

www.eowa.gov.au

# **Public Report Form**

(Workplace program reports are due between 1 April and 31 May annually)

## General Information

EOWA compliance reports document the results of an active workplace program designed to eliminate barriers for women in Australian workplaces.

The Public Report Form is a suggested format for writing your program report. Program reports can be submitted in a different format so long as the same information is included.

#### When writing your EOWA Report:

- To be compliant with the Equal Opportunity for Women in the Workplace Act 1999, information needs to be provided under EACH of the six steps listed in the Public Report Form.
- Hyperlinks to documents/tools that provide further information specific to that particular part of the program/report are included to the right of each Step's header.
- Summarise your information bullet points are acceptable.
- Confirm your details by completing **ALL** fields of the Organisational Details Cover Sheet included. This will not form part of your public report.
- For further assistance, refer to <u>The Quick Guide To Reporting</u> or call one of EOWA's Client Consultants on (02) 9448 8500.

#### Please keep in mind the following:

- It is not necessary to provide us with written organisational policies.
- In accordance with the Privacy Act 1988, individuals must not be named in your Public Report as it is a public document and will be published on EOWA's website.
- Reports are accepted by EOWA as a true and accurate record and as HAVING BEEN APPROVED BY THE CEO/MANAGING DIRECTOR. The CEO's electronic signature is NOT required.

## Submitting Your Report

- Please **EMAIL** your report in **Word** or **RTF** format to <u>reportforms@eowa.gov.au</u>.
- Note that reports lodged via email will receive automatic electronic acknowledgement. If you do not receive this automatic reply, contact EOWA on (02) 9448 8500.
- For those employers without access to email, post your report to: The Equal Opportunity for Women in the Workplace Agency, PO Box 712, NORTH SYDNEY NSW 2059.

## **Organisational Details Cover Sheet**

## To be completed and attached to EACH REPORT and APPLICATION

(This information is confidential and will be removed from any Public Report)

1. ORGANISATIO	ON'S DET	AILS										
Legal name of your organisation: (if changed since last report, complete changes in Section 2 below)				Downer EDI Limited								
Trading name (if applicable):												
Total No. of employees:				22,000 (global)		ABN:	97 003 872	848				
ASX Codes for Orgs list	ed on Aust	Stock Excha	inge									
ANZSIC Code AND Industry Description (refer www.abs.gov.au):				Please see overleaf								
Postal address:	PO Box 1823, NORTH RYDE			Ē	State:	NSW	Postcode :	2113	3			
	Switchl	ooard No:	02 9	9468 9700	Facsir	nile No:	02 9813 89	15				
Physical address:	Triniti 3, Le		Busir	ness Campus, 39 Delhi Road,		State:	NSW	Postcode :	2113	3		
2. CONFIRM YO	UR ORGA	NISATIO	N'S	HIERARCHY DETAILS	S BY C	OMPL	ETING BE	LOW				
Name of the ultimate AUSTRALIAN Parent Company for your organisation/s?:			Dov	owner EDI Limited								
List ALL organisations												
(if too many to list here, padocument):	lease attach	a separate										
Have there been chang	ges to ANY	of your orga	anisa	ations since your last report	t? (If ye	s, detail	below):	YES	NO	Х		
Reason For Change				Previous Org Name New (Current) Org Name								
a) Change of Name:												
		Org Name Name & Contact Details of New Own							er			
b) Sold:												
	Org Name											
c) Ceased Trading:												
c) Ceased Trading.												
3. CONTACT INF	ORMATI	ON										
		CEO Details				Report Contact Details						
Title (eg Ms, Mr, Dr etc):			Mr			Mrs						
Family Name:				Fenn		Carol						
First Name:				Grant		Brown						
Job Title:						Group Manager – Resourcing, Talent & Diversity						
Telephone:				Chief Executive Officer	(	Group Ma	nager – Reso	urcing, Tale	nt & DIV			
reieprione.			(	Chief Executive Officer 02 9468 9700	(	Group Ma		urcing, Tale 68 9700	nt & DIV	0.0.1		
Facsimile:			(		(	Group Ma	02 946		nt & DIV			
	or CEO):			02 9468 9700	(	·	02 946	68 9700 13 8915				

EOWA may send your company non-reporting related material from other organisations for the sole purpose of notifying you of relevant equal opportunity information such as lectures, events, programs or publications. If you DO NOT want EOWA to send your Report Contact or CEO this information please advise EOWA by email at <a href="mailto:eowa@eowa.gov.au">eowa@eowa.gov.au</a> or by phone on (02) 9448 8500.

