For this reason, the PB A-P region carries a greater responsibility to lead by example — and to ensure every act and every word spoken is a model for sustainability best practice.

As President and Chief Operating Officer of AAPSA, I have defined three indicators that I believe will lead AAPSA to be a healthy, sustainable business — growth, profitability and value proposition. To my mind, these areas are interrelated and play an integral role in the sustainability of AAPSA.

### Growth

As a professional services company, one of the reasons PB A-P does what it does is to influence and shape the sustainable development of infrastructure in emerging and developing economies. In 2011 and beyond, PB A-P will be playing a much greater role in AAPSA, working with our colleagues and clients across the region, influencing and supporting growth through the design and delivery of sustainable infrastructure.

### Profitability

I believe sustainability is key to profitability. By this I refer to efficiency measures, both internally and externally, and more broadly as a fundamental approach to financial management. An efficient company, founded on solid principles and values, will add greater value through its people and delivery to clients.

### Value proposition

Growth plus profitability, guided by a sustainability framework, will ensure the company's long-term health and will do so in the context of creating a viable future for PB, our clients and ultimately for society.

I have had a long association with the company in Australia from its origins as Pak Poy & Kneebone (PPK). For many decades, I have also been an advocate for sustainability in the organisation and see this as not only an opportunity, but an obligation to best apply our many professional skills. When I look to the future, sustainability in PB A-P and across AAPSA, helping to influence and create sustainable infrastructure, clearly has a lasting legacy for our business and will benefit the communities in which we operate.

### Stuart Glenn

Chief Operating Officer and President Parsons Brinckerhoff Asia, Australia-Pacific and Southern Africa