List ALL organisations covered in this Report: (if too many to list here, please attach a separate document):	Downer EDI Limited - (ultimate parent company and reporting entity)  CPG Australia Pty Ltd  Downer EDI Engineering Group Pty Ltd reporting for  Downer EDI Energy Systems Pty Ltd  Downer EDI Engineering Electrical Pty Ltd  Downer EDI Engineering Power Pty Ltd  Downer EDI Engineering Projects Pty Ltd  Downer EDI Engineering Pty Ltd  Downer EDI Limited reporting for  Downer EDI Services Pty Ltd  Downer EDI Mining Pty Ltd reporting for  Downer EDI Rail Pty Ltd  Snowden Mining Industry Consultants Pty Ltd reporting for  Snowden Technologies Pty Ltd
---	---

Downer Entity	ANZSIC Code & Industry Description
CPG Australia Pty Ltd and Snowden Mining Industry Consultants Pty Ltd	Division M Professional, Scientific and Technical Services Subdivision 69 Professional, Scientific and Technical Services (except computer system design and related services Group 692 Architectural, Engineering and Technical Services Class 6923 Engineering Design and Engineering Consulting Services
Downer EDI Engineering Pty Ltd	Division J Information media and Telecommunications Subdivision 58 Telecommunications Services Group 580 Telecommunications Services Class 5801 Wired Telecommunications Network Operation  Division M Professional, Scientific and Technical Services Subdivision 69 Professional, Scientific and Technical Services Group 692 Architectural, Engineering and Technical Services Class 6923 Engineering Design and Engineering Consulting Services
Downer EDI Mining Pty Ltd	Division B-Mining; Subdivision 06 COAL MINING Group 060 COAL MINING Class 0600 Coal Mining
Downer EDI Rail Pty Ltd Downer EDI Works Pty Ltd	Class 2393 Railway Rolling Stock Manufacturing and Repair Service Division E Construction; 3109 Other Heavy and Civil Engineering Construction; Class 3101 Road and Bridge Construction

### **STEP 1: WORKPLACE PROFILE**

#### Enter data on the composition of your workforce as instructed below:

- 1. If needed, additional rows can be added to the workplace profile to reflect accurately the additional/different roles within your organisation.
- 2. Your workplace profile data should be no earlier than October prior to the beginning of the reporting period.
- 3. Please insert your Workplace Profile below from:
  - i) our industry-relevant Microsoft Excel Spreadsheets which you can obtain from our website, or
  - ii) from your own table or spreadsheet (refer table below as a guide).
- 4. Please note confidential salary information will be removed from the public document.
- 5. To enable accurate comparisons, annualise the part-time and casual salaries.

	Women (no.)		Men (no.)		Casual (by gender)		Total staff no.	% (by gender)		Average salary (per job family)	
Job family	Full-time	Part-time	Full-time	Part-time	Women	Men		Women	Men	Women	Men
Senior management / executive	5	0	72	0	0	1	78	6	94	280,892	358,271
Management	49	2	589	4	2	1	646	8	92	145,142	161,596
Operations management / senior specialist	42	7	727	1	1	11	788	6	94	132,717	145,357
Professional	205	29	1222	8	22	141	1627	16	84	98,460	121,446
Support	629	57	376	4	74	28	1129	67	36	59,686	83,988
Graduate	21	1	86	1	7	30	146	20	80	59,097	67,972
Blue-collar	341	4	8422	8	63	317	9155	4	96	70,753	63,972
TOTAL	1,292	100	11,494	26	169	529	13,569	11%	89%	74,876	82,816

#### STEP 2: ANALYSIS

<u>Developing a Workplace Program - Step 2</u> <u>Workplace Analysis Tool Kit</u> <u>Employment Matter Guidelines</u>

Using as much space as required, describe the analysis you undertook during the reporting year to identify equal opportunity issues for women. You MUST provide information on the following areas:

a. How did you **CONSULT** with staff to identify issues for women in your workplace across the seven employment matters listed below (eg conducted surveys, focus groups, EO committee etc)?

\*NOTE: enclosed 2011 report – Downer has historically submitted separate divisional reports to EOWA which outline Divisional statistics, trends and issues. In keeping with the overall "One Downer" strategy, we are for the first time submitting a consolidated report which provides information which has been collated and consolidated across the organisation. As we have no Downer-wide HRIS system, the collection of data is complex and at times a manual process. As such, we have attempted to represent the data as it exists across the Group, with the caveat that in some divisions there will be anomalies as well as initiatives/practices which exist, that are not reflected across the Group. Where this is the case, we have highlighted some indicative areas. There is also a level of detail which sits behind the findings as set out in this report, which we are happy to disclose should there be a requirement.

We have a number of ways in which Downer employees were consulted in the reporting period. These include :

- ➤ 13 focus groups conducted (in November 2010) by Mercer (6 groups of managers, 7 groups of employees), approximately 150 staff represented a cross-section of employee types, ages, gender
- Audit conducted in November 2010 (reward focus) of current policies/practices in place
- Full-day "EOWA data collection" workshop held (for the purpose of producing this report)
- Monthly consultation and communication (structured meetings) with divisional HR leads for views on diversity, HR organisational structure and other general HR matters
- Consultation with Executive Leadership Team & Board resulting in request to set targets relating to diversity
- Views on perceived equity at Downer are obtained from employees via exit interviews, albeit on an ad hoc basis.
- ➤ EAP services provide statistical information on work related issues (for example, bullying, discrimination)
- reporting procedures under Downer's Business Integrity Policy provide anonymous escalation of work related issues
- b. What other **means of analysis** did you use to identify issues for women (eg workplace profile, HR statistics re turnover trends, etc)?
  - The completion of workforce statistics in the workplace profile (page 1 of this report) have highlighted the following findings:

<u>Total workforce – 13,569 staff</u> (In Australia)

- gender breakdown & average salary, 89% male (\$82,816), 11% female (\$74,876) 'White collar' only 4,414 staff
- gender breakdown & average salary, 67% male (\$132,732), 33% female (\$76,335) 'Blue collar' only – 9,155 staff
- gender breakdown & average salary, 96% male (\$63,972), 4% female (\$70,753) Management roles 78 staff

Less than 3% of all females are in management roles (average salary \$280,892), compared

with 6% of all males (average salary \$358,271)

- We have also conducted a remuneration benchmarking exercise of roles / salaries by gender for a sample of 'white collar' roles in order to determine whether any disparity exists in pay rates between male and female employees. This confirmed that a difference existed and will be the subject of further analysis. We note that at a superficial level 'blue collar' roles have higher salaries for women, but the percentage of women is very small.
- Regular reporting produced from Page Up (internal e-recruitment Software) provides data on the application rate by gender, as well as the ratio of interviews to hires by gender. These reports are pulled regularly and analysed by the business, with a view to determining what strategies or interventions are required to address gender equity issues.
- > There is no pattern indicating that there is increased use of casual work for women.

#### c. Under the seven Employment matters below:

 From the analysis and consultation outlined above, summarise the policies and business practices your organisation has in place for all staff and for women that are either aimed at or have resulted in contributing to equal opportunity

#### and

ii) Document what were the ISSUES YOU IDENTIFIED FOR WOMEN in your workplace during the reporting period (if no issues were identified, you will need to demonstrate through your analysis how you arrived at that conclusion)

#### **Employment Matter 1: Recruitment & Selection**

(Consider – did you recruit any staff? How did you recruit? Do you include an EEO statement in your recruitment advertising? Did you recruit any women and if so did you appoint women to non-traditional roles?)

Downer subscribes to EEO employment practices and all HR policies and procedures are designed to ensure an equitable and discrimination free process. This is the stated intent in a number of policy documents and process frameworks. Through the implementation of our e-recruitment tool (during the reporting period) we are now in a position to provide in-depth reporting on applicant activity by gender which we have outlined below. In addition to this, the vast majority of our hiring managers are provided with EEO compliant training on equitable recruitment practices either internally, externally or via online learning and are advised to hire on merit.

The information below reflects the applicant activity by gender in the reporting period :

- > The overall gender demographic across Downer is 11% female, 89% male
- > The total number of job applicants over the reporting period were 20% female, 80% male
- ➤ 2.6% (46 of 1,722) of females who applied for a position were offered a role, compared with 3.9% (273 of 7,058) of males. This needs further analysis and will be the subject of attention in the next reporting period refer comments below.
- ➤ Production Operators (blue collar) roles are traditionally filled (100%) by males throughout the reporting period of the 142 Production Operators hired, 13% were female
- > Downer's Board comprises one female member (of a total of six members)
- Downer's executive team comprises of 5 female members (of a total of 78)

While Downer has to date subscribed to EEO practices, we recognise that we have not as yet focussed on developing a recruitment strategy specifically aimed at improving the number of female applicants for Downer roles. We have however recently taken a number of steps to promote Downer to the female workforce (for example, having female employees attend

University and off-shore career fairs to highlight the opportunities open to female applicants, as well as ensuring that recruitment advertising has images of women to promote opportunities). However, we recognise there is more that can be done and the workplace analysis reinforces our opportunities around this.

Having recently appointed a focal head for Diversity in the organisation (Group Manager – Resourcing, Talent & Diversity) we are currently undertaking a review of recruitment practices and policies with the aim of placing a stronger focus on targeting female applicants to apply for key positions within Downer. There are a number of key areas within the existing recruitment workflow which provide opportunities for improvement and these will be targeted during the next reporting period (for example, the ratio of applications to hires by gender).

#### **Employment Matter 2: Promotion, Transfer & Termination**

(Consider – during the reporting period, did you promote/transfer any staff? To what types of roles? Were any women promoted/transferred? Did any staff leave your organisation? Did any women leave your organisation? Do you conduct exit interviews? How many men and women had the opportunity to act in higher positions? etc)

The aforementioned absence of a group-wide HR Information System (HRIS) means that it is difficult to access data relating to numbers of promotions and transfer opportunities within the organisation. While Downer is committed to providing internal opportunities for promotion within the organisation, it is unclear as to how many such promotions and/or transfers occurred within the reporting period across the Group, and also unclear as to the gender split for this activity.

With the implementation of Page Up, we now have a policy that all current vacancies must be advertised on our Corporate website, which are accessible through the Group intranet (for current employees) and the Group website (for external applicants). This means that we have an equitable process for internal employees to have access to, view and apply for any roles within the Downer Group. While this provides an equitable platform for all employees to apply for roles, we are not specifically able to capture whether these roles represent promotions within this system. We will be unable to capture this data until we have implemented a group-wide HRIS system.

Throughout the reporting period, 13% of internal job applicants were female, 87% male, while 20% of external applicants were female and 80% male. These statistics would appear to indicate that fewer women than men are accessing and taking up internal opportunities within Downer and it is logical to assume that this applies to promotional opportunities as well.

A recent focus group survey across different parts of the business (conducted by Mercer) indicates that the top reason that employees are attracted to Downer is due to its size and global career opportunities. However, employees are generally disappointed that once they join the organisation, opportunities to work across divisions and geographies are not readily available. The recent implementation of Page Up has gone some way to address this issue.

#### Staff turnover

Exit interviews are conducted with departing employees throughout the Downer Group. In some divisions these are done in hard copy and the data is then collated and distributed to Managers for further action. In others, there is an electronic process and a summary of the discussion is shared between HR and line management to action as appropriate.

While we are able to collate trends in reasons for leaving through this data, we are not as

yet able to split this data by gender. Once again, with a group-wide HRIS system, we may be able to provide this level of detail.

During the reporting period, we have been able to provide the following detail:

Turnover rates (salaried employees only) across the organisation indicate the rate for females as generally 10% higher than that of males.

This would indicate that while we are not only recruiting fewer women than men, we are also losing women at a higher rate than men. This will be a key focus for HR going forward, and every attempt will be made to understand more fully the drivers for this anomaly.

#### **Employment Matter 3: Training & Development**

(Consider – during the reporting period, did you provide any training or professional development? How many staff participated? What percentage were women? Do you have a formal mentoring and/or succession planning program in place? etc)

All Downer employees participate in a formal induction or on-boarding process when they join the Downer Group. The nature of the induction process varies between divisions and also depends on the requirements of the role. Some divisions have an on-line and automated induction process, which then feeds into a training database which captures the attendance and completion rate. In other divisions, the process is less automated, with Managers following a checklist provided by HR. Irrespective of the process, the content of the induction programme includes principles of workplace behaviour and EEO as well as details on our Employee Assistance Programme (EAP).

Downer has recently introduced a group-wide performance management process, which is being rolled out across all divisions. The aim of the process is to align not only the process for performance management across the group, but also the timeframes for review and objective setting. Historically each division has undertaken its own process for performance reviews with varying levels of automation.

Individual training plans are derived from these performance reviews. Access to training is equally available to all staff, irrespective of gender, however most of the training is focussed on the operational side of the business and there are also some limits on access to training due to budget constraints.

While formal performance review processes are in place, a number of employees have indicated that it is not clear to them how their performance impacts on salary reviews and there is some work being undertaken currently to better define the objectives around the performance management process.

#### Training & Development

Downer is a very diverse organisation, and as such training and development requirements vary considerably across the Group. In an attempt to capture the breadth of training and development across the organisation, we have commissioned the services of Vocational Education & Training (VET Australia) to conduct an audit of all the training offered by the organisation. This work is due to be completed during the next reporting period and will provide more detail to be included in the next EOWA report.

A key success for Downer has been the Leadership Development training which has been developed and is run by the GM-Organisational Development (a female). The course is a highly-regarded internal 12-day leadership course (held off-site and during working hours).

The participation rate for females (within Australia) is 13% (of 92 attendees). Outside of Australia, attendance rate for females jumps to 25%.

From the Mercer survey conducted during this reporting period, it became apparent that females value promotional and learning opportunities as more important than their male counterparts, and this provides us with an opportunity for improvement in attracting and engaging the female workforce into our organisation.

To date, Downer has not developed or participated in any gender specific training (whether male or female) and this may be a consideration going forward.

#### **Employment Matter 4: Work Organisation**

(Consider – during the reporting period, did you provide flexible work options for staff eg flexible start/finish times, quality part-time, job-sharing, compressed hours, phased retirement etc)

Across the Group, a total of 6% of our workforce are either part-time or casual. In addition to this, a total of 17% of our female employees are either part-time or casual, compared with 5% for our male workforce. This suggests that flexibility appears to be focussed predominantly around childcare issues although we have no data as to the reasons that flexibility is requested.

Most divisions subscribe to flexible work practices which vary considerably in application. While we have no formalised policies in place regarding the nature and application of flexible work practices (ie. work from home, alternate start and finish times), they do exist and are supported on an 'as needs' basis. Individual arrangements are made between an employee and their manager, usually with some consultation with HR.

Anecdotal feedback received from employee focus groups indicate that flexible work practices are a key feature of the Downer workplace and in fact an aspect of working here that both attracts and engages our workforce. However, the issue with having no formal policies in place means that many employees are not aware that this type of flexibility is available to them. This naturally impacts the uptake of these practices

Where figures were provided about employees with these types of arrangements, generally it was 2-5% of staff.

While less than 1% of employees are involved in a job-share arrangement, it appears to work well when in place. An example of such an arrangement is the female dump-truck drivers in the Mining division who share an 8 hour shift, split between "school hours" and "after hours".

#### **Employment Matter 5: Conditions of Service**

(Consider – during the reporting period, did you review and/or revise any of the conditions of service for staff? Did you undertake a pay equity review? etc)

Across the Group, all conditions of service (ie. leave entitlements, allowances, benefits available) are the same for both males and females. There is currently no paid overtime for salaried staff employees, while wages employees are paid overtime as part of their Enterprise Bargaining Agreements (EBAs) which makes no distinction between male and female conditions of service. There are a total of 137 EBAs in place across the organisation, covering some 8,800 employees. Each agreement contains specific conditions of service which are not gender biased.

In addition to this, all employees on parental leave are included in the salary review process and any revised salary adjustments are applied upon their return to work.

Part-time employees have the same conditions of service as full-time employees, but on a pro rata basis for leave entitlements. Rates for casual employees are on a similar basis but loaded for leave entitlements to ensure conditions are comparable.

There does however appear to be a disparity in the overall rates of pay by gender, indicated by the following points. This will be the subject of further analysis in the next reporting period.

Of the total number of female employees, 48% (760) of these are employed in support roles. Only 3% (408) of male employees are employed in support roles. Within this group, the average salary for women is \$59,686, which is significantly lower than for males in support roles which is \$83,988.

Benchmarking of roles (mid-senior level management) conducted by Mercer (November 2010) highlighted that men were paid on average 10% higher than females in similar roles.

#### **Employment Matter 6: Sex-based Harassment**

(Consider – during the reporting period, did you communicate your harassment policy to staff? Did you revise your policy and/or procedures to reflect changes in your environment? Are all staff aware of the grievance handling procedures? Were there any complaints? If so, were they successfully handled? etc)

There are a number of policies and processes within the Downer group which deal with sex based harassment. These include EEO and harassment policy statements which are provided to staff upon commencement of employment and are available on the Downer intranet for easy reference. These policies are also distributed on all noticeboards at sites and in the various divisional and site offices. In certain divisions, EEO and workplace behaviour presentations are conducted annually, which outline the requirements of EEO principles. Contact and Investigation Officers are in place and are formally trained to act as facilitators for employees who have any issues in this regard. There are a number of female Officers to ensure access by female employees.

For example, within our Works division, there are a number of e-learning programs which reinforce acceptable conduct and behaviour in the workforce. These include a Code of Conduct (supported by a handbook and e-learning awareness module) and Conduct & Behaviour, an e-learning module offered to all staff on commencement of employment. These also form part of the annual re-induction program, which all staff are required to participate in. The content of this module covers discrimination, bullying and harassment,

how to identify discrimination and specific types of discrimination (sex, age, race etc.). In addition, our Rail division has engaged an external provider (Drake) to assist in undertaking training about bullying and harassment to all staff.

Downer has recently implemented a new Group-wide code of conduct, the Standards of Business Conduct. The Standards of Business Conduct sets out Downer Values and outlines the behaviours we expect from our people. The Standards of Business Conduct is accessible by staff via the Group intranet and the Downer website. Staff who work remotely or do not have intranet/internet access receive hard copies of the Standards of Business Conduct. Downer also has an Employee Assistance Program (EAP) in place, where employees can receive counselling/support for any workplace or personal problems. In the reporting period, 27% of employees utilising this service were female and 50% of the issues (total) were related to perceived 'discrimination, harassment and bullying' (compared with 35% for other organisations). This indicates that there may be a need to focus on more education around sex discrimination in general.

Downer also has a Business Integrity Policy pursuant to which employees and contractors may make anonymous reports about actual or perceived breaches of Downer policy or misconduct. Downer has engaged an external provider to receive and review these reports and employees may make a report in a number of ways. Of the 19 reports received during this reporting period, six related to sexual harassment.

#### **Employment Matter 7: Pregnancy, Potential Pregnancy & Breastfeeding**

(Consider – do you have a parental leave policy in place? During the reporting period did you have any staff commence or return from parental leave? Do women returning to work from parental leave have access to breastfeeding facilities, have the opportunity to return on a flexible basis? How many staff resigned on the completion of parental leave? etc)

In the absence of a group-wide HRIS system, we do not have access to data on how many women return to work after parental leave and how many of these have returned on a flexible basis. However, anecdotally, a large number of women who do return to work after parental leave, do so in a part-time capacity (at least to start with) and some then gradually build up to full-time hours. Generally issues of flexibility are dealt with on a case by case basis.

At present, we do not have breastfeeding facilities within Downer offices.

#### Parental leave

The majority of divisions do not offer paid parental leave other than the government statutory leave provisions. Paid parental leave (in addition to statutory obligations) is available to only 5% of Downer staff (within one small division).

We are now addressing this issue and a proposal has been tabled with the Executive to introduce some level of paid parental leave as from 1 July 2011. This is not an area that was specifically addressed in Mercer's survey, however due to lack of any formalised documentation it would be fair to say that Downer rates poorly in this area.

Based on figures from the past 12 months, approximately 3% of female employees went on maternity leave throughout the reporting period.

A childcare centre is co-located at the Group's head office in Australia, but no communication by company regarding any special rates/deals. This presents an opportunity for Downer to communicate more effectively going forward.

#### STEP 3: ISSUES PRIORITISED

From your analysis in Step 2 above, list the **PRIORITY ISSUES** you identified for actioning during the reporting period.

#### General Diversity Matters:

During this reporting period, we recognised that Downer as a group needs to understand the demographic of the organisation when it comes to gender, age group and culture mix. We also recognised that we needed to appoint a focal point for diversity in the organisation, in order to drive more strategic initiatives around gender.

These two actions will enable us to develop a more strategic approach to diversity which would help position us to approach diversity from not only a legislative perspective, but also from a commercial and social responsibility viewpoint.

Following on from this analysis, it was our intent to then develop a Diversity and Inclusiveness policy, which has now been done. The policy serves to reinforce the overall strategic direction of the Group and will be integrated into business practice in a meaningful and sustainable way.

#### **Employment matter 1: Recruitment & Selection**

After an initial analysis was conducted across the organisation on recruitment processes, policies and procedures, a decision was made to implement a Downer-wide e-recruitment tool (Page Up) in order to standardise recruitment across the Group and provide an equitable platform for both internal and external candidates to access job opportunities across our divisions and geographies. In July 2010, Page Up was rolled out across the organisation and is now used to support all recruitment across the Downer group.

#### Employment matter 2: Promotion, Transfer & Termination

A business case has been developed to implement a Downer-wide HRIS system in order to support the business to manage all HR related information across the business and provide the wider group with meaningful data on which to base strategic decision making.

A project has now been scoped out to implement a group-wide HRIS system across the Downer Group. It is anticipated that the implementation will take approximately 2 years.

#### Employment matter 3: Training & Development

Downer has commissioned VET Australia to conduct an audit on all training and development programmes and initiatives across the business. This will give us an opportunity to understand the nature and content of training programmes and also do a gap analysis to determine where there are opportunities for improvement.

There is also a drive to progressively standardise processes across the Group, to ensure consistency in delivery, manage risk and improve accessibility of training for all staff.

# **Employment matter 4: Work Organisation** Downer commissioned Mercer to conduct an analysis across the Group about what attracted people to their roles and what keeps them engaged, as part of a wider remuneration analysis. This analysis was conducted across New Zealand and Australia and the information was then split by geography and gender, which provided us with an opportunity to differentiate the EVPs by gender and location. The findings show that although there is evidence of flexible work practices across the Group, these are documented or formalised and not all staff are aware of these options. Employment matter 5 : Conditions of Service In keeping with the overall "One Downer" strategy, work has commenced on identification of priority areas for developing more consistency across the Group and approaches which will encourage more women to join and stay with Downer.

#### STEP 4: ACTIONS TAKEN

List the **ACTIONS TAKEN** during the reporting period to address the priority issues identified in Step 3 above. le. what did we do in the last 12 months

#### **General Diversity Issues:**

Having appointed a focal point for diversity at the beginning of February 2011 (GM – Resourcing, Talent & Diversity), we have recently also tabled a Diversity and Inclusiveness Policy document with the Board, which has been signed off. This is the first strategic step for Downer in creating a platform and a focus for gender diversity in the organisation and forms the framework for the development of our diversity programme going forward.

In addition to this, we are currently convening a Diversity Committee with Senior Management representatives across the organisation. The first meeting of the Committee is planned for June 2011. The purpose of the Diversity Committee is to champion diversity initiatives across the business and to act as a sounding board to ensure that all proposed initiatives gain traction and add value to operational outcomes in the business.

#### Employment matter 1: Recruitment & Selection

Implementation of e-recruitment tool (Page Up) to ensure an equitable, measurable and best practice recruitment process across the Group which subscribes to EEO principles.

#### Employment matter 2: Promotion, Transfer & Termination

Scoping out of a Group-wide HRIS system to support the collection of HR data and statistics across the business and act as an enabler for all people strategies across the group (for example, performance management, succession planning, payroll etc).

We have also recently rolled out a draft Group-wide performance management review process, which is being trialled across the business. The intention is that by 2012, we will have a consistent and Group-wide process embedded in the business.

#### Employment matter 3: Training & Development

An audit on current training and development programmes across the Group is being conducted by VET Australia. This will provide us with valuable information on where the opportunities are for improvement and also where there is best practice training which can be rolled out further within the group (for example, leadership development training).

#### Employment matter 4: Work Organisation

Mercer focus groups conducted across the business identified that there are similarities between the EVPs for male and female staff, with the main exception being a differential in average pay rates between the two genders of approximately 10%.

#### Employment matter 5 : Conditions of Service

Downer has recently created a role to focus on Group reward and human resource policies to build consistency of approach across the Group and address issues that may affect women candidates and employees of Downer. It is expected that this initiative will result in the identification of priorities for future action.

During the reporting period, **HOW EFFECTIVE WERE THE ACTIONS TAKEN** as documented in Step 4 above to address issues for women in your workplace? That is, what worked, and what didn't?

- This section is required to be submitted but may be kept confidential (by EOWA removing it from the Public Report once assessed)
- Please indicate if you wish your **Evaluation** to be removed from the Public Report by placing an 'X' in the box to the right



#### Evaluation of actions taken during current reporting period :

With the implementation of Page Up, we now have a framework for supporting a standardised process for recruitment across the group which not only subscribes to EEO policies, but provides us with quality reports on candidate behaviour and conversion ratios by gender split. This system has provided Downer with a very strong framework to support an equitable recruitment process for all job applicants.

While it is clear that Downer subscribes to EEO policies with regards to the attraction, recruitment and selection of talent, we have to date not focussed on specifically targeting female applicants into roles.

Work has started to scope out a Group-wide HRIS system which will go some way in improving our ability to collect data on people within our business and analyse information in a way that supports our Diversity objectives. Without the benefit of a current system however, we are at present not able to capture exit information across the Group. With the exit interview data captured through the current termination process, we have a starting point to try to understand what the drivers are for turnover by gender.

Given that we estimate the discrepancy in turnover between male and female employees to be 10%, a key priority for us during the next reporting period will be to seek to understand what the key drivers are for women exiting the organisation and at what stage of their career they are doing so.

To further achieve equal opportunity for women in your workplace, describe the actions you are planning for the next reporting period.

<u>During the next reporting period, the following actions are planned:</u>

We recognise the need to implement strategies which will enhance our ability to introduce value propositions which will appeal more to female employees and as such have the following strategies planned for the next reporting period:

- > Establish the Diversity Committee with regular meetings, outcomes and deliverables
- Develop a Downer-wide Diversity strategy with a focus on Gender, Age and Indigenous People
- Review recruitment processes to ensure that the Employee Value Proposition, brand messaging, recruitment advertising and imagery, interviewing process, selection panel etc are conducive to attracting a higher number of female applicants
- ➤ Build a stronger diversity focus into the interview training for managers to ensure a higher level of awareness regarding gender
- ➤ Roll out a Group-wide performance management process which is aligned to individual development plans to ensure all staff have equal access to and visibility of training offered in the organisation.
- ➤ Enhance the parental leave cover for both genders